



TRANSSEC PROPRIETARY LIMITED (TO BE RENAMED TRANSSEC (RF) LIMITED)

*(Incorporated in South Africa as a company with limited liability under registration number
2012/209822/07)*

Issue of ZAR266 000 000 Class A2 Secured Floating Rate Notes due 14 June 2024

**Under its ZAR4 000 000 000 Asset Backed Note Programme, registered with the JSE Limited
on or about 5 June 2014.**

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

This Applicable Pricing Supplement must be read in conjunction with the Programme Memorandum issued by Transsec Proprietary Limited (to be renamed Transsec (RF) Limited) dated on or about 5 June 2014. To the extent that there is any conflict or inconsistency between the contents of this Applicable Pricing Supplement and the Programme Memorandum, the provisions of this Applicable Pricing Supplement shall prevail.

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

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

DESCRIPTION OF THE NOTES

1.	Issuer	Transsec Proprietary Limited (to be renamed Transsec (RF) Limited)
2.	Status and Class of the Notes	Secured Class A2 Notes
3.	Tranche number	1
4.	Series number	2
5.	Designated Class A Ranking	N/A
6.	Class A Principal Lock-Out	N/A
7.	Aggregate Principal Amount of this Tranche	ZAR266 000 000
8.	Issue Date(s)	5 June 2014
9.	Minimum Denomination per Note	ZAR1 000 000
10.	Specified Denomination (nominal amount per Note)	ZAR1 000 000
11.	Issue Price(s)	100%
12.	Applicable Business Day Convention	Modified following
13.	Interest Commencement Date(s)	5 June 2014
14.	Coupon Step-Up Date	14 June 2019
15.	Refinancing Period	The period from 14 April 2019 to 14 July 2019
16.	Scheduled Maturity Date	14 June 2019

17. Final Legal Maturity Date	14 June 2024
18. Final Redemption Date	in relation to this Tranche of Notes, the earlier of (i) the Final Legal Maturity Date; and (ii) the Redemption Date on which this Tranche of Notes is redeemed in full
19. Use of Proceeds	The net proceeds of the issue of this Tranche, together with the net proceeds from the issue of the Class A1 Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes together with the proceeds of the Subordinated Loan will be used to purchase the Initial Participating Assets.
20. Pre-Funding Amount	ZAR61 028 518
21. The date for purposes of paragraph (a) in the definition of "Revolving Period"	14 June 2015
22. Specified Currency	Rand
23. Set out the relevant description of any additional Conditions relating to the Notes	N/A

FIXED RATE NOTES

24. Fixed Coupon Rate	N/A
25. Interest Payment Date(s)	N/A
26. Interest Period(s)	N/A
27. Initial Broken Amount	N/A
28. Final Broken Amount	N/A

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|-----|---|-----|
| 29. | Coupon Step-Up Rate | N/A |
| 30. | Any other items relating to the particular method of calculating interest | N/A |

FLOATING RATE NOTES

- | | | |
|-----|--|---|
| 31. | Interest Payment Date(s) | 14 March, 14 June, 14 September and 14 December of each calendar year up until the Final Redemption Date. The first Interest Payment Date shall be 14 September 2014. |
| 32. | Interest Period(s) | The periods from 14 March to 13 June, 14 June to 13 September, 14 September to 13 December and 14 December to 13 March of each calendar year up until the Final Redemption Date. The first Interest Period shall be from the Interest Commencement Date up until 13 September 2014. |
| 33. | Manner in which the Rate of Interest is to be determined | Screen Rate Determination |
| 34. | Margin/Spread for the Coupon Rate | 1.70% per annum to be added to the relevant Reference Rate for the period from the Interest Commencement Date to but excluding the Coupon Step-Up Date. |
| 35. | Margin/Spread for the Coupon Step-Up Rate | 2.04% per annum to be added to the relevant Reference Rate for the period from the Coupon Step-Up Date to but excluding the Final Redemption Date. |
| 36. | If ISDA Determination | |
| | (a) Floating Rate Option | N/A |

- | | |
|-------------------------|-----|
| (b) Designated Maturity | N/A |
| (c) Reset Date(s) | N/A |
37. If Screen Determination
- | | |
|--|---|
| (a) Reference Rate (including relevant period by reference to which the Coupon Rate is to be calculated) | ZAR-JIBAR-SAFEX with designated maturity of 3 months |
| (b) Rate Determination Date(s) | 14 March, 14 June, 14 September and 14 December of each calendar year up until the Final Redemption Date. The first Rate Determination Date shall be 29 May 2014. |
| (c) Relevant Screen page and Reference Code | Reuters Screen SFXMM or any successor page |
38. If Coupon Rate to be calculated otherwise than by reference to the previous 2 sub-clauses above, insert basis for determining Coupon Rate/Margin/Fall back provisions
39. If different from the Calculation Agent, agent responsible for calculating amount of principal and interest
40. Any other terms relating to the particular method of calculating interest

OTHER NOTES

41. If the Notes are not Fixed Rate Notes or Floating Rate Notes, or if the Notes are a combination of the above and some other Note, set out the relevant description (including, if applicable, the identity of the reference entity in the case of a credit

linked Note) and any additional Conditions relating to such Notes

GENERAL

42.	Additional selling restrictions	N/A
43.	Covenants	N/A
44.	Events of Default	N/A
45.	Description of the underlying assets	Instalment Sale Agreements
46.	Whether the Notes are linked to another listed instrument and the name, code and ISIN of that instrument	N/A
47.	International Securities Numbering (ISIN)	ZAG000116476
48.	Stock Code	TRAA2
49.	Financial Exchange	JSE
50.	Dealer(s)	The Standard Bank of South Africa Limited
51.	Method of distribution	Auction
52.	Rating assigned to this Tranche of Notes (if any)	zaAAA (sf), with effect from the Issue Date
53.	Date the Rating was issued (if any) and the date it is up for review	Issued on the Issue Date and reviewed annually
54.	Rating Agency	Standard & Poors' Rating Services
55.	Governing Law	South Africa
56.	Last day to register	By 17h00 on 5 March, 5 June, 5 September and 5

	December for each calendar year up until the Final Redemption Date
57. Books closed period	The periods 6 March to 13 March, 6 June to 13 June, 6 September to 13 September and 6 December to 13 December for each calendar year up until the Final Redemption Date
58. Calculation Agent, if not the Servicer	The Standard Bank of South Africa Limited
59. Specified Office of the Calculation Agent	3 rd Floor, East Wing, 30 Baker Street, Rosebank, Johannesburg, 2001
60. Transfer Agent	The Standard Bank of South Africa Limited
61. Specified Office of the Transfer Agent	3 rd Floor, East Wing, 30 Baker Street, Rosebank, Johannesburg, 2001
62. Programme Limit	ZAR4 000 000 000
63. Aggregate Principal Amount Outstanding of Notes in issue on the Issue Date of this Tranche	ZAR0, excluding this Tranche of Notes and any other Tranche(s) of Notes to be issued on the Issue Date
64. Aggregate Principal Amount of Class A1 Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes to be issued simultaneously with this Tranche	ZAR399 000 000
65. Cash Reserve Required Amount	N/A
66. Definition: Class A Principal Lock-Out	N/A
67. Pre-Funding Period	The period commencing on the Issue Date to 14 September 2014
68. Other provisions	N/A

REPORT OF THE INDEPENDENT AUDITORS - SEE APPENDIX "A"

POOL DATA – SEE APPENDIX "B"

Application is hereby made to list this Tranche of the Notes on the Interest Rate Market of the JSE, as from 5 June 2014, pursuant to the Transsec Proprietary Limited (to be renamed Transsec (RF) Limited) Asset Backed Note Programme.

SIGNED at _____ this _____ day of June 2014

For and on behalf of

TRANSSEC PROPRIETARY LIMITED (TO BE RENAMED TRANSSEC (RF) LIMITED)
(“ISSUER”)

***This document was at Midrand by
Lorenzo Cardoso on 2 June 2014***

***This document was at Johannesburg by
Rishendrie Thanthony on 2 June 2014***

Name :

Name :

Capacity : Director

Capacity : Director

who warrants his/her authority hereto

who warrants his/her authority hereto

APPENDIX "A"

REPORT OF THE INDEPENDENT AUDITOR OF THE ISSUER

"INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF TRANSSEC PROPRIETARY LIMITED (TO BE RENAMED TRANSSEC (RF) LIMITED) ON COMPLIANCE OF THE PROPOSED ISSUE BY TRANSSEC PROPRIETARY LIMITED (TO BE RENAMED TRANSSEC (RF) LIMITED) (THE "ISSUER") OF UP TO ZAR4 000 000 000 SECURED NOTES PURSUANT TO THE ISSUER'S ZAR4 000 000 000 ASSET BACKED NOTE PROGRAMME AS DESCRIBED IN THE PROGRAMME MEMORANDUM DATED ON OR ABOUT 5 JUNE 2014, WITH THE RELEVANT PROVISIONS OF THE SECURITISATION REGULATIONS (GOVERNMENT NOTICE 2, GOVERNMENT GAZETTE 30628 OF 1 JANUARY 2008) ISSUED BY THE REGISTRAR OF BANKS, AS REQUIRED BY PARAGRAPHS 15(1)(a)(ii) and 16(2)(a)(vii) OF THE SAID NOTICE.

Introduction

As required by paragraphs 15(1)(a)(ii) and 16(2)(a)(vii) of the Securitisation Regulations (Government Notice 2, Government Gazette 30628 of 1 January 2008) issued by the Registrar of Banks (the "**Securitisation Regulations**"), we have reviewed whether or not the issue of up to ZAR4 000 000 000 secured Notes (the "**Notes**") by Transsec Proprietary Limited (to be renamed Transsec (RF) Limited) (the "**Issuer**") pursuant to the Issuer's ZAR4 000 000 000 Asset Backed Note Programme (the "**Programme**"), as documented in the Programme Memorandum dated on or about 5 June 2014 (the "**Programme Memorandum**"), and the conduct of the scheme as described in the Programme Memorandum, will be compliant with the relevant provisions of the Securitisation Regulations.

We conducted our work in accordance with International Standards on Assurance Engagements ISAE 3000 (*Assurance engagements other than audits or reviews of historical financial information*).

Compliance with the relevant provisions of the Securitisation Regulations is the responsibility of the Issuer. Our responsibility is to report on such compliance.

Scope

Our work was generally limited to an examination of the Programme Memorandum with regard to compliance with the relevant provisions of the Securitisation Regulations. It should be recognised that our work did not constitute an audit or a review and may not necessarily have revealed all material facts.

Findings

Based on our work described above, nothing has come to our attention which indicates that the Issuer will not be in compliance, in all material respects, with the relevant provisions of the Securitisation Regulations with regard to the proposed issue of the Notes pursuant to the Programme and the conduct of the scheme as described in the Programme Memorandum.

Our report is presented solely for the purpose set out in the first paragraph of the report and is not to be used for any other purpose.

Yours faithfully

Deloitte & Touche

Registered Auditors

Per [•]

Partner

[•]"

APPENDIX "B"

PARTICIPATING ASSET POOL DATA

Transsec (RF) Ltd - Pool Stratification

Information as at 29 May 2014

	Total portfolio	Premium	Entry Level
Portfolio amount (ZAR)	690 221 482	683 945 508	6 275 974
Average loan amount at origination (ZAR)	307 566	309 349	169 008
Average current loan amount (ZAR)	294 463	295 282	156 899
Number of loans	2 344	2 304	40
WA Margin above Prime	16%	16%	15%
WA original term (months)	68	58	58
WA residual term (months)	62	53	50
WA seasoning (months)	6	5	8

Loan amount at origination distribution

	Total portfolio		Premium		Entry Level	
	ZAR	%	ZAR	%	ZAR	%
0-100 000	78 319	0%	78 319	0%	-	0%
125 000-150 000	-	0%	-	0%	-	0%
150 000-175 000	515 877	0%	108 039	0%	407 838	6%
175 000-200 000	3 836 155	1%	134 364	0%	3 701 791	59%
200 000-225 000	2 035 886	0%	516 719	0%	1 519 167	24%
225 000-250 000	2 142 558	0%	2 142 558	0%	-	0%
250 000-275 000	3 322 638	0%	2 675 460	0%	647 178	10%
275 000-300 000	26 525 446	4%	26 525 446	4%	-	0%
300 000-325 000	233 623 888	34%	233 623 888	34%	-	0%
325 000-350 000	293 089 117	42%	293 089 117	43%	-	0%
≥350 000	125 051 597	18%	125 051 597	18%	-	0%
Total	690 221 482	100%	683 945 508	100%	6 275 974	100%

Current loan amount distribution

	Total portfolio		Premium		Entry Level	
	ZAR	%	ZAR	%	ZAR	%
0-100 000	71 722	0%	71 722	0%	-	0%
125 000-150 000	108 039	0%	108 039	0%	-	0%
150 000-175 000	2 366 904	0%	267 559	0%	2 099 346	33%
175 000-200 000	3 665 300	1%	325 675	0%	3 339 625	53%
200 000-225 000	2 091 811	0%	1 901 986	0%	189 825	3%
225 000-250 000	2 956 072	0%	2 537 021	0%	419 051	7%
250 000-275 000	19 808 109	3%	19 579 981	3%	228 128	4%
275 000-300 000	132 165 175	19%	132 165 175	19%	-	0%
300 000-325 000	216 447 237	31%	216 447 237	32%	-	0%
325 000-350 000	213 793 405	31%	213 793 405	31%	-	0%
≥350 000	96 747 707	14%	96 747 707	14%	-	0%
Total	690 221 482	100%	683 945 508	100%	6 275 974	100%

All in interest rate distribution

	Total portfolio		Premium		Entry Level	
	ZAR	%	ZAR	%	ZAR	%
0-5%	-	0%	-	0%	-	0%
5-10%	-	0%	-	0%	-	0%
10-15%	1 208 230	0%	1 208 230	0%	-	0%
15-20%	87 567 237	13%	87 567 237	13%	-	0%
20-25%	108 617 445	16%	105 123 090	15%	3 188 116	51%
25-30%	492 828 570	71%	490 046 951	72%	3 087 858	49%
30-35%	-	0%	-	0%	-	0%
Total	690 221 482	100%	683 945 508	100%	6 275 974	100%

Margin above prime rate distribution

	Total portfolio		Premium		Entry Level	
	ZAR	%	ZAR	%	ZAR	%
0-5%	-	0%	-	0%	-	0%
5-7%	2 292 140	0%	1 988 171	0%	-	0%
7-10%	66 445 127	10%	53 075 491	8%	-	0%
10-12%	94 694 540	14%	108 368 145	16%	-	0%
12-15%	26 889 627	4%	22 872 428	3%	3 188 116	51%
15-17%	7 377 081	1%	7 900 561	1%	-	0%
17%-20%	492 522 967	71%	489 740 712	72%	3 087 858	49%
Total	690 221 482	100%	683 945 508	100%	6 275 974	100%

Fixed/floating interest rate distribution

	Total portfolio		Premium		Entry Level	
	ZAR	%	ZAR	%	ZAR	%
Fixed	4 620 478	1%	4 308 480	1%	311 998	5%
Floating	685 601 005	99%	679 637 028	99%	5 963 976	95%
Total	690 221 482	100%	683 945 508	100%	6 275 974	100%

Original term of contract distribution

	Total portfolio		Premium		Entry Level	
	ZAR	%	ZAR	%	ZAR	%
0-12	-	0%	-	0%	-	0%
12-24	-	0%	-	0%	-	0%
24-36	186 358	0%	186 358	0%	-	0%
36-48	600 134	0%	600 134	0%	-	0%
48-60	13 813 365	2%	9 303 882	1%	4 509 483	72%
60-72	353 798 949	51%	352 032 458	51%	1 766 491	28%
72-84	321 822 676	47%	321 822 676	47%	-	0%
Total	690 221 482	100%	683 945 508	100%	6 275 974	100%

Residual term of contract (months) distribution

	Total portfolio		Premium		Entry Level	
	ZAR	%	ZAR	%	ZAR	%
0-12	-	0%	-	0%	-	0%
12-24	186 358	0%	186 358	0%	-	0%
24-36	234 949	0%	234 949	0%	-	0%
36-48	7 929 937	1%	6 807 345	1%	1 122 592	18%
48-60	172 575 874	25%	167 422 492	24%	5 153 382	82%
60-72	509 028 487	74%	509 028 487	74%	-	0%
72-84	265 878	0%	265 878	0%	-	0%
Total	690 221 482	100%	683 945 508	100%	6 275 974	100%

Seasoning (months) distribution

	Total portfolio		Premium		Entry Level	
	ZAR	%	ZAR	%	ZAR	%
0-1	265 878	0%	265 878	0%	-	0%
1-2	74 659 068	11%	74 484 263	11%	174 805	3%
2-3	44 802 832	6%	44 802 832	7%	-	0%
3-6	281 449 235	41%	279 851 763	41%	1 597 472	25%
6-8	34 458 945	5%	34 161 816	5%	297 130	5%
8-10	131 369 064	19%	129 325 174	19%	2 043 891	33%
10-12	123 216 459	18%	121 053 782	18%	2 162 677	34%
Total	690 221 482	100%	683 945 508	100%	6 275 974	100%

Geographic distribution

	Total portfolio		Premium		Entry Level	
	ZAR	%	ZAR	%	ZAR	%
EASTERN CAPE	60 656 845	9%	60 656 845	9%	-	0%
FREE STATE	21 031 400	3%	20 315 193	3%	716 207	11%
GAUTENG	217 233 449	31%	215 518 281	32%	1 715 168	27%
KWA ZULU	151 104 657	22%	148 315 257	22%	2 789 400	44%
LIMPOPO	43 637 925	6%	43 429 745	6%	208 180	3%
MPUMALANGA	76 549 002	11%	76 338 132	11%	210 870	3%
NORTHERN CAPE	16 560 256	2%	16 560 256	2%	-	0%
NORTH-WEST	44 750 345	6%	44 114 196	6%	636 149	10%
WESTERN CAPE	58 697 604	9%	58 697 604	9%	-	0%
Unknown	-	0%	-	0%	-	0%
Total	690 221 482	100%	683 945 508	100%	6 275 974	100%

New/Pre-owned distribution

	Total portfolio		Premium		Entry Level	
	ZAR	%	ZAR	%	ZAR	%
New	559 656 095	81%	557 882 343	82%	1 773 751	28%
Used	130 565 388	19%	126 063 165	18%	4 502 223	72%
Total	690 221 482	100%	683 945 508	100%	6 275 974	100%

Vehicle make distribution

	Total portfolio		Premium		Entry Level	
	ZAR	%	ZAR	%	ZAR	%
Cam	1 437 211	0%	-	0%	1 437 211	23%
Cmc	2 286 798	0%	-	0%	2 286 798	36%
Iveco	6 646 103	1%	6 646 103	1%	-	0%
Jinbei	2 396 007	0%	-	0%	2 396 007	38%
King Long	155 958	0%	-	0%	155 958	2%
Mercedes	51 785 595	8%	51 785 595	8%	-	0%
Toyota	612 752 989	89%	612 752 989	90%	-	0%
Volkswagen	10 768 661	2%	10 768 661	2%	-	0%
Nissan	1 992 161	0%	1 992 161	0%	-	0%
Total	690 221 482	100%	683 945 508	100%	6 275 974	100%

Ageing distribution

	Total portfolio		Premium		Entry Level	
	ZAR	%	ZAR	%	ZAR	%
Advance	472 532 317	68%	469 364 033	69%	3 168 284	50%
Current	153 964 976	22%	152 554 312	22%	1 410 664	22%
30 Days	38 399 498	6%	37 756 858	6%	642 641	10%
60 Days	25 324 690	4%	24 270 305	4%	1 054 385	17%
Total	690 221 482	100%	683 945 508	100%	6 275 974	100%