

# The ZARONIA Rate Switch Amendment Agreement for the syndicated loan market in South Africa

prepared by

the MPG Legal Workstream



SOUTH AFRICAN RESERVE BANK



## Foreword

The South African Reserve Bank (the **SARB**) formed the Market Practitioners Group (**MPG**) and its workstreams to manage the process of adoption and transition to new interest rate benchmarks. This includes the transition from JIBAR and the adoption of ZARONIA as the preferred alternative near risk-free reference rate.

This document represents an amendment agreement, incorporating the rate switch provisions drafted by the Loan Market Association (**LMA**) (the **Agreement**). It can be used as a standardized amendment agreement to amend syndicated ZAR single currency credit facility agreements governed by South African law in order to transition away from the use of JIBAR to ZARONIA.

The Agreement references the ZARONIA loan conventions for the South African market as recommended by the SARB in consultation with financial market participants, available [here](#). In accordance with these recommendations, this Agreement adopts a non-cumulative compounded in arrears methodology for the calculation of the interest rate with a five Business Days lookback without observation shift and, if applicable, a floor at the level of the daily ZARONIA.

The Agreement was drafted on the assumption that the underlying facility agreement to be amended was prepared on the basis of the most recent LMA recommended forms of South African investment grade facility agreements using JIBAR as the base rate for the calculation of interest. It therefore uses terms defined in those agreements. It would need to be adapted in an appropriate manner if it were to be used in conjunction with other forms of loan or facility agreement.

## **Use Warning**

*The drafting contained in this Agreement must be carefully reviewed and, if necessary, amended to match the underlying facility agreement.*

*This Agreement follows the approach adopted by the LMA Exposure Draft Investment Grade South African Law Unsecured Single Currency Single Borrower Term and Revolving Facilities Agreement incorporating rate switch provisions (lookback without observation shift) published by the LMA in May 2024. For comprehensive footnotes and explanations, please refer to that document and the related commentary, prepared by the LMA.*

*For the avoidance of doubt, the LMA has not been involved in or responsible for this Agreement in any manner.*

*This document is a non-binding form. Individual parties are free to depart from the terms of this Agreement and should always satisfy themselves of the regulatory implications of its use. Its intention is to be used as a starting point for negotiation only. Nothing in this Agreement is intended to, or should be construed as, a recommendation of, or support for, any specific pricing methodology or any other commercial arrangement, including any agreement on the payment of fees or the allocation of costs or expenses.*

*Whilst every effort has been taken in the preparation of this Agreement, no representation or warranty is given by Bowmans or any member of the MPG that this Agreement will suit any particular transaction or deal with risks related to the use of this wording.*

*Neither Bowmans nor the MPG are liable for any losses suffered by any person as a result of any contract made on the terms of this Agreement or which may arise from the presence of any errors or omissions in this Agreement and no proceedings shall be taken by any person in relation to such losses.*

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AMENDMENT AGREEMENT IN RESPECT OF THE [INSERT] FACILITIES AGREEMENT

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between

**[INSERT TEXT]**  
(as **Borrower**)

**[INSERT TEXT]**  
(as **Guarantors**)

and

**[THE PARTIES LISTED IN SCHEDULE 1]**  
(as **Lenders**)

**[INSERT TEXT]**  
(as **Arranger**)

**[INSERT TEXT]**  
(as **Agent**)

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## **PARTIES:**

This Agreement is entered into by:

- (1) **[INSERT TEXT]**, a private company registered in accordance with the law of South Africa under registration number [insert number] (the **Company**);
- (2) **THE PARTIES listed in Part I of Schedule 1 (The Parties) as borrowers** (the **Borrowers**);
- (3) **THE PARTIES listed in Part I of Schedule 1 (The Parties) as guarantors** (the **Guarantors**);
- (4) **THE FINANCIAL INSTITUTIONS listed in Part II of Schedule 1 (The Parties) as lenders** (the **Lenders**);
- (5) **[INSERT TEXT]**, a registered bank and public company registered in accordance with the law of [South Africa] under registration number [insert number], as mandated lead arranger (the **Arranger**); and
- (6) **[INSERT TEXT]**, a registered bank and public company registered in accordance with the law of [South Africa] under registration number [insert number], as agent of the other Finance Parties (the **Agent**).

## **IT IS AGREED AS FOLLOWS:**

### **1. DEFINITIONS AND INTERPRETATION**

#### **1.1 Definitions**

Terms used (but not otherwise defined) in this Agreement have the meaning given to them in the Facilities Agreement (as defined below). In addition, unless the context dictates otherwise, the words and expressions set forth below shall bear the following meanings and cognate expressions shall bear corresponding meanings:

- 1.1.1 **Agreement** means this amendment agreement and its Schedules.
- 1.1.2 **[Amendment Date]** means [insert date] or such later date as agreed to in writing by the Agent.]
- 1.1.3 **Facilities Agreement** means the [term loan and revolving credit] facilities agreement entered into on or about [•] between the Parties and amended pursuant to this Agreement.
- 1.1.4 **Parties** means the parties to this Agreement, and **Party** means, as the context requires, any of them.
- 1.1.5 **Signature Date** means the date of the signature of this Agreement by the Party last signing it in time, provided that all Parties have signed this Agreement.

#### **1.2 Construction**

- 1.2.1 The rules of interpretation applicable to the Facilities Agreement will apply to this Agreement as if set out in this Agreement save that references in the Facilities Agreement to this Agreement will be construed as references to this Agreement.
- 1.2.2 All the headings and sub-headings in this Agreement are for convenience only and are not to be taken into account for the purposes of interpreting it.

1.2.3 The provisions of clauses [1.2] (*Construction*) of the Facilities Agreement shall apply to this Agreement as though set out in full in this Agreement, except that references to the Facilities Agreement therein shall be construed as references to this Agreement.

1.2.4 In the event of any conflict between the provisions of this Agreement and the provisions of the Facilities Agreement, the provisions of this Agreement shall prevail.

### 1.3 **Third Parties**

1.3.1 Except as expressly provided for in this Agreement, no clause of this Agreement constitutes a stipulation for the benefit of any person who is not a party to this Agreement.

1.3.2 Subject to clause [34.2] (*Exceptions*) of the Facilities Agreement but otherwise notwithstanding any term of this Agreement, the consent of any person who is not a Party to this Agreement is not required to rescind or vary this Agreement at any time except to the extent that the relevant variation or rescission (as the case may be) relates directly to the right conferred upon any applicable third party under a stipulation for the benefit of that third party that has been accepted by that third party.

### 1.4 **Designation**

In accordance with the Facilities Agreement, the Parties designate this Agreement as a Finance Document.

## 2. **INTRODUCTION**

In view of the anticipated discontinuation of JIBAR, the Parties have agreed to amend the Facilities Agreement on the terms and conditions of this Agreement.

## 3. **AMENDMENT TO THE FACILITIES AGREEMENT**

3.1 With effect from the [Amendment/Signature] Date, the Parties agree that the clauses and schedules of the Facilities Agreement set out in Schedule 2 (*Amendments to the Facilities Agreement*) shall be amended to the effect that they shall be read and construed for all purposes as set out in Schedule 2 (*Amendments to the Facilities Agreement*).

3.2 The Facilities Agreement remains in full force and effect and is not novated, but is being amended pursuant to this Agreement. All other provisions of the Facilities Agreement shall remain unchanged.

## 4. **REPRESENTATIONS AND WARRANTIES**

### 4.1 **Representations and Warranties**

Each Obligor makes the representations and warranties in clause [18] (*Representations*) of the Facilities Agreement (the **Representations**) on:

4.1.1 the Signature Date[; and

4.1.2 the Amendment Date].

## 4.2 **Reliance**

The Finance Parties have entered into this Agreement on the strength of, and relying on, the Representations, each of which shall be deemed to be a separate representation and warranty given without prejudice to any other representation and warranty and be deemed to be a material representation inducing the Finance Parties to enter into this Agreement to which each of them is a party.

## 5. **CONTINUITY AND FURTHER ASSURANCE**

### 5.1 **Continuing obligations**

The provisions of the Facilities Agreement and the other Finance Documents shall, save as amended by this Agreement, continue in full force and effect.

### 5.2 **Further assurance**

The Obligors shall, at the request of the Agent and at their expense, do all such acts and things necessary or desirable to give effect to the amendments contemplated in and by this Agreement.

## 6. **CONFIRMATION OF [GUARANTEE][AND TRANSACTION SECURITY]**

[The/Each [Guarantor][and each Security Provider] confirms that the guarantee and indemnity provided by it under clause [17] (*Guarantee and Indemnity*) of the Facilities Agreement (the **Guarantee**) [and Transaction Security it has provided under any Finance Documents] remains in full force and effect and extend to all obligations and liabilities of the Obligors to the Finance Parties under (i) the Facilities Agreement as amended by this Agreement and (ii) all other Finance Documents, in each case as amended.]

## 7. **COSTS AND EXPENSES**

The Borrower shall promptly on demand pay to the Agent the amount of all costs and expenses (including but not limited to legal fees) incurred by the Finance Parties in connection with the negotiation, preparation, printing and execution of this Agreement and any other documents referred to in this Agreement.

## 8. **GOVERNING LAW**

8.1 This Agreement and any non-contractual obligations arising out of or in connection with it are governed by South African law.

8.2 The provisions of clause [43] (*Jurisdiction*) of the Facilities Agreement shall be deemed to be incorporated into this Agreement in full, mutatis mutandis.

## 9. **VARIATION**

No agreement to vary, add to or cancel this Agreement shall be of any force or effect unless reduced to writing and signed by or on behalf of the Parties.



10. **COUNTERPARTS**

This Agreement may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Agreement.

SIGNED at \_\_\_\_\_ on this the \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_.

For and on behalf of  
**PROPRIETARY LIMITED**  
(as **Borrower**)

---

Signatory:

Capacity:

Who warrants his/her authority hereto

[SIGNED at \_\_\_\_\_ on this the \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_.

For and on behalf of  
**PROPRIETARY LIMITED**  
(as **Guarantor**)

\_\_\_\_\_  
Signatory:

Capacity:

Who warrants his/her authority hereto]

SIGNED at \_\_\_\_\_ on this the \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_.

For and on behalf of  
**PROPRIETARY LIMITED**  
(as **Lender**)

For and on behalf of  
**PROPRIETARY LIMITED**  
(as **Lender**)

\_\_\_\_\_

Signatory:  
Capacity:  
Who warrants his/her authority hereto

\_\_\_\_\_

Signatory:  
Capacity:  
Who warrants his/her authority hereto

[SIGNED at \_\_\_\_\_ on this the \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_.

For and on behalf of  
**PROPRIETARY LIMITED**  
(as **Arranger**)

\_\_\_\_\_

Signatory:

Capacity:

Who warrants his/her authority hereto]

For and on behalf of  
**PROPRIETARY LIMITED**  
(as **Arranger**)

\_\_\_\_\_

Signatory:

Capacity:

Who warrants his/her authority hereto]

[SIGNED at \_\_\_\_\_ on this the \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_.

For and on behalf of  
**PROPRIETARY LIMITED**  
(as **Agent**)

\_\_\_\_\_

Signatory:

Capacity:

Who warrants his/her authority hereto]

For and on behalf of  
**PROPRIETARY LIMITED**  
(as **Agent**)

\_\_\_\_\_

Signatory:

Capacity:

Who warrants his/her authority hereto]

**SCHEDULE 1**  
**THE PARTIES**

**PART I – THE OBLIGORS**

<b>Name of Obligor</b>	<b>Status (Borrower/Guarantor)</b>	<b>Jurisdiction of Incorporation</b>	<b>Registration number</b>	<b>Address</b>
[Insert name]				[Insert registered physical address] Email: [•] Attention: [•]
[Insert name]				[Insert registered physical address] Email: [•] Attention: [•]

**PART II – THE LENDERS**

<b>Name of Lender</b>	<b>Jurisdiction of Incorporation</b>	<b>Registration number</b>	<b>Address</b>
[Insert name]			[Insert registered physical address] Email: [•] Attention: [•]
[Insert name]			[Insert registered physical address] Email: [•] Attention: [•]

**SCHEDULE 2**  
**AMENDMENTS TO THE FACILITIES AGREEMENT**

Pursuant to clause [34] (*Amendment and Waivers*) and with effect from and including the [Amendment Date/Signature Date], the Facilities Agreement shall be amended by:

1. inserting or replacing (as the case may be) the following definitions in clause [1.1] (*Definitions*) in alphabetical order:
  - 1.1 **Additional Business Day** means any day specified as such in the *Compounded Rate Terms*.
  - 1.2 **[Backstop Rate Switch Date]** means [insert agreed date] or any other date agreed as such between [the Agent, [the Majority Lenders] and the Borrower].
  - 1.3 **Break Costs** means:
    - 1.3.1 in respect of any *Term Rate Loan*, [the amount (if any) by which:
      - 1.3.1.1 the interest (excluding the *Margin*) which a Lender should have received for the period from the date of receipt of all or any part of its participation in a *Loan* or *Unpaid Sum* to the last day of the current *Interest Period* in respect of that *Loan* or *Unpaid Sum*, had the principal amount or *Unpaid Sum* received been paid on the last day of that *Interest Period*;  
  
exceeds:
      - 1.3.1.2 the amount which that Lender would be able to obtain by placing an amount equal to the principal amount or *Unpaid Sum* received by it on deposit with a leading bank for a period starting on the *Business Day* following receipt or recovery and ending on the last day of the current *Interest Period*; or
    - 1.3.2 in respect of any *Compounded Rate Loan*, any amount specified as such in the *Compounded Rate Terms*.
  - 1.4 **Business Day** means a day (other than a Saturday, a Sunday or official public holiday) on which banks are open for general business in Johannesburg and (in relation to:
    - 1.4.1 any date for payment or purchase of an amount relating to a *Compounded Rate Loan*; or
    - 1.4.2 the determination of the first day or the last day of an *Interest Period* for a *Compounded Rate Loan*, or otherwise in relation to the determination of the length of such an *Interest Period*),  
  
which is an *Additional Business Day*.
  - 1.5 **Central Bank Rate** has the meaning given to that term in the *Compounded Rate Terms*.
  - 1.6 **Central Bank Rate Adjustment** has the meaning given to that term in the *Compounded Rate Terms*.
  - 1.7 **Compounded Rate Interest Payment** means the aggregate amount of interest that:
    - 1.7.1 is, or is scheduled to become, payable under any *Finance Document*; and



- 1.7.2 *relates to a Compounded Rate Loan.*
- 1.8 **Compounded Rate Loan** means any Loan or, if applicable, Unpaid Sum which is, or becomes, a Compounded Rate Loan pursuant to Clause [8A] (Rate switch).
- 1.9 **Compounded Rate Supplement** means a document which:
- 1.9.1 *is agreed in writing by the Borrower[, the Agent (in its own capacity)] and the Agent (acting on the instructions of [ ]);*
- 1.9.2 *specifies the relevant terms which are expressed in this Agreement to be determined by reference to Compounded Rate Terms; and*
- 1.9.3 *has been made available to the Borrower and each Finance Party.*
- 1.10 **Compounded Rate Terms** means the terms set out in Schedule [12] (Compounded Rate Terms) or in any Compounded Rate Supplement.
- 1.11 **Compounded Reference Rate** means, in relation to any RFR Banking Day during the Interest Period of a Compounded Rate Loan, the percentage rate per annum which is the aggregate of:
- 1.11.1 *the Daily Non-Cumulative Compounded RFR Rate for that RFR Banking Day; and*
- 1.11.2 *the applicable Credit Adjustment Spread.*
- 1.12 **Compounding Methodology Supplement** means, in relation to the Daily Non-Cumulative Compounded RFR Rate or the Cumulative Compounded RFR Rate, a document which:
- 1.12.1 *is agreed in writing by the Borrower[, the Agent (in its own capacity)] and the Agent (acting on the instructions of [ ]);*
- 1.12.2 *specifies a calculation methodology for that rate; and*
- 1.12.3 *has been made available to the Borrower and each Finance Party.*
- 1.13 **Credit Adjustment Spread** means any rate which is either:
- 1.13.1.1 *specified as such in the Compounded Rate Terms; or*
- 1.13.1.2 *determined by the Agent (or by any other Finance Party which agrees to determine that rate in place of the Agent) in accordance with the methodology specified in the Compounded Rate Terms.*
- 1.14 **Cumulative Compounded RFR Rate** means, in relation to an Interest Period for a Compounded Rate Loan, the percentage rate per annum determined by the Agent (or by any other Finance Party which agrees to determine that rate in place of the Agent) in accordance with the methodology set out in Schedule [14] (Cumulative Compounded RFR Rate) or in any relevant Compounding Methodology Supplement.
- 1.15 **Daily Non-Cumulative Compounded RFR Rate** means, in relation to any RFR Banking Day during an Interest Period for a Compounded Rate Loan, the percentage rate per annum determined by the

Agent (or by any other Finance Party which agrees to determine that rate in place of the Agent) in accordance with the methodology set out in Schedule [13] (Daily Non-Cumulative Compounded RFR Rate) or in any relevant Compounding Methodology Supplement.

- 1.16 **Daily Rate** means the rate specified as such in the Compounded Rate Terms.
- 1.17 **Finance Document** means this Agreement, any Fee Letter, any Accession Letter, any Resignation Letter, any Compounded Rate Supplement, any Compounding Methodology Supplement and any other document designated as such by the Agent and the Borrower.
- 1.18 **Funding Rate** means any individual rate notified by a Lender to the Agent pursuant to paragraph [10.5.1.2] of Clause [10.5] (Cost of Funds).
- 1.19 **Historic RFR** means, in relation to an RFR Banking Day, the most recent RFR for a day which is no more than [ ] RFR Banking Day[s] before that RFR Banking Day.
- 1.20 **Lookback Period** means the number of days specified as such in the Compounded Rate Terms.
- 1.21 **Market Disruption Rate** means the rate (if any) specified as such in the Compounded Rate Terms.
- 1.22 **Month** means a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month, except that:
- 1.22.1 other than where clause [1.21.1.2] below applies:
- 1.22.1.1 [(subject to paragraph 1.21.1.3 below)] if the numerically corresponding day is not a Business Day, that period shall end on the next Business Day in that calendar month in which that period is to end if there is one, or if there is not, on the immediately preceding Business Day;
- 1.22.1.2 if there is no numerically corresponding day in the calendar month in which that period is to end, that period shall end on the last Business Day in that calendar month; [and]
- 1.22.1.3 [if an Interest Period begins on the last Business Day of a calendar month, that Interest Period shall end on the last Business Day in the calendar month in which that Interest Period is to end]; and
- 1.22.2 in relation to an Interest Period for any Compounded Rate Loan (or, on and from the Rate Switch Date, any other period for the accrual of commission or fees) the rules specified as "Business Day Conventions" in the Compounded Rate Terms shall apply.
- The above rules will only apply to the last Month of any period.
- 1.23 **Rate Switch Date** means [the earlier of:
- 1.23.1 the Backstop Rate Switch Date; and]
- 1.23.2 any Rate Switch Trigger Event Date.

1.24 **Rate Switch Trigger Event** means:

1.24.1 (a) the administrator of the Screen Rate or its supervisor publicly announces that such administrator is insolvent; or

(b) information is published in any order, decree, notice, petition or filing, however described, of or filed with a court, tribunal, exchange, regulatory authority or similar administrative, regulatory or judicial body which reasonably confirms that the administrator of the Screen Rate is insolvent,

**provided that**, in each case, at that time, there is no successor administrator to continue to provide that Screen Rate;

1.24.2 the administrator of the Screen Rate publicly announces that it has ceased or will cease to provide the Screen Rate for any Quoted Tenor permanently or indefinitely and, at that time, there is no successor administrator to continue to provide the Screen Rate for that Quoted Tenor;

1.24.3 the supervisor of the administrator of the Screen Rate publicly announces that the Screen Rate has been or will be permanently or indefinitely discontinued for any Quoted Tenor;

1.24.4 the administrator of that Screen Rate or its supervisor publicly announces that that Screen Rate for any Quoted Tenor may no longer be used; [or]

1.24.5 the supervisor of the administrator of the Screen Rate publicly announces or publishes information stating that the Screen Rate for any Quoted Tenor is no longer, or as of a specified future date will no longer be, representative of the underlying market and the economic reality that it is intended to measure and that such representativeness will not be restored (as determined by such supervisor) [; or

1.24.6 [other]].

1.25 **Rate Switch Trigger Event Date** means:

1.25.1 in the case of an occurrence of a Rate Switch Trigger Event described in paragraph [1.23.1] of the definition of Rate Switch Trigger Event, the date on which the Screen Rate ceases to be published or otherwise becomes unavailable; [and]

1.25.2 in the case of an occurrence of a Rate Switch Trigger Event described in paragraphs [1.23.2], [1.23.3] or [1.23.4] of the definition of Rate Switch Trigger Event, the date on which the Screen Rate for the relevant Quoted Tenor ceases to be published or otherwise becomes unavailable[;] [and]

1.25.3 [in the case of an occurrence of a Rate Switch Trigger Event described in paragraph [1.23.5] of the definition of Rate Switch Trigger Event, the date on which the Screen Rate for the relevant Quoted Tenor ceases to be representative of the underlying market and the economic reality that it is intended to measure (as determined by the supervisor of the administrator of the Screen Rate)] [; and]

1.25.4 [specify applicable Rate Switch Trigger Event Date for any other Rate Switch Trigger Events which are specified].

1.26 **[Relevant/Johannesburg] Market** means:

- 1.26.1        *subject to paragraph [1.25.2] below, the South African interbank market; and*
- 1.26.2        *on and from the Rate Switch Date, the market specified as such in the Compounded Rate Terms.*
- 1.27        **Reporting Day** means the day (if any) specified as such in the Compounded Rate Terms.
- 1.28        **Reporting Time** means the relevant time (if any) specified as such in the Compounded Rate Terms.
- 1.29        **RFR** means the rate specified as such in the Compounded Rate Terms.
- 1.30        **RFR Banking Day** means any day specified as such in the Compounded Rate Terms.
- 1.31        **Term Rate Loan** means any Loan or, if applicable, Unpaid Sum which is not a Compounded Rate Loan.

2.        inserting "Term Rate" before "Loan" in:

- 2.1        the defined terms of 'Interpolated Screen Rate' and 'JIBAR' at Clauses [1.167] and [1.168] (Definitions), respectively; and
- 2.2        Clause 8.4.2 (Default Interest),

replacing the meaning of "Loan" in its entirety with that ascribed to "Term Rate Loan" in terms of paragraph 1.31 to this Schedule.

3.        inserting new Clauses [1.2.13], [1.2.14] and [1.2.15] (Construction) as follows:

[1.2.13]        *A reference in this Agreement to a Central Bank Rate shall include any successor rate to, or replacement rate for, that rate.*

[1.2.14]        *Any Compounded Rate Supplement overrides anything in:*

1.2.14.1        *Schedule [12] (Compounded Rate Terms); or*

1.2.14.2        *any earlier Compounded Rate Supplement.*

[1.2.15]        *A Compounding Methodology Supplement relating to the Daily Non-Cumulative Compounded RFR Rate or the Cumulative Compounded RFR Rate overrides anything relating to that rate in:*

1.2.15.1        *Schedule [13] (Daily Non-Cumulative Compounded RFR Rate) or Schedule [14] (Cumulative Compounded RFR Rate), as the case may be; or*

1.2.15.2        *any earlier Compounding Methodology Supplement.*

4.        deleting Clause [7.4] (Voluntary prepayment of Facility Loans) in its entirety and replacing it with the new Clause [7.4], as follows:

[7.4]        **Voluntary prepayment of Facility Loans**

[7.4.1]        *The Borrower may, if it gives the Agent not less than:*

[7.4.1.1]        *in the case of a Term Rate Loan, [     ] Business Days' (or such shorter period as the Agent may agree) prior notice; or*

[7.4.1.2] in the case of a Compounded Rate Loan, [ ] RFR Banking Days' (or such shorter period as the Majority Lenders [and the Agent] may agree) prior notice, prepay the whole or any part of any Facility Loan (but, if in part, being an amount that reduces the amount of the Facility Loan by a minimum amount of [ ]).

[7.4.2] A Facility Loan may only be prepaid after the last day of the Availability Period (or, if earlier, the day on which the applicable Available Facility is zero).

5. inserting new Clause [8A] (Rate Switch) as follows:

[8A] **RATE SWITCH**

[81A] **Switch to Compound Reference Rate**

Subject to Clause 8A.2 (Delayed switch for existing Term Rate Loans), on and from the Rate Switch Date:

[8A1.1] use of the Compounded Reference Rate will replace the use of JIBAR for the calculation of interest for Loans; and

[8A1.2] any Loan or Unpaid Sum shall be a Compounded Rate Loan and Clause [8.2] (Calculation of interest – Compounded Rate Loans) shall apply to each Loan or Unpaid Sum.

[8A.2] **Delayed switch for existing Term Rate Loans**

If the Rate Switch Date falls before the last day of an Interest Period for a Term Rate Loan:

[8A2.1] that Loan shall continue to be a Term Rate Loan for that Interest Period and Clause 8.1 (Calculation of interest – Term Rate Loans) shall continue to apply to that Loan for that Interest Period; and

[8A2.2] any provision of this Agreement which is expressed to apply on and from the Rate Switch Date shall not apply in relation to that Loan for that Interest Period; and

[8A2.3] on and from the first day of the next Interest Period (if any) for that Loan:

[8A2.3.1] that Loan shall be a Compounded Rate Loan; and

[8A2.3.2] Clause [8.2] (Calculation of interest – Compounded Rate Loans) shall apply to that Loan.

8A.3 **Notifications by [the Agent]**

8A3.1 Following the occurrence of a Rate Switch Trigger Event, the Agent shall:

8A3.1.1 promptly upon becoming aware of the occurrence of that Rate Switch Trigger Event, notify the Borrower of that occurrence; and

8A3.1.2                      promptly upon becoming aware of the date of the Rate Switch Trigger Event Date applicable to that Rate Switch Trigger Event, notify the Borrower of that date.

8A3.2                      The Agent shall, promptly upon becoming aware of the occurrence of the Rate Switch Date, notify the Borrower of that occurrence.

6. deleting Clause [8.1] (*Calculation of interest – Term Rate Loans*) in its entirety and replacing it with the new Clause [8.1] as follows:

**[8.1]      Calculation of interest – Term Rate Loans**

*The rate of interest on each Term Rate Loan for an Interest Period is the percentage rate per annum which is the aggregate of the applicable:*

[8.1.1]                      Margin; and

[8.1.2]                      JIBAR.

7. deleting Clause [8.2] (*Calculation of interest – Compounded Rate Loans*) in its entirety and replacing it with the new Clause [8.2] as follows:

**[8.2]      Calculation of interest – Compounded Rate Loans**

[8.2.1]                      *The rate of interest on each Compounded Rate Loan for any day during an Interest Period is the percentage rate per annum which is the aggregate of the applicable:*

[8.2.1.1]                      Margin; and

[8.2.1.2]                      Compounded Reference Rate for that day.

[8.2.2]                      *If any day during an Interest Period for a Compounded Rate Loan is not an RFR Banking Day, the rate of interest on that Compounded Rate Loan for that day will be the rate applicable to the immediately preceding RFR Banking Day.*

8. [deleting Clause [8.3] (*Payment of interest*) in its entirety and replacing it with the new Clause [8.3] as follows:

**[8.3]      Payment of interest**

*The Borrower shall pay accrued interest on each Loan on the last day of each Interest Period [(and, if the Interest Period is longer than six Months, on the dates falling at six Monthly intervals after the first day of the Interest Period)].]*

9. deleting Clause [8.5] (*Notifications*) in its entirety and replacing it with the new Clause [8.5] as follows:

**[8.5]      Notifications**

[8.5.1]                      *The Agent shall promptly notify the relevant Lenders and the Borrower of the determination of a rate of interest relating to a Term Rate Loan.*

[8.5.2] The Agent shall promptly upon a Compounded Rate Interest Payment being determinable notify:

[8.5.2.1] the Borrower of that Compounded Rate Interest Payment;

[8.5.2.2] each relevant Lender of the proportion of that Compounded Rate Interest Payment which relates to that Lender's participation in the relevant Compounded Rate Loan; and

[8.5.2.3] the relevant Lenders and the Borrower of:

[8.5.2.3.1] each applicable rate of interest relating to the determination of that Compounded Rate Interest Payment; and

[8.5.2.3.2] to the extent it is then determinable, the Market Disruption Rate (if any) relating to the relevant Compounded Rate Loan.

*This paragraph [8.5.2] shall not apply to any Compounded Rate Interest Payment determined pursuant to Clause [10.5] (Cost of funds).*

[8.5.3] The Agent shall promptly notify the Borrower of each Funding Rate relating to a Loan.

[8.5.4] The Agent shall promptly notify the relevant Lenders and the Borrower of the determination of a rate of interest relating to a Compounded Rate Loan to which Clause [10.5](Cost of funds)] applies.

[8.5.5] This Clause [8.5] shall not require the Agent to make any notification to any Party on a day which is not a Business Day.

10. [deleting Clauses [9.1.3] and [9.1.4] (Selection of Interest Periods) in its entirety and replacing it with the new Clauses [9.1.3] and [9.1.4] as follows:

[9.1.3] *If the Borrower fails to deliver a Selection Notice to the Agent in accordance with paragraph [9.1.2] above, the relevant Interest Period will, subject to Clause [9.2] (Changes to Interest Periods), be [three] Month[s] or, if the Loan is a Compounded Rate Loan, the period specified in the Compounded Rate Terms.*

[9.1.4] *Subject to this Clause [9], the Borrower may select an Interest Period of [ ] or [ ] Months if the Loan is not a Compounded Rate Loan or, if the Loan is a Compounded Rate Loan, of any period specified in the Compounded Rate Terms or, in either case, of any other period agreed between the Borrower and the Agent in relation to the relevant Loan. ]*

11. [inserting new Clause [9.1.8] (Selection of Interest Periods) as follows:

[9.1.8] *[No Interest Period for a Compounded Rate Loan shall be longer than six Months.]]*

12. deleting Clause [9.3] (Non-Business Days) in its entirety and replacing it with new Clause [9.3] as follows:

[9.3] **Non-Business Days**

[9.3.1] Other than where paragraph [0] below applies, if an Interest Period would otherwise end on a day which is not a Business Day, that Interest Period will instead end on the next Business Day in that calendar month (if there is one) or the preceding Business Day (if there is not).

[9.3.2] If the Loan or Unpaid Sum is a Compounded Rate Loan and there are rules specified as Business Day Conventions in the Compounded Rate Terms, those rules shall apply to each Interest Period for that Loan or Unpaid Sum.

13. amending Clause [10] (Changes to the Calculation of Interest) by:

13.1 deleting the heading for clause [10.1] and inserting a new heading for clause [10.1] as follows "Unavailability of Screen Rate prior to Rate Switch Date"; and

13.2 adding new clauses [10.3 to 10.6], as follows:

[10.3] **Interest calculation if no RFR or Central Bank Rate**

If:

[10.3.1] there is no applicable RFR or Central Bank Rate for the purposes of calculating the Daily Non-Cumulative Compounded RFR Rate for an RFR Banking Day during an Interest Period for a Compounded Rate Loan; and

[10.3.2] "**Cost of funds will apply as a fallback**" is specified in the Compounded Rate Terms, Clause [10.5] (Cost of funds) shall apply to that Loan for that Interest Period.

[10.4] **Market Disruption**

[10.4.1] In the case of a Term Rate Loan, [if before close of business in Johannesburg on the Quotation Day for the relevant Interest Period [the Agent receives notifications from Lender or Lenders (whose participations in a Loan exceed [\_\_\_\_] per cent. of that Loan) that the cost to it of funding its participation in that Loan [from whatever source it may reasonably select]/[from the wholesale market for ZAR] would be in excess of JIBAR then Clause [10.5] (Cost of funds) shall apply to that Loan for the relevant Interest Period.]<sup>1</sup>

[10.4.2] In the case of a Compounded Rate Loan,

[10.4.2.1] if a Market Disruption Rate is specified in the Compounded Rate Terms; and

[10.4.2.2] before the Reporting Time, the Agent receives notifications from a Lender or Lenders (whose participations in a Loan exceed [\_\_\_\_] per cent. of that Loan)] that the cost of it funding its participation from that Loan would be in excess of that Market Disruption Rate,

then Clause [10.5] (Cost of Funds) shall apply to that Loan for the relevant Interest Period.

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<sup>1</sup> Amend as appropriate in terms of the original facility agreement.



**[10.5] Cost of funds**

[10.5.1] If this Clause [10.5] applies to a Loan for an Interest Period neither Clause [8.1] (Calculation of Interest – Term Rate Loans) nor Clause [8.2] (Calculation of interest - Compounded Rate Loans) shall apply to that Loan for that Interest Period and the rate of interest on [each Lender's share of ]that Loan for that Interest Period shall be the percentage rate per annum which is the sum of:

[10.5.1.1] the Margin; and

[10.5.1.2] [the rate notified to the Agent by that Lender/the weighted averages of the rates notified to the Agent by each Lender] as soon as practicable and in any event:

[10.5.1.2.1] in relation to a Term Rate Loan, [within [ ] Business Days of the first day of that Interest Period] / [by close of business on the date falling [ ] Business Days after the Quotation Day] (or, if earlier, on the date falling [ ] Business Days before the date on which interest is due to be paid in respect of that Interest Period); or

[10.5.1.2.2] in relation to a Compounded Rate Loan, by the Reporting Time,  
to be that which expresses as a percentage rate per annum the cost to the relevant Lender of the Loan from whatever source it may reasonably select.

[10.5.2] If this Clause [10.5] applies and the Agent or the Borrower so requires, the Agent and the Borrower shall enter into negotiations (for a period of not more than thirty days) with a view to agreeing a substitute basis for determining the rate of interest.

[10.5.3] Any alternative basis agreed pursuant to paragraph [10.5.2] above shall, with the prior consent of the Lenders and Borrower, be binding on all Parties.

[10.5.4] If this Clause [10.5] applies pursuant to Clause [10.4] (Market Disruption) and:

[10.5.4.1] in relation to a Term Rate Loan:

10.5.4.1.1 a Lender's Funding Rate is less than JIBAR; or

[10.5.4.1.2] a Lender does not supply a quotation by the time specified in paragraph [10.5.1.2] above,

the cost to that Lender of funding its participation in that Loan for that Interest Period shall be deemed, for the purposes of paragraph [10.5.1] above, to be JIBAR; or

[10.5.4.2] in relation to a Compounded Rate Loan:

[10.5.4.2.1] a Lender's Funding Rate is less than the Market Disruption Rate; or

[10.5.4.2.2] a Lender does not supply a quotation by the time specified in paragraph [10.5.1.2] above,

the cost to that Lender of funding that Loan for that Interest Period shall be deemed, for purposes of paragraph [10.5.1] above, to be the Market Disruption Rate.

[10.5.5] *[[Subject to paragraph 10.4 above] if this Clause [10.5] applies but any Lender does not supply a quotation by the time specified in paragraph 10.5.1.2 above the rate of interest shall be calculated on the basis of the quotations of the remaining Lenders.]*<sup>2</sup>

[10.5.6] *If this Clause [10.5] applies the Agent shall, as soon as is practicable, notify the Borrower.*

[10.6] **Break Costs**

[10.6.1] *Subject to paragraph [10.6.2] below, the Borrower shall, within three Business Days of demand by a Finance Party, pay to that Finance Party its Break Costs (if any) attributable to all or any part of a Loan or Unpaid Sum being paid by the Borrower on a day prior to the last day of an Interest Period for that Loan or Unpaid Sum.*

[10.6.2] *Paragraph [10.6.1] above shall apply in respect of a Compounded Rate Loan if an amount is specified as Break Costs in the Compounded Rate Terms.*

[10.6.3] *Each Lender shall, as soon as reasonably practicable after a demand by the Agent, provide a certificate confirming the amount of its Break Costs for any Interest Period in respect of which they become, or may become, payable.*

14. deleting Clause [31.3] (Day count convention and interest calculation) in its entirety and replacing it with the new Clause [31.3], as follows:

[31.3] **Day count convention and interest calculation**

[31.3.1] *Any interest, commission or fee accruing under a Finance Document will accrue from day to day and the amount of any such interest, commission or fee is calculated:*

[31.3.1.1] *on the basis of the actual number of days elapsed and a year of 365 days (irrespective of whether the year in question is a leap year); and*

[31.3.1.2] *subject to paragraph [31.3.2] below, without rounding.*

[31.3.2] *The aggregate amount of any accrued interest, commission or fee which is, or becomes, payable by the Borrower under a Finance Document shall be rounded to two decimal places.*

15. inserting new Clause [34.3] (Changes to reference rates) as follows:

[34.3] **[Changes to reference rates]**

[34.3.1] *Subject to paragraph [34.2.2] of Clause [34.2] (Exceptions), [if a Published Rate Replacement Event has occurred in relation to any Published Rate,] any amendment or waiver which relates to:*

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<sup>2</sup> Include if cost of funds is calculated on a weighted average basis.

- [34.3.1.1] *providing for the use of a Replacement Reference Rate [in place of that Published Rate]; and*
  - [34.3.1.2]
  - [34.3.1.2.1] *aligning any provision of any Finance Document to the use of that Replacement Reference Rate;*
  - [34.3.1.2.2] *enabling that Replacement Reference Rate to be used for the calculation of interest under this Agreement (including, without limitation, any consequential changes required to enable that Replacement Reference Rate to be used for the purposes of this Agreement);*
  - [34.3.1.2.3] *implementing market conventions applicable to that Replacement Reference Rate;*
  - [34.3.1.2.4] *providing for appropriate fallback (and market disruption) provisions for that Replacement Reference Rate; or*
  - [34.3.1.2.5] *adjusting the pricing to reduce or eliminate, to the extent reasonably practicable, any transfer of economic value from one Party to another as a result of the application of that Replacement Reference Rate (and if any adjustment or method for calculating any adjustment has been formally designated, nominated or recommended by the Relevant Nominating Body, the adjustment shall be determined on the basis of that designation, nomination or recommendation),*
- may be made with the consent of the Majority Lenders and the [Borrower/Obligors].*
- [34.3.2] *[An amendment or waiver that relates to, or has the effect of, aligning the means of calculation of interest on a Compounded Rate Loan under this Agreement to any recommendation of a Relevant Nominating Body which:*
    - [34.3.2.1] *relates to the use of [a risk-free reference rate] / [the RFR] on a compounded basis in the international or any relevant domestic syndicated loan markets; and*
    - [34.3.2.2] *is issued on or after the date of this Agreement,**may be made with the consent of the Majority Lenders and the [Borrower/Obligors].*
  - [34.3.3] *[If any Lender fails to respond to a request for an amendment or waiver described in paragraph [0] [or paragraph 0] above within [ ] Business Days (unless the Borrower and the Agent agree to a longer time period in relation to any request) of that request being made:*

- [34.3.3.1] its Commitment shall not be included for the purpose of calculating the Total Commitments when ascertaining whether any relevant percentage of Total Commitments has been obtained to approve that request; and
- [34.3.3.2] its status as a Lender shall be disregarded for the purpose of ascertaining whether the agreement of any specified group of Lenders has been obtained to approve that request.]
- [34.3.4] In this Clause [34.3]:
- [34.3.4.1] **Published Rate** means:
- [34.3.4.1.1] the RFR; or
- [34.3.4.1.2] the Screen Rate for any Quoted Tenor.
- [34.3.4.2] **[Published Rate Replacement Event]** means, in relation to a Published Rate:
- [34.3.4.2.1] the methodology, formula or other means of determining that Published Rate has[, in the opinion of the Majority Lenders and the Borrower/Obligors,] materially changed;
- [34.3.4.2.2]
- [34.3.4.2.2.1]
- [34.3.4.2.2.1.1] the administrator of that Published Rate or its supervisor publicly announces that such administrator is insolvent; or
- [34.3.2.2.2.1.2] information is published in any order, decree, notice, petition or filing, however described, of or filed with a court, tribunal, exchange, regulatory authority or similar administrative, regulatory or judicial body which reasonably confirms that the administrator of that Published Rate is insolvent,
- provided that**, in each case, at that time, there is no successor administrator to continue to provide that Published Rate;
- [34.3.4.2.2.2] the administrator of that Published Rate publicly announces that it has ceased or will cease to provide that Published Rate permanently or indefinitely and, at that time, there is no successor administrator to continue to provide that Published Rate;
- [34.3.4.2.2.3] the supervisor of the administrator of that Published Rate publicly announces that such Published Rate has been or will be permanently or indefinitely discontinued; [or]

- [34.3.4.2.2.4] the administrator of that Published Rate or its supervisor announces that that Published Rate may no longer be used; [or]
- [34.3.4.2.2.5] in the case of the Screen Rate for any Quoted Tenor, the supervisor of the administrator of that Screen Rate makes a public announcement or publishes information stating that that Screen Rate for that Quoted Tenor is no longer, or as of a specified future date will no longer be, representative of the underlying market or the economic reality that it is intended to measure and that representativeness will not be restored (as determined by such supervisor); [or]
- [34.3.4.2.3] [the administrator of that Published Rate (or the administrator of an interest rate which is a constituent element of that Published Rate) determines that that Published Rate should be calculated in accordance with its reduced submissions or other contingency or fallback policies or arrangements and either:
- [34.3.4.2.3.1] the circumstance(s) or event(s) leading to such determination are not (in the opinion of the Agent and the Borrower/ Obligors) temporary; or
- [34.3.4.2.3.2] that Published Rate is calculated in accordance with any such policy or arrangement for a period no less than:
- [34.3.4.2.3.2.1] in the case of the Screen Rate, [ ]; or
- [34.4.2.3.2.2] in the case of the RFR, the period which is specified as the RFR Contingency Period in the Compounded Rate Terms; [or]]
- [34.3.4.2.4] [in the opinion of the Majority Lenders and the [Borrower/Obligors], that Published Rate is otherwise no longer appropriate for the purposes of calculating interest under this Agreement].
- [34.3.4.3] **Relevant Nominating Body** means any applicable central bank, regulator or other supervisory authority or a group of them, or any working group or committee sponsored or chaired by, or constituted at the request of, any of them or the Financial Stability Board.
- [34.3.4.3] **Replacement Reference Rate** means [ ]/[a reference rate which is:
- [34.3.4.3.1] formally designated, nominated or recommended as the replacement for a Published Rate by:
- [34.3.4.3.1.1] the administrator of that Published Rate [(provided that the market or economic reality that such reference rate measures is the same as that measured by that Published Rate)]; or
- [34.3.4.3.1.2] any Relevant Nominating Body,

and if replacements have, at the relevant time, been formally designated, nominated or recommended under both paragraphs, the Replacement Reference Rate will be the replacement under Clause [34.3.4.4.1.2] above;

[34.3.4.4.2] in the opinion of the Majority Lenders and the [Borrower/Obligors], generally accepted in the international or any relevant domestic syndicated loan markets as the appropriate successor to a Published Rate; or

[34.3.4.4.3] in the opinion of the Majority Lenders and the [Borrower/Obligors], an appropriate successor to a Published Rate.]

16. inserting new Schedule [12] (Compounded Rate Terms) as follows:

**Cost of funds as a fallback**

Cost of funds [will] / [will not] apply as a fallback.

**Definitions**

**Additional Business Days:** An RFR Banking Day.

**[Backstop Rate Switch Date:]** [ ]

**Break Costs:** [None specified] / [ ].

**Business Day Conventions (definition of Month and Clause [9.3] (Non-Business Days)):** (a) If any period is expressed to accrue by reference to a Month or any number of Months then, in respect of the last Month of that period:

(i) [subject to paragraph (iii) below,] if the numerically corresponding day is not a Business Day, that period shall end on the next Business Day in that calendar month in which that period is to end if there is one, or if there is not, on the immediately preceding Business Day;

(ii) if there is no numerically corresponding day in the calendar month in which that period is to end, that period shall end on the last Business Day in that calendar month; and

(iii) if an Interest Period begins on the last Business Day of a calendar month, that Interest Period shall end on the last Business Day in the calendar month in which that Interest Period is to end.

(b) If an Interest Period would otherwise end on a day which is not a Business Day, that Interest Period will instead end on the next Business Day in that calendar month (if there is one) or the preceding Business Day (if there is not).

**Central Bank Rate:** The repurchase rate of the South African Reserve Bank as published by the South African Reserve Bank from time to time.

**Central Bank Rate Adjustment:** [None specified]/[ ].

**Credit Adjustment Spread:** [in relation to an Interest Period for a Compounded Rate Loan, the rate, expressed as a percentage rate per annum, specified in

column B for the relevant length of Interest Period specified in column A<sup>3</sup> as follows:

Column A	Column B
Length of Interest Period	Applicable Credit Adjustment Spread
[•]	[•]
[•]	[•]
[•]	[•]

*/[The credit adjustment spread in relation to an Interest Period for a Compounded Rate Loan determined according to the methodology recommended by the South African Reserve Bank (or any other person which takes over the administration of ZARONIA) for a period equal in length to the Interest Period of that Compounded Rate Loan, as fixed and published by Bloomberg Index Services Limited (or any successor or replacement institution) upon the South African Reserve Bank announcing the cessation of JIBAR on or prior to the Rate Switch Date, expressed as a percentage rate per annum provided that if the credit adjustment spread so determined is less than zero, it shall be deemed to be zero.]*

**Daily Rate:**

The **Daily Rate** for any RFR Banking Day is:

- (c) the RFR for that RFR Banking Day;
- (d) if the RFR for that RFR Banking Day is not available, the Historic RFR for that RFR Banking Day; [or]
- (e) if paragraph (d) above applies but the Historic RFR for that RFR Banking Day is not available, [the percentage rate per annum which is the aggregate of:]
  - (i) the Central Bank Rate for that RFR Banking Day [; and
  - (ii) the applicable Central Bank Rate Adjustment]]]; or
- (f) if paragraph (e) above applies but the Central Bank Rate for that RFR Banking Day is not available, [the percentage rate per annum which is the aggregate of:]
  - (i) the most recent Central Bank Rate for a day which is no more than [ ] RFR Banking Days before that RFR Banking Day]; and
  - (ii) the applicable Central Bank Rate Adjustment]]],

*rounded, in either case, to three decimal places and if, in either case, the aggregate of that rate and the applicable Credit Adjustment Spread is less than zero, the Daily Rate shall be deemed to be such a rate that the aggregate of the Daily Rate and the applicable Credit Adjustment Spread is zero.*

<sup>3</sup> After the publication of the credit adjustment spread, columns A and B will apply to indicate the applicable credit adjustment spread against the specific Interest Period. Prior to such date, the credit adjustment spread will be determined with reference to the methodology set out further below.

<b>Lookback Period:</b>	[Five] RFR Banking Days.
<b>Market Disruption Rate:</b>	<p>[The percentage rate per annum which is the aggregate of:</p> <p>(g) the Cumulative Compounded RFR Rate for the Interest Period of the relevant Loan; and</p> <p>(h) the applicable Credit Adjustment Spread.]</p> <p><b>OR</b></p> <p>[None specified.]</p>
<b>[Relevant]/[Johannesburg] Market:</b>	The ZAR overnight wholesale funding market.
<b>Reporting Day:</b>	The day which is the Lookback Period prior to the last day of the Interest Period or, if that day is not a Business Day, the immediately following Business Day.
<b>RFR:</b>	The South African Rand overnight index average (ZARONIA) administered by the South African Reserve Bank (or any other person which takes over the administration of that rate) published by the South African Reserve Bank (or any other person which takes over the publication of that rate).
<b>RFR Banking Day:</b>	A day (other than a Saturday, a Sunday or official public holiday) on which banks are open for general business in Johannesburg.
<b>[RFR Contingency Period:]</b>	[_____]
<b>Interest Periods</b>	
Length of Interest Period in absence of selection (paragraph [9.1.3] of Clause [9.1] (Selection of Interest Periods)):	[_____]
Periods capable of selection as Interest Periods (paragraph [9.1.4] of Clause [9.1] (Selection of Interest Periods)):	[_____]
<b>Reporting Times</b>	
[Deadline for Lenders to report market disruption in accordance with Clause [10.4] (Market disruption)]	[Close of business in Johannesburg on the Reporting Day.]
[Deadline for Lenders to report their cost of funds in accordance with Clause [10.5] (Cost of funds)]	Close of business on the date falling [ ] Business Days after the Reporting Day (or, if earlier, on the date falling [ ] Business Days before the date on which interest is due to be paid in respect of the Interest Period for the relevant Loan).]

17. inserting new Schedule [13] (Daily Non-Cumulative Compounded RFR Rate<sup>159</sup>) as follows:

The **Daily Non-Cumulative Compounded RFR Rate** for any RFR Banking Day “i” during an Interest Period for a Compounded Rate Loan is the percentage rate per annum (without rounding, to the extent reasonably practicable for the Finance Party performing the calculation, taking into account the capabilities of any software used for that purpose) calculated as set out below:

$$(UCCDR_i - UCCDR_{i-1}) \times \frac{365^{162}}{n_i}$$



where:

**UCCDR<sub>i</sub>** means the Unannualised Cumulative Compounded Daily Rate for that RFR Banking Day **i**;

**UCCDR<sub>i-1</sub>** means, in relation to that RFR Banking Day **i**, the Unannualised Cumulative Compounded Daily Rate for the immediately preceding RFR Banking Day (if any) during that Interest Period;

**n<sub>i</sub>** means the number of calendar days from, and including, that RFR Banking Day **i** up to, but excluding, the following RFR Banking Day; and

the **Unannualised Cumulative Compounded Daily Rate** for any RFR Banking Day (the **Cumulated RFR Banking Day**) during that Interest Period is the result of the below calculation (without rounding, to the extent reasonably practicable for the Finance Party performing the calculation, taking into account the capabilities of any software used for that purpose).

$$ACCDR \times \frac{tn_i}{365}$$

where:

**ACCDR** means the Annualised Cumulative Compounded Daily Rate for that Cumulated RFR Banking Day;

**tn<sub>i</sub>** means the number of calendar days from, and including, the first day of the Cumulation Period to, but excluding, the RFR Banking Day which immediately follows the last day of the Cumulation Period;

**Cumulation Period** means the period from, and including, the first RFR Banking Day of that Interest Period to, and including, that Cumulated RFR Banking Day; and

the **Annualised Cumulative Compounded Daily Rate** for that Cumulated RFR Banking Day is the percentage rate per annum (rounded to four decimal places) calculated as set out below:

$$\left[ \prod_{i=1}^{d_0} \left( 1 + \frac{\text{DailyRate}_{i-LP} \times n_i}{365} \right) - 1 \right] \times \frac{365}{tn_i}$$

where:

**d<sub>0</sub>** means the number of RFR Banking Days in the Cumulation Period;

**Cumulation Period** has the meaning given to that term above;

**i** means a series of whole numbers from one to **d<sub>0</sub>**, each representing the relevant RFR Banking Day in chronological order in the Cumulation Period;

**DailyRate<sub>i-LP</sub>** means, for any RFR Banking Day **i** in the Cumulation Period, the Daily Rate for the RFR Banking Day which is the applicable Lookback Period prior to that RFR Banking Day **i**;

**n<sub>i</sub>** means, for any RFR Banking Day **i** in the Cumulation Period, the number of calendar days from, and including, that RFR Banking Day **i** up to, but excluding, the following RFR Banking Day; and

**tn<sub>i</sub>** has the meaning given to that term above.

18. Inserting new Schedule [14] (Cumulative Compounded RFR Rate<sup>171</sup>) as follows:

The **Cumulative Compounded RFR Rate** for any Interest Period for a Compounded Rate Loan is the percentage rate per annum (rounded to four decimal places) calculated as set out below:

$$\left[ \prod_{i=1}^{d_0} \left( 1 + \frac{\text{DailyRate}_{i-LP} \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

where:

***d*<sub>0</sub>** means the number of RFR Banking Days during the Interest Period;

***i*** means a series of whole numbers from one to ***d*<sub>0</sub>**, each representing the relevant RFR Banking Day in chronological order during the Interest Period;

**Daily Rate<sub>*i-LP*</sub>** means for any RFR Banking Day ***i*** during the Interest Period, the Daily Rate for the RFR Banking Day which is the applicable Lookback Period prior to that RFR Banking Day ***i***;

***n<sub>i</sub>*** means, for any RFR Banking Day ***i***, the number of calendar days from, and including, that RFR Banking Day ***i*** up to, but excluding, the following RFR Banking Day; and

***d*** means the number of calendar days during that Interest Period.