

# **NQABA FINANCE 1 (RF) LIMITED**

## **INVESTOR REPORT 24 NOVEMBER 2015 TO 22 FEBRUARY 2016**

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**Investor Report**  
for the period ending 22 February 2016

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## NQABA FINANCE 1 (RF) LIMITED

### Salient information and counterparties

Currency	South African Rand (ZAR or R)			
Transaction close date	31 May 2006			
Programme size	R 5 000 000 000			
Outstanding Notes	R 1 660 000 000			
Note profile	Interest only; bullet redemption			
Subordinated loan	R 290 000 000			
Interest payment dates	22nd day of February, May, August and November			
Business day convention	Succeeding business day			
Current interest accrual period	24 November 2015 to 22 February 2016 (91 days)			
Current interest payment date	22 February 2016			
Next interest payment date	23 May 2016			
Day count	Actual 365			
Asset class	Residential Mortgage Backed Securities in an "Evergreen" revolving structure			
Current determination date	31 January 2016			
Repayment type	Fully amortising equal monthly interest and principal payments			
Current collection period	01 November 2015 to 31 January 2016 (92 days)			
Rating agency	Fitch Ratings Southern Africa (Pty) Ltd			
		Fitch ratings		
		Required	Current	Breach
Issuer	Nqaba Finance 1 (RF) Ltd (Nqaba)			
Issuer Owner Trust	Nqaba Finance 1 Owner Trust (Trustee: Maitland Trustees (Pty) Ltd)			
Security SPV	Nqaba Finance 1 Security SPV (Pty) Ltd			
Security SPV Owner Trust	Nqaba Finance 1 Security SPV Owner Trust (Trustee: Maitland Trustees (Pty) Ltd)			
Programme manager	Absa Corporate and Investment Bank (Absa CIB) (a division of Absa Bank Ltd (Absa)) <sup>1</sup>			
Originator and Seller	Eskom Finance Company SOC Limited (EFC) <sup>2</sup>			
Borrowers' employer	Eskom Holdings SOC Limited (Eskom)	AA-(zaf)	AAA(zaf)	No
Back-up servicer	Absa Home Loans (a division of Absa)			
Liquidity and redraw facility provider	Absa CIB	A(zaf)/ F1(zaf)	AAA(zaf)/ F1+(zaf)	No
Account bank	Absa	A(zaf)/ F1(zaf)	AAA(zaf)/ F1+(zaf)	No
Guaranteed Investment Contract (GIC) provider	Absa CIB	A(zaf)/ F1(zaf)	AAA(zaf)/ F1+(zaf)	No
Swap provider (Derivative counterparty)	Absa CIB	AAA(zaf)/ F1+(zaf)	AAA(zaf)/ F1+(zaf)	No

<sup>1</sup> Absa CIB is also the Lead Arranger, Dealer, Administrator, Calculation Agent and Debt Sponsor

<sup>2</sup> EFC is also the Servicer and Subordinated Lender

#### Transaction overview

The collateral home loans comprise amortising loans originated by EFC to direct employees of Eskom and a limited number of loans to employees of other Eskom group companies. The loans are advanced to borrowers for the purchase of immovable residential property (including Sectional Title property) situated in South Africa, against the security of mortgage bonds registered over the properties in favour of the Home Loan Lender (initially the Seller, subsequently the Issuer). Most loan payments are subsidised by Eskom and are serviced through salary deductions. In the revolving period, qualifying home loans are purchased each month from EFC to top up the asset pool.

Note that substitutions are not allowed in terms of South African securitisation legislation as the Issuer is not a Bank.

**NB: Please refer to the Transaction Documents, including the Applicable Pricing Supplements, for full details.**

**NQABA FINANCE 1 (RF) LIMITED**

**Collateral portfolio characteristics**

Collection period:	Current period 01/11/2015 to 31/01/2016		Previous period 01/08/2015 to 31/10/2015		Transaction close 31/05/2006	
	R	Loans	R	Loans	R	Loans
<b>Balance brought forward</b>	1 909 657 218	7 892	1 913 987 811	7 980	-	-
Instalments received	(61 834 473)		(61 029 809)			
Interest charged	44 525 135		43 816 210			
Insurance charged	411 730		401 441			
Valuation fees	19 364		71 923			
Principal repaid	(16 878 243)		(16 740 235)			
Unscheduled repayments (prepayments)	(51 386 722)	(123)	(55 630 701)	(165)		
Total Principal collections	(68 264 965)		(72 370 935)		-	
<b>New loans purchased</b>	59 181 382	69	53 808 553	77	1 370 652 558	8 382
Advances and redraws	15 545 453		14 249 803			
Loan losses written off	(230 004)		(14 273)			
Loan losses recovered	-		-			
Interest adjustments	(1 172)		(3 741)			
<b>Balance at end of period</b>	<b>1 915 887 913</b>	<b>7 838</b>	<b>1 909 657 218</b>	<b>7 892</b>	<b>1 370 652 558</b>	<b>8 382</b>
Original value of loans advanced	2 030 307 783		2 002 943 261			
Latest current valuations of properties	4 665 255 109		4 648 984 838			
Weighted average number of months since last valuation	80		78			
Indexed values of properties	7 771 609 000		7 664 749 500		65	
Weighted average seasoning (months)	122		122		261	
Weighted average term to maturity (months)	219		219			
Months in the period	3		3		Since transaction close 116	
Loan book balance used as denominator for CPR and DR percentages below	1 909 657 218		1 913 987 811		1 909 657 218	
Prepayments	51 386 722		55 630 701		1 523 274 706	
Annualised constant prepayment rate (CPR)	10.8%		11.6%		8.2%	
Loan losses	230 004		14 273		4 683 334	
Annualised default rate (DR)	0.048%		0.003%		0.025%	

**Possessions**

Collection period:	Current period 01/11/2015 to 31/01/2016		Previous period 01/08/2015 to 31/10/2015	
	R	Loans	R	Loans
Possessions at start of period	892 000	3	892 000	3
Changes	-	-	-	-
Possessions at end of period	<b>892 000</b>	<b>3</b>	<b>892 000</b>	<b>3</b>

**Related portfolio covenants**

The Issuer may purchase additional home loans in terms of the home loan sale agreement if, immediately following such acquisition on the relevant transfer date, the following portfolio covenants are satisfied:

Collection period:	Current period 01/11/2015 to 31/01/2016		Previous period 01/08/2015 to 31/10/2015		Transaction close 31/05/2006	
	Required	Actual	Required	Actual	Required	Actual
Weighted average Original Loan to Value (%)	=< 91.0	90.0	=< 91.0	90.2	=< 93,56	92.5
Weighted average Current Loan to Value (%)	=< 73.0	65.9	=< 73.0	66.0	=< 76,49	75.9
Weighted average Payment to Income (%)	=< 18.0	12.8	=< 18.0	12.4	=< 17,4	16.5
Minimum payroll deduction (number) (%)	=> 92.0	93.7	=< 92.0	94.2	=< 97.0	100.0
Maximum second property loans (number) (%) <sup>1</sup>	=< 8.5	2.9	=< 8.5	3.0	=< 7,5	1.5
Minimum direct Eskom employees (number) (%)	=> 86.0	91.7	=> 86.0	92.1	Min. 85.0	100.0
Maximum average outstanding balance	Max. R 300 000	R 244 436	Max. R 300 000	R 241 974	Max. R300 000	R 163 523

<sup>1</sup> Includes second property loans in EFC loanbook

**Result: No portfolio covenants have been breached**

**Related early amortisation events**

1. If the Required Interest Margin on both tests on interest payment date as determined below, is not achieved:

Collection period:	Current period 01/11/2015 to 31/01/2016		Previous period 01/08/2015 to 31/10/2015		Transaction close 31/05/2006	
	Required	Actual	Required	Actual	Required	Actual
12 month rolling average rates:						
Weighted average home loan rate		8.97%		8.76%		
3 month Jibar rate		6.25%		5.98%		
Margin	=> 2.15%	2.72%	=> 2.15%	2.78%		
<b>And</b>						
Current actual rates:						
Weighted average home loan rate		9.32%		8.80%		9.64%
3 month Jibar rate		6.49%		6.10%		7.70%
Margin	=> 2.15%	2.82%	=> 2.15%	2.70%	=> 1.8%	1.94%

2. If the weighted average current Loan to Value ratio exceeds the required weighted average Current Loan to Value ratio by more than 10%:

Collection period:	Current period 01/11/2015 to 31/01/2016		Previous period 01/08/2015 to 31/10/2015	
	Required	Actual	Required	Actual
Weighted average Current Loan to Value (%)	=< 83.0	65.9	=< 83.0	66.0

**Result: No early amortisation events**

**NQABA FINANCE 1 (RF) LIMITED**

**Portfolio stratification tables at determination date 31/01/2016**

Red figures correspond to current portfolio covenant tests

	Current balance		Number of loans		Latest current valuation	Weighted average current LTV	Indexed valuation	Weighted average indexed LTV	Weighted average interest rate	Weighted average seasoning Months	Weighted average term to maturity Months
	R	%	R	%	R	%	R	%	%	Months	Months
<b>Original Loan to Value</b>											
0% - 30%	49 235 321	2.6%	277	3.5%	227 596 170	42.4%	377 616 000	31.3%	9.3%	173	158
30% - 50%	78 964 101	4.1%	401	5.1%	333 877 000	41.6%	509 149 000	30.1%	9.2%	166	166
50% - 70%	161 426 894	8.4%	731	9.3%	549 745 767	49.9%	864 164 000	35.9%	9.3%	129	188
70% - 80%	158 739 074	8.3%	575	7.3%	415 942 222	58.3%	678 879 000	41.9%	9.2%	114	213
80% - 90%	236 282 175	12.3%	770	9.8%	514 305 826	68.6%	833 130 000	51.0%	9.3%	96	246
90% - 100%	478 791 114	25.0%	2 367	30.2%	1 278 269 772	63.6%	2 194 196 000	43.1%	9.3%	133	210
100%+	752 449 234	39.3%	2 717	34.7%	1 345 518 352	75.6%	2 314 475 000	51.5%	9.4%	116	233
<b>Total</b>	<b>1 915 887 913</b>	<b>100.0%</b>	<b>7 838</b>	<b>100.0%</b>	<b>4 665 255 109</b>	<b>65.9%</b>	<b>7 771 609 000</b>	<b>45.8%</b>	<b>9.3%</b>	<b>122</b>	<b>219</b>
<b>Weighted average</b>		<b>90.0%</b>									
<b>Current Loan to Value</b>											
0% - 30%	229 369 262	12.0%	3 425	43.7%	2 085 426 899	19.1%	3 611 637 000	12.9%	9.3%	201	119
30% - 50%	295 852 050	15.4%	1 195	15.2%	747 744 540	40.4%	1 296 631 000	26.5%	9.2%	161	166
50% - 70%	426 173 975	22.2%	1 128	14.4%	703 942 582	61.1%	1 170 498 000	41.2%	9.2%	134	207
70% - 80%	300 035 648	15.7%	652	8.3%	402 015 239	74.7%	616 825 000	52.2%	9.2%	103	249
80% - 90%	275 541 950	14.4%	573	7.3%	323 619 366	85.2%	488 692 000	60.7%	9.4%	76	266
90% - 100%	321 491 338	16.8%	713	9.1%	340 911 983	94.4%	502 769 000	66.6%	9.4%	79	275
100%+	67 423 689	3.5%	152	1.9%	61 594 500	112.7%	84 557 000	83.2%	10.3%	85	271
<b>Total</b>	<b>1 915 887 913</b>	<b>100.0%</b>	<b>7 838</b>	<b>100.0%</b>	<b>4 665 255 109</b>	<b>65.9%</b>	<b>7 771 609 000</b>	<b>45.8%</b>	<b>9.3%</b>	<b>122</b>	<b>219</b>
<b>Payment to income ratio</b>											
0% - 5%	247 857 637	12.9%	3 109	39.7%	1 585 939 682	46.3%	2 903 111 000	26.2%	8.8%	164	191
5% - 10%	536 963 276	28.0%	2 144	27.4%	1 260 752 246	58.1%	2 166 009 000	37.9%	9.1%	144	203
10% - 15%	455 258 899	23.8%	1 273	16.2%	851 344 241	66.8%	1 319 365 000	47.1%	9.4%	126	213
15% - 20%	342 827 532	17.9%	730	9.3%	510 122 761	77.2%	721 494 000	56.6%	9.6%	94	240
20% - 25%	213 019 308	11.1%	384	4.9%	300 266 711	79.1%	443 588 000	59.5%	9.6%	79	252
25% - 30%	94 549 624	4.9%	151	1.9%	125 486 968	79.7%	175 774 000	60.2%	9.9%	79	253
30%+	25 411 638	1.3%	47	0.6%	31 342 500	89.2%	42 268 000	67.9%	10.8%	105	249
<b>Total</b>	<b>1 915 887 913</b>	<b>100.0%</b>	<b>7 838</b>	<b>100.0%</b>	<b>4 665 255 109</b>	<b>65.9%</b>	<b>7 771 609 000</b>	<b>45.8%</b>	<b>9.3%</b>	<b>122</b>	<b>219</b>
<b>Weighted average</b>		<b>12.8%</b>									

## NQABA FINANCE 1 (RF) LIMITED

### Portfolio stratification tables at determination date 31/01/2016

Red figures correspond to current portfolio covenant tests

	Current balance		Number of loans		Latest current valuation	Weighted average current LTV	Indexed valuation	Weighted average indexed LTV	Weighted average interest rate	Weighted average seasoning Months	Weighted average term to maturity Months
	R	%	R	%	R	%	R	%	%	Months	Months
<b>Payment method</b>											
Payroll Deduction	1 783 075 660	93.1%	7 341	93.7%	4 389 939 128	65.0%	7 313 325 000	45.3%	9.2%	121	219
Other	132 812 254	6.9%	497	6.3%	275 315 980	77.2%	458 284 000	53.3%	11.5%	139	213
<b>Total</b>	<b>1 915 887 913</b>	<b>100.0%</b>	<b>7 838</b>	<b>100.0%</b>	<b>4 665 255 109</b>	<b>65.9%</b>	<b>7 771 609 000</b>	<b>45.8%</b>	<b>9.3%</b>	<b>122</b>	<b>219</b>
<b>Borrower employment status</b>											
Direct Eskom	1 739 947 736	90.8%	7 190	91.7%	4 288 687 359	64.9%	7 145 725 000	45.2%	9.2%	122	219
Other group co.	175 940 177	9.2%	648	8.3%	376 567 750	75.5%	625 884 000	52.3%	10.9%	129	219
<b>Total</b>	<b>1 915 887 913</b>	<b>100.0%</b>	<b>7 838</b>	<b>100.0%</b>	<b>4 665 255 109</b>	<b>65.9%</b>	<b>7 771 609 000</b>	<b>45.8%</b>	<b>9.3%</b>	<b>122</b>	<b>219</b>
<b>Loan balance (R'000)</b>											
0 - 100	110 618 249	5.8%	3 128	39.9%	1 374 222 843	24.6%	2 495 826 000	12.9%	9.4%	211	102
100 - 200	186 196 181	9.7%	1 276	16.3%	665 294 994	41.6%	1 207 420 000	23.4%	9.4%	177	149
200 - 300	219 667 810	11.5%	882	11.3%	503 302 864	56.8%	876 769 000	36.4%	9.4%	147	195
300 - 400	269 716 673	14.1%	771	9.8%	460 189 712	69.0%	733 553 000	47.2%	9.4%	117	229
400 - 500	274 615 581	14.3%	611	7.8%	411 830 307	74.9%	611 489 000	53.3%	9.4%	106	240
500 - 700	420 637 991	22.0%	713	9.1%	603 775 812	76.2%	893 424 000	55.2%	9.4%	101	246
700 - 1000	271 015 406	14.1%	333	4.2%	393 393 689	75.6%	562 740 000	55.5%	9.1%	92	255
1000 - 1500	111 143 931	5.8%	96	1.2%	163 083 387	73.6%	228 821 000	54.5%	9.0%	95	241
1500+	52 276 091	2.7%	28	0.4%	90 161 500	65.1%	161 567 000	44.5%	8.9%	127	203
<b>Total</b>	<b>1 915 887 913</b>	<b>100.0%</b>	<b>7 838</b>	<b>100.0%</b>	<b>4 665 255 109</b>	<b>65.9%</b>	<b>7 771 609 000</b>	<b>45.8%</b>	<b>9.3%</b>	<b>122</b>	<b>219</b>
<b>Average balance</b>	<b>244 436</b>										
<b>Interest rate</b>											
0% - 7%	3 859 450	0.2%	12	0.2%	3 833 500	118.4%	8 143 000	75.9%	0.0%	143	180
7% - 8.5%	587 263 807	30.7%	1 734	22.1%	1 569 595 610	60.1%	2 730 479 000	39.9%	8.4%	136	207
8.5% - 9.5%	1 225 067 347	63.9%	5 821	74.3%	2 930 695 613	67.2%	4 774 059 000	47.7%	9.5%	115	224
9.5% - 13.0%	99 697 309	5.2%	271	3.5%	161 130 386	81.7%	258 928 000	56.9%	12.6%	130	227
<b>Total</b>	<b>1 915 887 913</b>	<b>100.0%</b>	<b>7 838</b>	<b>100.0%</b>	<b>4 665 255 109</b>	<b>65.9%</b>	<b>7 771 609 000</b>	<b>45.8%</b>	<b>9.3%</b>	<b>122</b>	<b>219</b>

## NQABA FINANCE 1 (RF) LIMITED

### Portfolio stratification tables at determination date 31/01/2016

Red figures correspond to current portfolio covenant tests

	Current balance		Number of loans		Latest current valuation	Weighted average current LTV	Indexed valuation	Weighted average indexed LTV	Weighted average interest rate	Weighted average seasoning Months	Weighted average term to maturity Months
	R	%	R	%	R	%	R	%	%	Months	Months
<b>Seasoning</b>											
0 - 12 months	4 720 359	0.2%	7	0.1%	7 140 000	69.3%	7 621 000	64.9%	9.2%	11	272
12 - 24 months	28 700 721	1.5%	45	0.6%	40 973 250	75.0%	46 039 000	66.8%	9.4%	18	295
24 - 36 months	73 559 585	3.8%	119	1.5%	109 615 532	75.4%	135 137 000	61.5%	9.2%	31	281
36 - 48 months	119 275 334	6.2%	220	2.8%	163 604 463	80.1%	214 060 000	61.3%	9.4%	44	282
48 - 60 months	160 135 113	8.4%	347	4.4%	227 473 811	80.1%	297 355 000	61.2%	9.4%	55	266
60 - 120 months	667 047 241	34.8%	1 649	21.0%	1 026 895 482	79.0%	1 470 529 000	56.0%	9.4%	86	250
120+ months	862 449 561	45.0%	5 451	69.5%	3 089 552 571	50.0%	5 600 868 000	30.8%	9.2%	186	169
<b>Total</b>	<b>1 915 887 913</b>	<b>100.0%</b>	<b>7 838</b>	<b>100.0%</b>	<b>4 665 255 109</b>	<b>65.9%</b>	<b>7 771 609 000</b>	<b>45.8%</b>	<b>9.3%</b>	<b>122</b>	<b>219</b>
<b>Region</b>											
Eastern Cape	109 457 617	5.7%	377	4.8%	248 088 843	70.9%	375 758 000	50.0%	9.5%	123	222
Free State	91 764 397	4.8%	427	5.4%	216 234 156	67.0%	377 849 000	46.9%	9.4%	115	228
Gauteng	684 173 085	35.7%	2 355	30.0%	1 667 889 639	63.0%	2 831 530 000	43.0%	9.2%	128	216
Kwazulu Natal	127 628 472	6.7%	550	7.0%	315 732 377	65.2%	537 239 000	44.6%	9.3%	128	218
Limpopo Province	83 652 817	4.4%	359	4.6%	189 603 835	66.1%	319 360 000	46.3%	9.4%	112	225
Mpumalanga	467 124 960	24.4%	2 216	28.3%	1 089 786 298	66.8%	1 781 044 000	47.0%	9.4%	117	218
North West	41 739 817	2.2%	205	2.6%	80 559 981	74.2%	152 305 000	51.0%	9.4%	111	228
Northern Cape	28 306 581	1.5%	201	2.6%	81 559 908	66.9%	148 231 000	46.3%	9.5%	121	216
Western Cape	282 040 168	14.7%	1 148	14.6%	775 800 072	68.1%	1 248 293 000	48.4%	9.3%	120	222
<b>Total</b>	<b>1 915 887 913</b>	<b>100.0%</b>	<b>7 838</b>	<b>100.0%</b>	<b>4 665 255 109</b>	<b>65.9%</b>	<b>7 771 609 000</b>	<b>45.8%</b>	<b>9.3%</b>	<b>122</b>	<b>219</b>
<b>Property type</b>											
House (Freehold)	1 638 263 818	85.5%	6 923	88.3%	4 146 811 372	64.5%	6 918 374 000	45.0%	9.3%	126	215
Multi-unit (Sectional Title)	242 980 397	12.7%	809	10.3%	415 261 735	75.6%	692 526 000	52.3%	9.3%	98	249
House (Complex)	10 040 250	0.5%	20	0.3%	16 538 001	68.0%	28 529 000	45.7%	9.0%	117	224
Small Holding	4 544 615	0.2%	18	0.2%	12 693 000	53.0%	21 285 000	33.8%	8.4%	110	176
Other	20 058 833	1.0%	68	0.9%	73 951 000	59.0%	110 895 000	41.9%	8.9%	133	216
<b>Total</b>	<b>1 915 887 913</b>	<b>100.0%</b>	<b>7 838</b>	<b>100.0%</b>	<b>4 665 255 109</b>	<b>65.9%</b>	<b>7 771 609 000</b>	<b>45.8%</b>	<b>9.3%</b>	<b>122</b>	<b>219</b>

**NQABA FINANCE 1 (RF) LIMITED**

**Arrears analysis at determination date**

	31 January 2016			WA interest rate			31 October 2015			WA interest rate		
	Loan balances		Number of loans				Loan balances		Number of loans			
	R	%	%	%		R	%	%	%			
<b>Fully performing</b>												
Current	1 848 649 134	96.5%	7 559	96.4%	9.2%	1 845 898 160	96.7%	7 657	97.0%	9.0%		
<b>Non-delinquent</b>												
0 - 1 months	15 694 332	0.8%	82	1.0%	12.2%	16 959 974	0.9%	63	0.8%	11.9%		
1 - 2 months	10 390 255	0.5%	38	0.5%	12.2%	9 673 024	0.5%	33	0.4%	12.1%		
2 - 3 months	8 229 009	0.4%	41	0.5%	12.2%	5 858 558	0.3%	29	0.4%	11.5%		
Total	34 313 596	1.8%	161	2.1%	12.2%	32 491 556	1.7%	125	1.6%	11.9%		
<b>Deteriorated</b>												
3 - 4 months	1 492 036	0.1%	10	0.1%	12.2%	1 321 715	0.1%	10	0.1%	11.2%		
4 - 5 months	2 635 574	0.1%	10	0.1%	12.5%	2 361 816	0.1%	9	0.1%	12.1%		
5 - 6 months	812 837	0.0%	7	0.1%	12.0%	544 487	0.0%	3	0.0%	12.2%		
6 - 12 months	1 369 414	0.1%	18	0.2%	10.0%	3 367 289	0.2%	17	0.2%	11.4%		
>12 months	1 524 512	0.1%	9	0.1%	10.8%	1 846 695	0.1%	11	0.1%	11.2%		
Total	7 834 373	0.4%	54	0.7%	11.6%	9 442 002	0.5%	50	0.6%	11.6%		
<b>Defaulted</b>												
Litigation	20 730 551	1.1%	51	0.7%	11.8%	17 019 797	0.9%	47	0.6%	11.3%		
<b>Other categories</b>												
Debt review	-	0.0%	-	0.0%	0.0%	-	0.0%	-	0.0%	0.0%		
Arrangement	1 742 054	0.1%	5	0.1%	11.3%	1 725 135	0.1%	5	0.1%	11.0%		
Third party attachment	-	0.0%	-	0.0%	0.0%	-	0.0%	-	0.0%	0.0%		
Properties sold	1 726 204	0.1%	5	0.1%	0.0%	2 188 568	0.1%	5	0.1%	0.0%		
Properties in possession	892 000	0.0%	3	0.0%	0.0%	892 000	0.0%	3	0.0%	0.0%		
Total	4 360 258	0.2%	13	0.2%	4.5%	4 805 703	0.3%	13	0.2%	4.0%		
<b>Total</b>	<b>1 915 887 913</b>	<b>100.0%</b>	<b>7 838</b>	<b>100.0%</b>	<b>9.3%</b>	<b>1 909 657 218</b>	<b>100.0%</b>	<b>7 892</b>	<b>100.0%</b>	<b>9.1%</b>		

**Arrears reserve trigger**

An arrears reserve trigger event shall occur on any determination date where the aggregate principal balances of home loans (i) which are in arrears for more than 3 months; and/or (ii) in respect of which the Issuer has instituted legal proceedings for the recovery of amounts owing, exceeds 1.5% of the aggregate principal balances of the home loans and shall cease when such percentage reduces to 1.0%;

		31/01/2016	31/10/2015
		R	R
Aggregate principal balances on home loans as above	A	1 915 887 913	1 909 657 218
Balances which are in arrears for more than 3 months	B	7 834 373	9 442 002
Balances for which the Issuer has instituted legal proceedings	C	20 730 551	17 019 797
Total arrears for calculation purposes	D = B + C	28 564 924	26 461 800
Arrears %	E = D / A	1.49%	1.39%
Arrears reserve trigger level percentage		1.50%	1.50%
Arrears reserve trigger level value		28 738 319	28 644 858
If arrears % (E) previously exceeded 1.5%, check whether arrears have decreased to 1%		No	No
Arrears trigger event		Yes	Yes
<b>If Yes, calculation of arrears reserve required:</b>			
Balances which are in arrears for more than 3 months	B	7 834 373	9 442 002
Original valuation of the related properties		9 822 467	9 079 378
Latest valuation of the related properties		24 425 080	22 065 000
60% of the lower of the original valuation and latest valuation	F	5 893 480	5 447 627
Arrears reserve required amount	G = B - F	1 940 893	3 994 376
<b>Changes in arrears reserve</b>			
Opening balance		3 994 376	2 145 141
Changes reflected in Priority of Payments		(2 053 483)	(204 248)
Closing balance	G	1 940 893	2 145 141
			2 903 131
			(1 091 245)

**Related early amortisation arrears trigger**

		31/01/2016	31/10/2015
		R	R
Notes in issue		1 660 000 000	1 660 000 000
Trigger per cent		2.00%	2.00%
Trigger value	H	33 200 000	33 200 000
Total arrears as defined above	D	28 564 924	26 461 800
Headroom (deficit)		4 635 076	6 738 200
Early amortisation arrears trigger event (D > H)		No	No

**Provisions**

Nqaba establishes an allowance for impairment of the loan book that represents its estimate of incurred losses. This allowance consists of a specific loss component that relates to individual exposure and a collective loss component in respect of losses that have been incurred but not yet identified. The provisions are not taken into account in the tables above. The amounts shown in the company's Management Reports are:

	31/01/2016	31/10/2015
	R	R
Impairments applied to loan book excluding possessions	4 745 856	4 745 856
Impairments applied to possessions	194 382	196 626
Total impairments	4 940 238	4 942 482



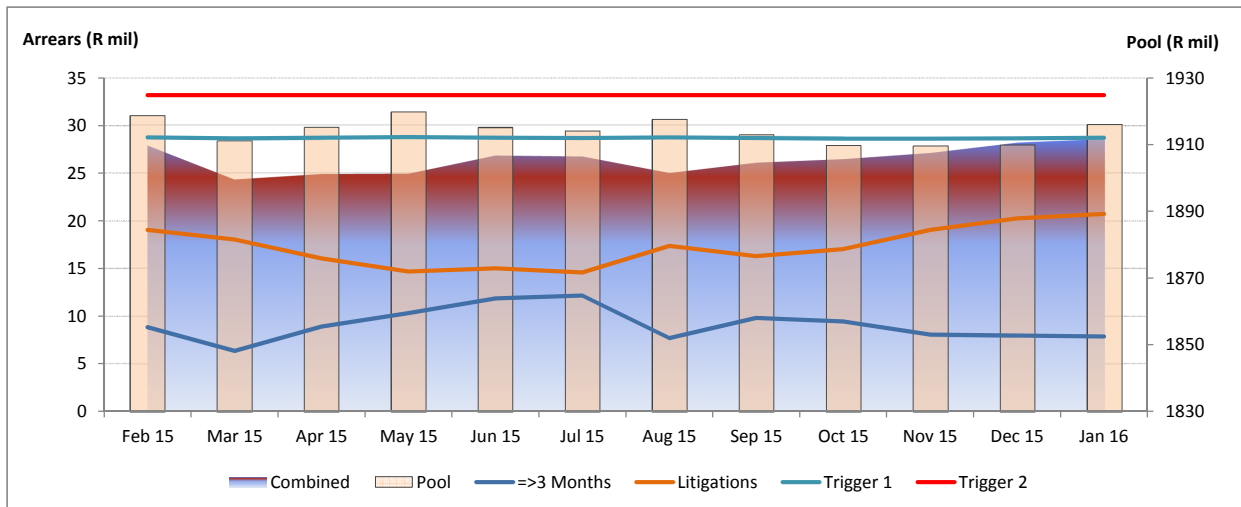
NQABA FINANCE 1 (RF) LIMITED

Trends

Arrears analysis (values in R million)

End of:	Feb 15	Mar 15	Apr 15	May 15	Jun 15	Jul 15	Aug 15	Sep 15	Oct 15	Nov 15	Dec 15	Jan 16
<b>Pool</b>	<b>1919</b>	<b>1911</b>	<b>1915</b>	<b>1920</b>	<b>1915</b>	<b>1914</b>	<b>1917</b>	<b>1913</b>	<b>1910</b>	<b>1910</b>	<b>1910</b>	<b>1916</b>
Trigger 1 (%)	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
<b>Trigger 1</b>	<b>28.78</b>	<b>28.67</b>	<b>28.73</b>	<b>28.80</b>	<b>28.73</b>	<b>28.71</b>	<b>28.76</b>	<b>28.69</b>	<b>28.64</b>	<b>28.64</b>	<b>28.65</b>	<b>28.74</b>
=>3 Months	8.81	6.33	8.90	10.29	11.84	12.16	7.67	9.80	9.44	8.05	7.95	7.83
Litigations	19.06	18.04	16.05	14.67	15.01	14.59	17.35	16.30	17.02	19.06	20.25	20.73
<b>Combined</b>	<b>27.88</b>	<b>24.38</b>	<b>24.95</b>	<b>24.97</b>	<b>26.85</b>	<b>26.74</b>	<b>25.03</b>	<b>26.10</b>	<b>26.46</b>	<b>27.11</b>	<b>28.20</b>	<b>28.56</b>
<b>Notes</b>	<b>1660</b>	<b>1660</b>	<b>1660</b>	<b>1660</b>	<b>1660</b>	<b>1660</b>	<b>1660</b>	<b>1660</b>	<b>1660</b>	<b>1660</b>	<b>1660</b>	<b>1660</b>
Trigger 2 (%)	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
<b>Trigger 2</b>	<b>33.20</b>	<b>33.20</b>	<b>33.20</b>	<b>33.20</b>	<b>33.20</b>	<b>33.20</b>	<b>33.20</b>	<b>33.20</b>	<b>33.20</b>	<b>33.20</b>	<b>33.20</b>	<b>33.20</b>
Trigger 2 diff	5.32	8.82	8.25	8.23	6.35	6.46	8.17	7.10	6.74	6.09	5.00	4.64

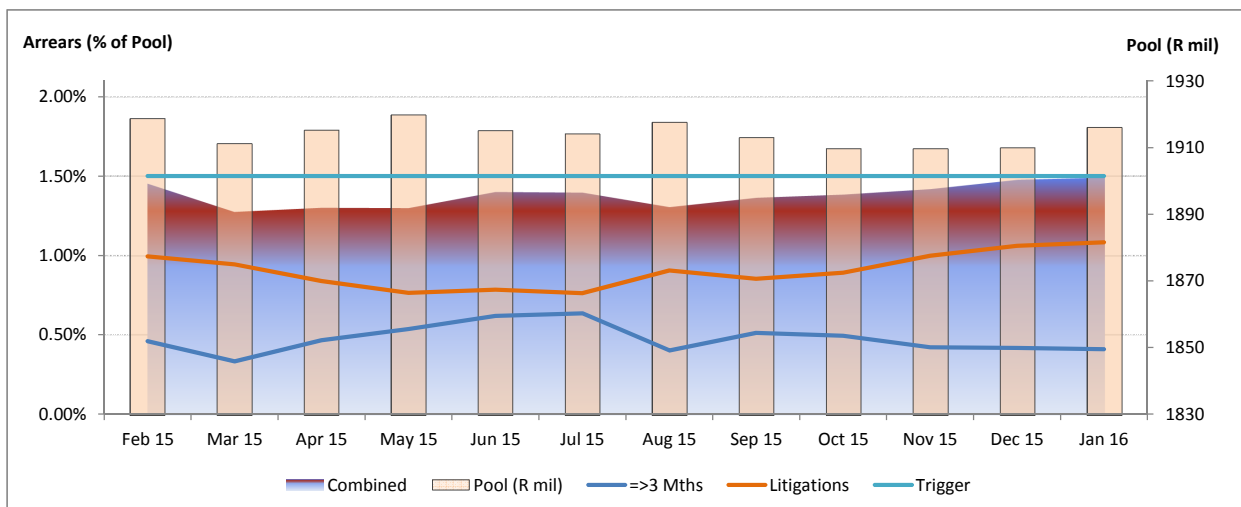
Trigger 1 (1,5% of principal balances) = If breached by combined arrears, an arrears reserve is required until arrears decrease to 1%  
 Trigger 2 (2% of Notes) = If breached by combined arrears, early amortisation is required



Arrears analysis (percentages)

End of:	Feb 15	Mar 15	Apr 15	May 15	Jun 15	Jul 15	Aug 15	Sep 15	Oct 15	Nov 15	Dec 15	Jan 16
<b>Pool (R mil)</b>	<b>1919</b>	<b>1911</b>	<b>1915</b>	<b>1920</b>	<b>1915</b>	<b>1914</b>	<b>1917</b>	<b>1913</b>	<b>1910</b>	<b>1910</b>	<b>1910</b>	<b>1916</b>
=>3 Mths	0.46%	0.33%	0.46%	0.54%	0.62%	0.64%	0.40%	0.51%	0.49%	0.42%	0.42%	0.41%
Litigations	0.99%	0.94%	0.84%	0.76%	0.78%	0.76%	0.91%	0.85%	0.89%	1.00%	1.06%	1.08%
<b>Combined</b>	<b>1.45%</b>	<b>1.28%</b>	<b>1.30%</b>	<b>1.30%</b>	<b>1.40%</b>	<b>1.40%</b>	<b>1.31%</b>	<b>1.36%</b>	<b>1.39%</b>	<b>1.42%</b>	<b>1.48%</b>	<b>1.49%</b>
Trigger	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%

Trigger (combined arrears) = If breached, an arrears reserve is required until arrears decrease to 1%



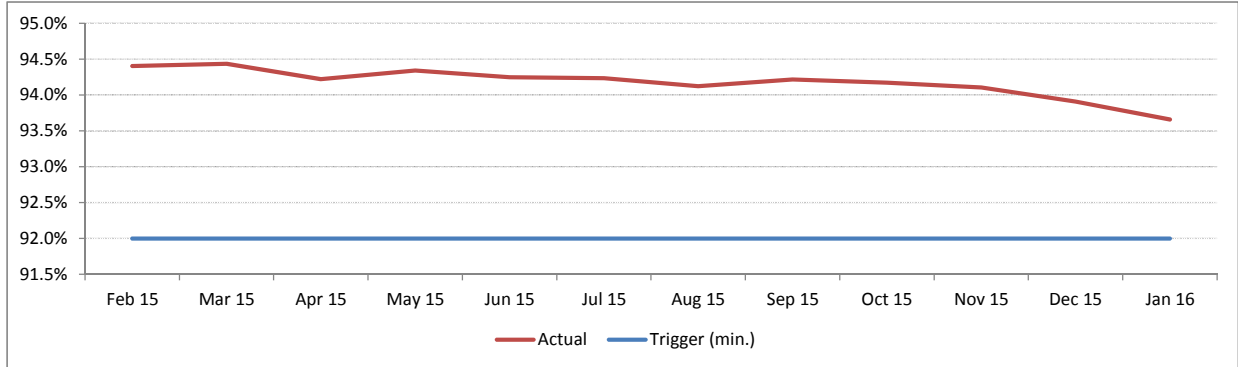
**NQABA FINANCE 1 (RF) LIMITED**

**Trends**

**Payroll Deduction Percentage (number of borrowers)**

End of:	Feb 15	Mar 15	Apr 15	May 15	Jun 15	Jul 15	Aug 15	Sep 15	Oct 15	Nov 15	Dec 15	Jan 16
<b>Actual</b>	<b>94.4%</b>	<b>94.4%</b>	<b>94.2%</b>	<b>94.3%</b>	<b>94.2%</b>	<b>94.2%</b>	<b>94.1%</b>	<b>94.2%</b>	<b>94.2%</b>	<b>94.1%</b>	<b>93.9%</b>	<b>93.7%</b>
<b>Trigger (min.)</b>	<b>92.0%</b>	<b>92.0%</b>	<b>92.0%</b>	<b>92.0%</b>	<b>92.0%</b>	<b>92.0%</b>	<b>92.0%</b>	<b>92.0%</b>	<b>92.0%</b>	<b>92.0%</b>	<b>92.0%</b>	<b>92.0%</b>

Trigger = If breached, purchase of additional home loans prohibited

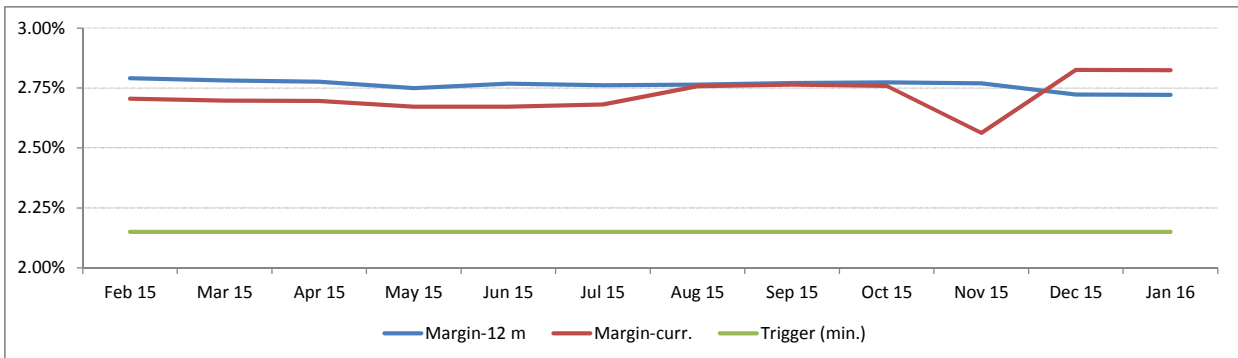


**Interest rate margin**

The Required Interest Rate margin between the weighted average home loan rate and the 3 month JIBAR rate is to be tested in two ways on Interest Payment date: the margin of the 12 months rolling averages of each rate and the margin of the actual rates applicable on those dates. For trend purposes, the rates are shown below at each month end with the current JIBAR rate as determined on each reset date for the quarter. The same trigger margin applies to both calculations.

End of:	Feb 15	Mar 15	Apr 15	May 15	Jun 15	Jul 15	Aug 15	Sep 15	Oct 15	Nov 15	Dec 15	Jan 16
<b>12 months rolling average:</b>												
HL-12 m	8.71%	8.74%	8.76%	8.76%	8.78%	8.80%	8.82%	8.84%	8.87%	8.89%	8.93%	8.97%
Jibar-12 m	5.92%	5.95%	5.98%	6.01%	6.01%	6.04%	6.06%	6.07%	6.09%	6.12%	6.21%	6.25%
<b>Margin-12 m</b>	<b>2.79%</b>	<b>2.78%</b>	<b>2.78%</b>	<b>2.75%</b>	<b>2.77%</b>	<b>2.76%</b>	<b>2.76%</b>	<b>2.77%</b>	<b>2.77%</b>	<b>2.77%</b>	<b>2.72%</b>	<b>2.72%</b>
<b>Current month:</b>												
HL-current	8.80%	8.80%	8.80%	8.80%	8.80%	8.81%	9.06%	9.06%	9.06%	9.06%	9.32%	9.32%
Jibar-curr.	6.10%	6.10%	6.10%	6.13%	6.13%	6.13%	6.30%	6.30%	6.30%	6.49%	6.49%	6.49%
<b>Margin-curr.</b>	<b>2.70%</b>	<b>2.70%</b>	<b>2.70%</b>	<b>2.67%</b>	<b>2.67%</b>	<b>2.68%</b>	<b>2.76%</b>	<b>2.76%</b>	<b>2.76%</b>	<b>2.56%</b>	<b>2.83%</b>	<b>2.82%</b>
<b>Trigger (min.)</b>	<b>2.15%</b>	<b>2.15%</b>	<b>2.15%</b>	<b>2.15%</b>	<b>2.15%</b>	<b>2.15%</b>	<b>2.15%</b>	<b>2.15%</b>	<b>2.15%</b>	<b>2.15%</b>	<b>2.15%</b>	<b>2.15%</b>

Trigger = If breached by both calculations on the same interest payment date, early amortisation required



**NQABA FINANCE 1 (RF) LIMITED**

**Cumulative Note details to Interest payment date 22/02/2016**

Class number	JSE stock code	ISIN	Issue date	Scheduled maturity and step-up date	Legal final maturity date	Tranche balance at transaction close	Subsequent tranches issued	Tranches redeemed on scheduled maturity dates	Tranche balance at end of period	Original rating at issue date	Current rating (22/05/2015)
						R	R	R	R		
A1	NQF1A1	ZAG000030701	31/05/2006	22/05/2009	22/05/2041	696 000 000		(696 000 000)	-	AAA(zaf)	
A2	NQF1A2	ZAG000030735	31/05/2006	22/05/2011	22/05/2043	376 000 000		(376 000 000)	-	AAA(zaf)	
A3	NQF1A3	ZAG000030685	31/05/2006	22/05/2011	22/05/2043	320 000 000		(320 000 000)	-	AAA(zaf)	
A4	NQF1A4	ZAG000044520	28/09/2007	22/05/2010	22/05/2042		304 000 000	(304 000 000)	-	AAA(zaf)	
A5	NQF1A5	ZAG000067760	22/05/2009	22/05/2010	22/05/2042		696 000 000	(696 000 000)	-	AAA(zaf)	
A6	NQF1A6	ZAG000077546	24/05/2010	22/05/2011	22/05/2043		100 000 000	(100 000 000)	-	AAA(zaf)	
A7	NQF1A7	ZAG000077553	24/05/2010	22/11/2011	22/11/2043		375 000 000	(375 000 000)	-	AAA(zaf)	
A8	NQF1A8	ZAG000077561	24/05/2010	22/05/2012	22/05/2044		30 000 000	(30 000 000)	-	AAA(zaf)	
A9	NQF1A9	ZAG000077579	24/05/2010	22/05/2013	22/05/2045		127 000 000	(127 000 000)	-	AAA(zaf)	
A10	NQ1A10	ZAG000077686	24/05/2010	22/05/2020	22/05/2052		115 000 000		115 000 000	AAA(zaf)	AAA(zaf)
A11	NQ1A11	ZAG000085853	23/05/2011	<b>22/05/2016</b>	22/05/2048		205 000 000		<b>205 000 000</b>	AAA(zaf)	AAA(zaf)
A12	NQ1A12	ZAG000085879	23/05/2011	22/05/2014	22/05/2046		318 000 000	(318 000 000)	-	AAA(zaf)	
A13	NQ1A13	ZAG000085887	23/05/2011	22/05/2012	22/05/2044		273 000 000	(273 000 000)	-	AAA(zaf)	
A14	NQ1A14	ZAG000090648	22/11/2011	22/05/2013	22/05/2045		375 000 000	(375 000 000)	-	AAA(zaf)	
A15	NQ1A15	ZAG000095258	22/05/2012	22/05/2015	22/05/2047		303 000 000	(303 000 000)	-	AAA(zaf)	
A16	NQ1A16	ZAG000105933	22/05/2013	<b>22/05/2016</b>	22/05/2048		200 000 000		<b>200 000 000</b>	AAA(zaf)	AAA(zaf)
A17	NQ1A17	ZAG000105941	22/05/2013	22/05/2013	22/05/2050		302 000 000		302 000 000	AAA(zaf)	AAA(zaf)
A18	NQ1A18	ZAG000115569	22/05/2014	22/05/2017	22/05/2049		318 000 000		318 000 000	AAA(zaf)	AAA(zaf)
A19	NQ1A19	ZAG000126509	22/05/2015	22/05/2018	22/05/1950		303 000 000		303 000 000	AAA(zaf)	AAA(zaf)
<b>Totals Class A</b>						<b>1 392 000 000</b>	<b>4 344 000 000</b>	<b>(4 293 000 000)</b>	<b>1 443 000 000</b>		
B1	NQF1B1	ZAG000030719	31/05/2006	22/05/2009	22/05/2041	32 000 000		(32 000 000)	-	AA(zaf)	
B2	NQF1B2	ZAG000030743	31/05/2006	22/05/2011	22/05/2043	32 000 000		(32 000 000)	-	AA(zaf)	
B3	NQF1B3	ZAG000044538	28/09/2007	22/05/2010	22/05/2042		14 000 000	(14 000 000)	-	AA(zaf)	
B5	NQF1B5	ZAG000067778	22/05/2009	22/05/2010	22/05/2042		32 000 000	(32 000 000)	-	AA(zaf)	
B6	NQF1B6	ZAG000077587	24/05/2010	22/05/2011	22/05/2043		8 000 000	(8 000 000)	-	AA(zaf)	
B7	NQF1B7	ZAG000077595	24/05/2010	22/11/2011	22/11/2043		10 000 000	(10 000 000)	-	AA(zaf)	
B9	NQF1B9	ZAG000077611	24/05/2010	22/05/2013	22/05/2045		30 000 000	(30 000 000)	-	AA(zaf)	
B10	NQ1B10	ZAG000077702	24/05/2010	22/05/2020	22/05/2052		11 000 000		11 000 000	AA(zaf)	AA(zaf)
B11	NQ1B11	ZAG000085861	23/05/2011	22/05/2014	22/05/2046		32 000 000	(32 000 000)	-	AA(zaf)	
B12	NQ1B12	ZAG000085895	23/05/2011	22/05/2012	22/05/2044		8 000 000	(8 000 000)	-	AA(zaf)	
B13	NQ1B13	ZAG000090655	22/11/2011	22/05/2013	22/05/2045		10 000 000	(10 000 000)	-	AA(zaf)	
B14	NQ1B14	ZAG000095266	22/05/2012	22/05/2015	22/05/2047		8 000 000	(8 000 000)	-	AA(zaf)	
B15	NQ1B15	ZAG000105966	22/05/2013	22/05/2018	22/05/2050		40 000 000		40 000 000	AA(zaf)	AA(zaf)
B16	NQ1B16	ZAG000115577	22/05/2014	22/05/2017	22/05/2049		32 000 000		32 000 000	AA(zaf)	AA(zaf)
B17	NQ1B17	ZAG000126467	22/05/2015	22/05/2018	22/05/1950		8 000 000		8 000 000	AA(zaf)	AA(zaf)
<b>Totals Class B</b>						<b>64 000 000</b>	<b>243 000 000</b>	<b>(216 000 000)</b>	<b>91 000 000</b>		
C1	NQF1C1	ZAG000030693	31/05/2006	22/05/2009	22/05/2041	32 000 000		(32 000 000)	-	A(zaf)	
C2	NQF1C2	ZAG000030727	31/05/2006	22/05/2011	22/05/2043	32 000 000		(32 000 000)	-	A(zaf)	
C3	NQF1C3	ZAG000044546	28/09/2007	22/05/2010	22/05/2042		14 000 000	(14 000 000)	-	A(zaf)	
C5	NQF1C5	ZAG000067778	22/05/2009	22/05/2010	22/05/2042		32 000 000	(32 000 000)	-	A(zaf)	
C6	NQF1C6	ZAG000077629	24/05/2010	22/05/2011	22/05/2043		5 000 000	(5 000 000)	-	A(zaf)	
C7	NQF1C7	ZAG000077637	24/05/2010	22/11/2011	22/11/2043		13 000 000	(13 000 000)	-	A(zaf)	
C9	NQF1C9	ZAG000077652	24/05/2010	22/05/2013	22/05/2045		12 000 000	(12 000 000)	-	A(zaf)	
C10	NQ1C10	ZAG000077694	24/05/2010	22/05/2020	22/05/2052		5 000 000		5 000 000	A(zaf)	A+(zaf)
C11	NQ1C11	ZAG000085903	23/05/2011	22/05/2014	22/05/2046		32 000 000	(32 000 000)	-	A(zaf)	
C12	NQ1C12	ZAG000085911	23/05/2011	22/05/2012	22/05/2044		5 000 000	(5 000 000)	-	A(zaf)	
C13	NQ1C13	ZAG000090630	22/11/2011	22/05/2013	22/05/2045		13 000 000	(13 000 000)	-	A(zaf)	
C14	NQ1C14	ZAG000095241	22/05/2012	22/05/2015	22/05/2047		5 000 000	(5 000 000)	-	A+(zaf)	
C15	NQ1C15	ZAG000105958	22/05/2013	22/05/2018	22/05/2050		25 000 000		25 000 000	A+(zaf)	A+(zaf)
C16	NQ1C16	ZAG000115585	22/05/2014	22/05/2017	22/05/2049		32 000 000		32 000 000	A+(zaf)	A+(zaf)
C17	NQ1C17	ZAG000126459	22/05/2015	22/05/2018	22/05/1950		5 000 000		5 000 000	A+(zaf)	A+(zaf)
<b>Totals Class C</b>						<b>64 000 000</b>	<b>198 000 000</b>	<b>(195 000 000)</b>	<b>67 000 000</b>		
D1	NQF1D1	ZAG000030750	31/05/2006	22/05/2009	22/05/2041	24 000 000		(24 000 000)	-	BBB(zaf)	
D2	NQF1D2	ZAG000030677	31/05/2006	22/05/2011	22/05/2043	24 000 000		(24 000 000)	-	BBB(zaf)	
D3	NQF1D3	ZAG000044553	28/09/2007	22/05/2010	22/05/2042		11 000 000	(11 000 000)	-	BBB(zaf)	
D4	NQF1D4	ZAG000077660	24/05/2010	22/05/2013	22/05/2045		30 000 000	(30 000 000)	-	BBB(zaf)	
D5	NQF1D5	ZAG000077678	24/05/2010	22/05/2020	22/05/2052		5 000 000		5 000 000	BBB(zaf)	A-(zaf)
D6	NQF1D6	ZAG000085929	23/05/2011	<b>22/05/2016</b>	22/05/2048		24 000 000		<b>24 000 000</b>	BBB(zaf)	A-(zaf)
D7	NQF1D7	ZAG000105974	22/05/2013	22/05/2018	22/05/2050		30 000 000		30 000 000	A-(zaf)	A-(zaf)
<b>Totals Class D</b>						<b>48 000 000</b>	<b>100 000 000</b>	<b>(89 000 000)</b>	<b>59 000 000</b>		
<b>Totals all Notes</b>						<b>1 568 000 000</b>	<b>4 885 000 000</b>	<b>(4 793 000 000)</b>	<b>1 660 000 000</b>		

Pool factor: As all notes are bullet profile, the pool factor on each is 1 until redemption.

**NQABA FINANCE 1 (RF) LIMITED**

**Note interest calculations for current interest payment date 22/02/2016**

Class number	JSE stock code	Note balance start of period R	Interest reset date	Interest payment date	Number of days	3 month Jibar on reset date	Margin or fixed rate	Total note coupon	Interest accrued and paid R	Principal raised (distributed) R	Note balance end of period R
A10	NQ1A10	115 000 000	23/11/2015	22/02/2016	91	Fixed	10.435%	10.435%	2 991 843	-	115 000 000
A11	NQ1A11	205 000 000	23/11/2015	22/02/2016	91	6.492%	1.250%	7.742%	3 956 904	-	205 000 000
A16	NQ1A16	200 000 000	23/11/2015	22/02/2016	91	6.492%	0.850%	7.342%	3 660 942	-	200 000 000
A17	NQ1A17	302 000 000	23/11/2015	22/02/2016	91	6.492%	1.100%	7.592%	5 716 256	-	302 000 000
A18	NQ1A18	318 000 000	23/11/2015	22/02/2016	91	6.492%	0.950%	7.442%	5 900 181	-	318 000 000
A19	NQ1A19	303 000 000	23/11/2015	22/02/2016	91	6.492%	1.390%	7.882%	5 954 257	-	303 000 000
<b>Totals Class A</b>		<b>1 443 000 000</b>							<b>28 180 384</b>	<b>-</b>	<b>1 443 000 000</b>
B10	NQ1B10	11 000 000	23/11/2015	22/02/2016	91	Fixed	10.635%	10.635%	291 661	-	11 000 000
B15	NQ1B15	40 000 000	23/11/2015	22/02/2016	91	6.492%	1.250%	7.742%	772 079	-	40 000 000
B16	NQ1B16	32 000 000	23/11/2015	22/02/2016	91	6.492%	1.150%	7.642%	609 686	-	32 000 000
B17	NQ1B17	8 000 000	23/11/2015	22/02/2016	91	6.492%	1.820%	8.312%	165 786	-	8 000 000
<b>Totals Class B</b>		<b>91 000 000</b>							<b>1 839 210</b>	<b>-</b>	<b>91 000 000</b>
C10	NQ1C10	5 000 000	23/11/2015	22/02/2016	91	Fixed	10.835%	10.835%	135 066	-	5 000 000
C15	NQ1C15	25 000 000	23/11/2015	22/02/2016	91	6.492%	1.350%	7.842%	488 782	-	25 000 000
C16	NQ1C16	32 000 000	23/11/2015	22/02/2016	91	6.492%	1.400%	7.892%	629 630	-	32 000 000
C17	NQ1C17	5 000 000	23/11/2015	22/02/2016	91	6.492%	2.250%	8.742%	108 976	-	5 000 000
<b>Totals Class C</b>		<b>67 000 000</b>							<b>1 362 455</b>	<b>-</b>	<b>67 000 000</b>
D5	NQF1D5	5 000 000	23/11/2015	22/02/2016	91	6.492%	3.250%	9.742%	121 441	-	5 000 000
D6	NQF1D6	24 000 000	23/11/2015	22/02/2016	91	6.492%	2.640%	9.132%	546 419	-	24 000 000
D7	NQF1D7	30 000 000	23/11/2015	22/02/2016	91	6.492%	1.550%	8.042%	601 498	-	30 000 000
<b>Totals Class D</b>		<b>59 000 000</b>							<b>1 269 358</b>	<b>-</b>	<b>59 000 000</b>
<b>Totals all Notes</b>		<b>1 660 000 000</b>							<b>32 651 407</b>	<b>-</b>	<b>1 660 000 000</b>

Note: As all interest accrued has been paid in full since inception, there are no interest shortfalls.

**Interest swaps on fixed interest Notes for current interest payment date 22/02/2016**

Trade number	JSE stock code	Nominal value R	Interest reset date	Interest payment date	Number of days	Fixed rate	Floating: 3 month Jibar on reset date	Margin	Receive fixed R	Pay floating R	Net receipt / (payment) R
9527572	NQ1A10	115 000 000	23/11/2015	22/02/2016	91	10.435%	6.492%	2.100%	2 991 843	(2 463 432)	528 411
9527542	NQ1B10	11 000 000	23/11/2015	22/02/2016	91	10.635%	6.492%	2.300%	291 661	(241 118)	50 544
9527501	NQ1C10	5 000 000	23/11/2015	22/02/2016	91	10.835%	6.492%	2.500%	135 066	(112 092)	22 974
		<b>131 000 000</b>							<b>3 418 571</b>	<b>(2 816 642)</b>	<b>601 929</b>

Note: The above swap contracts terminate on 22 May 2020, the expected maturity date of the related Notes.

**Liquidity and redraw facilities at Interest payment date**

Liquidity facility	22/02/2016	23/11/2015	Redraw facility	22/02/2016	23/11/2015
	R	R		R	R
Facility limit (2% of Notes issued)	33 200 000	33 200 000	Facility limit	510 000 000	400 000 000
Available facility:			Available facility:		
Outstandings at start of period	-	-	Outstandings at start of period	-	-
Further amounts drawn	-	-	Further amounts drawn	-	-
Amounts repaid	-	-	Amounts repaid	-	-
Less: Outstandings at end of period	-	-	Less: Outstandings at end of period	-	-
Available facility at end of period	33 200 000	33 200 000	Available facility at end of period	510 000 000	400 000 000
The facility fee charge is 0.55% (was 0.42%) p.a. from 08/01/2016			The facility fee charge is 0.55% (was 0.42%) p.a. from 08/01/2016		
The facility is due for renewal on 21 February 2017. The facility has never been used.			The facility is due for renewal on 21 February 2017. The facility has never been used.		

**Early amortisation events (summary)**

	22/02/2016	23/11/2015
The occurrence of any of the following events, as determined by the manager, will give rise to early amortisation of the transaction. Please see the referenced pages for further details:		
	<b>Reference</b>	<b>Breach</b>
Any new tax which has a material adverse effect on the Issuer		No
Any Servicer event of default		No
The Arrears Reserve (if required) is not fully funded for six consecutive payment dates	Pages 8, 13	No
The weighted average current LTV exceeds the required weighted average current LTV by more than 10%	Page 4	No
The aggregate principal balances of home loans which are in arrears for more than 3 months exceeds 2% of the outstanding principal amount of the Notes	Page 8	No
The Issuer does not achieve the required interest margin	Page 4	No
A Principal deficiency exists on any payment date	Page 13	No
The rating assigned to Eskom Holdings SOC Limited is downgraded below AA-(zaf)	Page 3	No

## NQABA FINANCE 1 (RF) LIMITED

### Principal deficiency ledger at Interest payment date

	22/02/2016	23/11/2015
	R	R
<b>Early amortisation event - a principal deficiency exists on any payment date</b>		
A Principal Deficiency is defined as: the amount of the Liabilities expected to exist, less the Assets expected to exist on the immediately succeeding payment date after having made all payments in accordance with the priority of payments on that payment date, if the result is less than zero.		
<b>Liabilities</b>		
Aggregate outstanding principal of the notes	1 660 000 000	1 660 000 000
Less: Amount allocated for the redemption of notes	-	-
- Class A	-	-
- Class B	-	-
- Class C	-	-
- Class D	-	-
Plus: Funds raised through refinancing	-	-
Plus: Principal amount outstanding under the redraw facility at the end of the preceding collection period	-	-
Less: Amount allocated in current priority of payments to repay the redraw facility	-	-
<b>Total liabilities (L)</b>	<b>1 660 000 000</b>	<b>1 660 000 000</b>
<b>Assets</b>		
Aggregate principal balances of home loans on the last day of the immediately preceding Collection Period	1 915 887 913	1 909 657 218
Plus: Home loans transferred on the next day from funds previously allocated	20 893 904	19 103 884
Total principal balances at start of current period	1 936 781 817	1 928 761 102
Amount allocated to purchase additional home loans on the immediately succeeding Payment Date *	13 218 183	21 238 898
* For practical reasons, transfers occur at the start of the next Collection Period		
<b>Total assets (A)</b>	<b>1 950 000 000</b>	<b>1 950 000 000</b>
Principal deficiency (L - A) (never less than zero) (PD)	-	-

**Conclusion: No principal deficiency exists**

### Interest Deferral events

If a principal deficiency exists, the amount of the deficiency must be tested successively against the outstanding principal amounts of the subordinated loan and the subordinated classes of Notes to establish whether interest on these Notes must be deferred.

Principal Deficiency calculated above (PD)	-	-
<b>Class D interest deferral test to protect class C and above Noteholders</b>		
Class D Notes	59 000 000	59 000 000
Class E Notes	-	-
Subordinated loan	290 000 000	290 000 000
Total (D)	349 000 000	349 000 000
Net Principal Deficiency (PD - D) (never less than zero)	-	-
<b>Class C interest deferral test to protect class B and above Noteholders</b>		
Class C Notes (C)	67 000 000	67 000 000
Net Principal Deficiency (PD - D - C) (never less than zero)	-	-
<b>Class B interest deferral test to protect class A Noteholders</b>		
Class B Notes (B)	91 000 000	91 000 000
Net Principal Deficiency (PD - D - C - B) (never less than zero)	-	-

NB: If there is an Interest Deferral Event, redemptions of matured Class B to D Notes will be affected.

**Conclusion: No interest deferral is necessary as no principal deficiency exists**

### Reserve funds at Interest payment date

	R	R
Reserve fund balance at transaction close	-	-
Arrears reserve at start of period	3 994 376	5 888 540
Current period change	(2 053 483)	(1 894 164)
Arrears reserve at end of period	<b>1 940 893</b>	<b>3 994 376</b>

NB: The arrears reserve has been funded since the required date. The Issuer has no other reserve funds.

## NQABA FINANCE 1 (RF) LIMITED

### Cash flow statement to determination date

NB: These figures are derived from the unaudited management accounts and are subject to change

	Quarter ended	
	31/01/2016	31/10/2015
	R	R
Profit before tax per income statement	4 475 075	3 782 902
Add back:		
Fair value adjustments	-	-
Impairment adjustments		
Funds from operations	<u>4 475 075</u>	<u>3 782 902</u>
Taxation paid	-	-
Increase (decrease) in Notes including accrued interest	72 228	(244 440)
Decrease (increase) in portfolio assets including accrued interest	(6 230 695)	4 330 593
Decrease (increase) in reserve funded	2 644 213	705 318
Decrease (increase) in amount due by EFC and accounts receivable	3 878 559	(2 820 283)
Increase (decrease) in amounts due to EFC and accounts payable	4 112 798	(1 656 462)
Movement in funds	<u>8 952 178</u>	<u>4 097 628</u>
Funds available at beginning of the quarter	83 044 018	78 946 390
Funds available at end of the quarter to Priority of Payments	<u><u>91 996 196</u></u>	<u><u>83 044 018</u></u>

### Pre-enforcement Priority of Payments during the revolving period at Interest payment date

	22/02/2016	23/11/2015
	R	R
Cash at bank as above	91 996 196	83 044 018
Refinancing of Notes	-	-
Add: Commingling amounts subsequently received from EFC	22 699 207	26 750 052
Less: commingling amounts payable to EFC	(8 696 774)	(4 583 976)
<b>Available cash</b>	<u><b>105 998 629</b></u>	<u><b>105 210 093</b></u>
<b>Payments</b>		
1 South African Revenue Services	(2 183 990)	-
2 Security SPV trust, owner trust and third party payments	(2 060 600)	(2 244 416)
3 Derivative counterparty settlement received (paid)	601 929	664 637
4 Liquidity facility provider - fees	(45 698)	(39 632)
5 Redraw facility provider - fees	(629 282)	(477 488)
6 Class A to D Note holders:		
Interest on Class A notes	(28 180 384)	(27 544 690)
Surplus / (Deficit)	<u>73 500 605</u>	<u>75 568 504</u>
Interest on Class B notes	<u>(1 839 210)</u>	<u>(1 800 915)</u>
Interest payable	(1 839 210)	(1 800 915)
Less: Class B interest deferred	-	-
Interest on Class C notes	<u>(1 362 455)</u>	<u>(1 332 776)</u>
Interest payable	(1 362 455)	(1 332 776)
Less: Class C interest deferred	-	-
Interest on Class D notes	<u>(1 269 358)</u>	<u>(1 241 115)</u>
Interest payable	(1 269 358)	(1 241 115)
Less: Class D interest deferred	-	-
Surplus / (Deficit)	<u>69 029 583</u>	<u>71 193 698</u>
7 Arrears reserve (increase) decrease	204 248	794 978
8 Redraw facility provider	-	-
9 Matured Class A to D Note holders (classes B to D payments subject to Interest Deferral Events)	-	-
10 Additional home loans		
Purchase of additional home loans (per home loan sale agreement) (potential purchase amount less amount applied to item 8 above)	(20 893 904)	(19 103 884)
11 Purchases Reserve:		
Potential purchase amount: an amount determined on each determination date prior to the application of funds on the following payment date:		
Outstanding principal of the Notes	1 660 000 000	1 660 000 000
Plus: Outstanding principal amount of subordinated loan	290 000 000	290 000 000
Less: Principal balance of Home Loans	(1 915 887 913)	(1 909 460 592)
Less: Amounts applied to items 8 and 10	(20 893 904)	(19 103 884)
Less: Outstanding principal amount of subordinated loan associated with matured notes (provided that potential purchase amount >= 0)	-	-
Required purchases reserve	<u>13 218 183</u>	<u>21 435 524</u>
Surplus / (Deficit)	<u>(13 218 183)</u>	<u>(21 238 898)</u>
12 Class A to D Note holders: other amounts due	-	-
13 Derivative counterparty	-	-
Surplus / (Deficit)	<u>35 121 744</u>	<u>31 645 894</u>
14 Issuer expenses in excess of issuer expenses cap	-	-
15 Interest on Class E notes	-	-
16 Subordinated loan interest	(8 308 873)	(8 170 055)
17 Class E Note holders: Matured capital	-	-
18 Class E Note holders: Capital	-	-
19 Preference shareholder: Dividend due and payable	-	-
20 To Permitted Investments while amounts are outstanding to Secured Creditors	(26 812 871)	(23 475 839)
<b>Excess Spread</b>	<u><u>26 812 871</u></u>	<u><u>23 475 839</u></u>

**NQABA FINANCE 1 (RF) LIMITED**

NB: These figures are derived from the unaudited management accounts and are subject to change.

Statement of Comprehensive Income	Quarter ended	YTD	YTD
	31/01/2016	31/01/2016	31/10/2015
	R	R	R
Financing income	44 542 855	144 852 623	100 309 768
Financing cost	40 161 779	132 910 775	92 748 997
<b>Financing margin</b>	<b>4 381 076</b>	<b>11 941 847</b>	<b>7 560 771</b>
Loan losses	(224 704)	(1 024 466)	(799 762)
Loan losses written off	(224 704)	(483 640)	(258 936)
Impairment provisions	-	(540 826)	(540 826)
Interest received from bank	1 094 407	3 366 555	2 272 149
Interest swap	664 637	2 116 117	1 451 480
<b>Operating profit/(loss)</b>	<b>5 915 415</b>	<b>16 400 053</b>	<b>10 484 638</b>
Operating expenditure	(1 440 340)	(4 745 592)	(3 305 252)
Management fees	164 545	548 421	383 875
Servicer fees	823 180	2 742 176	1 918 996
Liquidity fees	10 494	34 903	24 410
Redraw Facility fees	159 895	480 023	320 128
Back-up Servicer fees	48 139	160 342	112 203
Audit fees	82 529	275 095	192 567
JSE listing fee (fixed)	13 439	44 162	30 723
Directors fees	42 480	141 600	99 120
Rating fees	61 275	204 250	142 975
National Credit Regulator fees	21 824	72 820	50 996
Credit Ombudsman	12 540	41 800	29 260
<b>Net profit before tax</b>	<b>4 475 075</b>	<b>11 654 461</b>	<b>7 179 386</b>
Taxation - normal tax	(52 529)	(2 993 994)	(2 941 465)
Taxation - deferred tax	-	1 113 275	1 113 275
<b>Net profit after tax</b>	<b>4 422 546</b>	<b>9 773 742</b>	<b>5 351 196</b>
Dividends	-	-	-
<b>Net profit after distribution</b>	<b>4 422 546</b>	<b>9 773 742</b>	<b>5 351 196</b>
Retained income at beginning of the period	47 181 792	41 830 596	41 830 596
<b>Retained income at end of the period</b>	<b>51 604 338</b>	<b>51 604 338</b>	<b>47 181 792</b>

Statement of Financial Position	31/01/2016	31/10/2015
	R	R
<b>Assets</b>		
<b>Non-Current Assets</b>	1 911 985 125	1 905 754 430
Home loan advances	1 910 250 057	1 904 021 606
Properties in possession	697 618	695 374
Deferred tax	1 037 450	1 037 450
<b>Current Assets</b>	129 857 319	127 480 443
Amounts due by EFC	22 699 207	26 750 052
Cash and cash equivalents	91 996 196	83 044 018
Arrears reserve	2 145 141	4 789 354
SA Revenue Services	6 748 130	6 800 659
Prepayments	223 363	51 078
Interest swap fair value	6 045 282	6 045 282
<b>Total assets</b>	<b>2 041 842 444</b>	<b>2 033 234 873</b>
<b>Equity and liabilities</b>		
<b>Capital and reserves</b>	51 604 439	47 181 893
Share capital	101	101
Distributable reserves	51 604 338	47 181 792
<b>Non-current liabilities</b>	1 981 541 231	1 981 469 003
Interest-bearing debt	1 981 541 231	1 981 469 003
<b>Current Liabilities</b>	8 696 774	4 583 976
Amounts due to EFC	8 696 774	4 583 976
<b>Total equity and liabilities</b>	<b>2 041 842 444</b>	<b>2 033 234 873</b>

## NQABA FINANCE 1 (RF) LIMITED

### Abridged glossary of definitions

Terms and expressions set out below will have the meanings set out below in the Terms and Conditions and the other Transaction Documents, unless such term is separately defined in the Terms and Conditions, the Applicable Pricing Supplement or the Transaction Documents or the context otherwise requires:

<b>Absa House Price Index</b>	the National House Price Index published quarterly by Absa on its website at: <a href="http://www.absa.co.za/Absacoza/Individual/Borrowing/Home-loans/Property-Research">http://www.absa.co.za/Absacoza/Individual/Borrowing/Home-loans/Property-Research</a>
<b>Amortisation Period</b>	the period commencing on the expiry of the Revolving Period and ending on the delivery of an Enforcement Notice
<b>Arrears</b>	a failure by a Borrower to pay an Instalment, other than a failure which is due solely to a failure of the bank payment system or a failure of the payroll deduction mechanism through which Eskom deducts payments from the salaries of the Borrowers on behalf of EFC, provided that such failure of the payroll mechanism shall not persist for longer than one month
<b>Average Outstanding Balance</b>	the aggregate of all amounts outstanding under the Home Loans owned by the Issuer divided by the number of Home Loans owned by the Issuer
<b>Business Day</b>	a day (other than a Saturday, Sunday or statutory public holiday) on which commercial banks settle payments in Rand in Johannesburg
<b>Collection Period</b>	each calendar month period commencing on (and including) the day following a Determination Date and ending on (and including) the following Determination Date
<b>Current LTV Ratio</b>	in respect of a Home Loan, the LTV Ratio as at the most recent Determination Date
<b>Defaulted Asset</b>	any Home Loan Agreement with respect to which the Issuer has commenced legal proceedings (including the delivery of a letter of demand) for the repayment of amounts outstanding under such Home Loan Agreement
<b>Deteriorated Asset</b>	any Home Loan Agreement with respect to which more than 3 Instalments are in Arrears
<b>Determination Date</b>	the last day of the calendar month preceding each Payment Date
<b>Eligibility Criteria</b>	the criteria that a Home Loan must satisfy to be acquired by the Issuer, as set out in Schedule 3 to the Home Loan Sale Agreement
<b>Fully Performing</b>	a Home Loan which is not currently in Arrears
<b>Further Advance</b>	means additional principal advances (in excess of Repayments and Prepayments) advanced to a Borrower in terms of the Home Loan Agreement concluded by such Borrower (the terms of which Home Loan Agreement will determine whether the additional advances to the Borrower are discretionary or obligatory)
<b>Home Loan</b>	a Guaranteed Home Loan or a Mortgaged Home Loan owned by the Seller that complies with the Eligibility Criteria and is sold to the Issuer pursuant to the provisions of the Home Loan Sale Agreement, which Home Loan has been granted by the Seller to a Borrower for the purpose of funding the acquisition or financing of a Property
<b>Home Loan Rate</b>	the annual lending rate of interest from time to time levied in respect of each home loan originated by the Servicer or such other entity approved by the Rating Agency nominal annual compounded monthly in arrear
<b>Instalment</b>	the monthly payment in respect of principal, interest (or a combination of both) and insurance premiums, if applicable, due in respect of a Home Loan, in accordance with the provisions of the relevant Home Loan Agreement
<b>Interest Payment Date(s)</b>	in relation to each Tranche of Notes, the interest payment dates specified as such in the Applicable Pricing Supplement. (In practice, all current notes issued have the same interest payment dates - see page 3.)
<b>Issuer Expense Cap</b>	an annual amount calculated by the Manager in respect of each financial year of the Issuer in respect of items 2 to 5 of the Priority of Payments, and notified in writing to the Issuer and the Rating Agency, which amount shall not exceed 0.3% of the aggregate of the Outstanding Principal Amounts of the Notes in issue from time to time plus any amounts outstanding under the Subordinated Loan(s)
<b>Liquidity Facility</b>	a committed Rand denominated short term loan facility, provided by the Liquidity Facility Provider in terms of the Liquidity Facility Agreement
<b>Liquidity Facility Limit</b>	2% of the Outstanding Principal Amount of the Notes in issue from time to time, being the maximum aggregate amount that can be drawn at any time under the Liquidity Facility



## NQABA FINANCE 1 (RF) LIMITED

### Abridged glossary of definitions

<b>Liquidity Shortfall</b>	on any Payment Date, an amount equal to the sum of items 1 to 6 in the Pre-Enforcement Priority of Payments applicable during the Revolving Period payable on such Payment Date, less the cash available in the relevant Priority of Payments on such Payment Date to fund such expenses
<b>LTV Ratio</b>	in respect of a Home Loan, the loan to value ratio of such Home Loan, being the ratio of the total amount outstanding under the Home Loan to the most recent value placed on the Property by an Accredited Valuer for the purposes of valuing the Property relating to the relevant Home Loan
<b>Mortgage Bond</b>	in respect of Mortgaged Home Loans, a first mortgage bond or sectional title bond on terms acceptable to the Home Loan Lender, registered over the Property of the relevant Borrower in favour of the Home Loan Lender as security for the obligations of such Borrower to the Home Loan Lender in relation to the Home Loan granted to such Borrower
<b>NACQ</b>	nominal annual compounded quarterly
<b>Original LTV Ratio</b>	in respect of a Home Loan, the LTV Ratio as at origination of that Home Loan, or if such information is unavailable, the greater of the Current LTV Ratio and the weighted average LTV Ratio in respect of Home Loans where an Original LTV Ratio is available
<b>Payment Date</b>	the 22nd day of every month on which the Issuer pays, or makes provision for the payment of, amounts owing to creditors of the Issuer
<b>Portfolio Covenants</b>	the criteria that the aggregate portfolio of Home Loans owned by the Issuer must satisfy, after the acquisition of each Home Loan under the Home Loan Sale Agreement, as set out in Schedule 4 to the Home Loan Sale Agreement
<b>Potential Redraw Amount</b>	in respect of a Home Loan at any time, the aggregate monies which the Borrower is entitled to draw, and the Home Loan Lender is obliged to advance, at such time in accordance with the provisions of the Home Loan Agreement concluded by such Borrower
<b>Pre-Enforcement Priority of Payments</b>	the Pre-Enforcement Priority of Payments applicable during the Revolving Period and the Pre-Enforcement Priority of Payments applicable during the Amortisation Period
<b>Pre-Enforcement Priority of Payments applicable during the Revolving Period</b>	the order in which payments shall be made from the Transaction Account during the Revolving Period and prior to delivery of an Enforcement Notice pursuant to an Event of Default, as set out in the Management Agreement
<b>Prepayments</b>	principal repayments received under a Home Loan in excess of the minimum scheduled Instalments which a Borrower is obliged to pay
<b>PTI Ratio (NB: this is the same as the Fitch DTI ratio)</b>	payment to monthly income ratio, being the ratio of the minimum required Instalment payable under a Home Loan Agreement to the combined gross monthly income of the Borrower concerned and such Borrower's spouse and/or live-in partner and/or any Surety for such Borrower or such other amount or person as the Rating Agency, upon written request by the Issuer, confirms in writing will not adversely affect the then current Rating of the Notes (which income comprises basic salary and travel allowance)
<b>Rate Determination Date</b>	in respect of each Interest Period for a Tranche of Floating Rate Notes, the day falling on the first day of that Interest Period or, if such day is not a Business Day, the first following day that is a Business Day
<b>Re-advance</b>	a re-advance to the relevant Borrower, in terms of the Home Loan Agreement concluded by such Borrower (the terms of which Home Loan Agreement will determine whether the re-advance to the Borrower is discretionary or obligatory), of a portion of the principal of such Borrower's Home Loan, which principal has previously been repaid by such Borrower (i.e., a re-advance of Repayments but excluding Prepayments)
<b>Redraw</b>	a re-advance to the relevant Borrower, in terms of the Home Loan Agreement concluded by such Borrower (the terms of which Home Loan Agreement will determine whether the re-advance to the Borrower is discretionary or obligatory), of a portion of the principal of such Borrower's Home Loan, which principal has previously been repaid by such Borrower in excess of the minimum required Instalments (i.e. a re-advance of Prepayments)
<b>Redraw Facility</b>	a committed Rand denominated revolving facility, provided by the Redraw Facility Provider in terms of the Redraw Facility Agreement
<b>Redraw Facility Limit</b>	an amount equal to or greater than the Potential Redraw Amount
<b>Required Direct Employees Percentage</b>	the percentage of Home Loans advanced to employees who are not directly employed by Eskom but are employed by a subsidiary company of Eskom or such other companies forming part of the Eskom group of companies in relation to the portfolio of Home Loans owned by the Issuer

## NQABA FINANCE 1 (RF) LIMITED

### Abridged glossary of definitions

<b>Revolving Period</b>	the period commencing on (and including) the Commencement Date and ending on (but excluding) the occurrence of an Early Amortisation Event
<b>Secured Creditors</b>	EFC and each of the creditors of the Issuer set out in the Priority of Payments that is a party to a Transaction Document
<b>Subordinated Notes</b>	all the Notes issued on each Issue Date, other than the Class A Notes issued on that Issue Date
<b>Transaction Documents</b>	the Common Terms Agreement, the Home Loan Sale Agreement, the Servicing Agreement, the Liquidity Facility Agreement, the Redraw Facility Agreement, the Subordinated Loan Agreement, the Management Agreement, the Bank Agreement, the Guaranteed Investment Contract, the Security Agreements, the Security SPV Guarantee, the Preference Share Subscription Agreement, the Notes, the Programme Agreement, the Programme Memorandum, any Note Subscription Agreement, the agreements entered into from time to time with Derivative Counterparties, the Safe Custody Agreement, the trust deed of the Owner Trust, the trust deed of the Security SPV Owner Trust, the memorandum and articles of association of the Issuer and the Security SPV and agreements that may be entered into from time to time with Approved Originators