



City of Ekurhuleni

CITY OF EKURHULENI METROPOLITAN MUNICIPALITY

Issue of ZAR800,000,000 Fixed Rate Amortising Notes due 17 July 2032 Under its ZAR8 000 000 000 Domestic Medium Term Note Programme

This document constitutes the Applicable Pricing Supplement relating to the issue of Notes described herein. Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions set forth in the Programme Memorandum dated 23 July 2010. This Applicable Pricing Supplement must be read in conjunction with such Programme Memorandum. To the extent that there is any conflict or inconsistency between the contents of this Applicable Pricing Supplement and such Programme Memorandum, the provisions of this Applicable Pricing Supplement shall prevail. To the extent that certain provisions of the *pro forma* Pricing Supplement do not apply to the Notes described herein, they may be deleted in this Applicable Pricing Supplement or indicated to be not applicable.

DESCRIPTION OF THE NOTES

1. Issuer	City of Ekurhuleni Metropolitan Municipality
2. Status of Notes	Unsecured
	Senior
3. (a) Tranche Number	1
(b) Series Number	8
4. Aggregate Principal Amount	ZAR800,000,000
5. Interest/Payment Basis	Fixed Rate
6. Form of Notes	The Notes in this Tranche are listed Registered Notes issued in uncertificated form
7. Automatic/Optional Conversion from one Interest/Payment Basis to another	N/A
8. Issue Date	17 July 2017
9. Business Centre	N/A
10. Additional Business Centre	N/A
11. Repayment of Principal Amount	The Principal Amount in respect of the Notes shall be payable in accordance with the Schedule of Amortization set out in Annexure A (<i>Amortization Schedule</i>) hereof
12. Principal Amount per Note	ZAR1,000,000
13. Specified Denomination	ZAR1,000,000
14. Issue Price	100%

15. Interest Commencement Date	17 July 2017
16. Commencement of Principal Payments	17 January 2018
17. Maturity Date	17 July 2032; provided however that the Principal Amount in respect of the Notes shall be payable in accordance with the Schedule of Amortization set out in Annexure A (<i>Amortization Schedule</i>) hereof
18. Specified Currency	ZAR
19. Applicable Business Day Convention	Modified Following Business Day
20. Calculation Agent	Absa Corporate & Investment Bank (a division of Absa Bank Limited)
21. Paying Agent	Absa Corporate & Investment Bank (a division of Absa Bank Limited)
22. Specified office of the Paying Agent	15 Alice Lane, Sandton, 2196South Africa
23. Transfer Agent	Absa Corporate & Investment Bank (a division of Absa Bank Limited)
24. Final Redemption Amount	100% of the Aggregate Principal Amount, provided however that the Aggregate Principal Amount in respect of the Notes shall be amortized in accordance with the Schedule of Amortization set out in Annexure A (<i>Amortization Schedule</i>) hereof

FIXED RATE NOTES

25. (a) Fixed Interest Rate(s)	11.320 % per annum payable semi-annually in arrears
(b) Interest Payment Date(s)	17 July and 17 January of each year until the Maturity Date with the first Interest Payment Date being 17 January 2018
(c) Initial Broken Amount	N/A
(d) Final Broken Amount	N/A
(e) Any other terms relating to the particular method of calculating interest	Day Count Fraction: Actual/365

FLOATING RATE NOTES N/A

PARTLY PAID NOTES N/A

INSTALMENT NOTES N/A

MIXED RATE NOTES N/A

ZERO COUPON NOTES N/A

INDEXED NOTES N/A

EXCHANGEABLE NOTES N/A

EXTENDIBLE NOTES N/A

**PROVISIONS REGARDING REDEMPTION/
MATURITY**

26. Redemption at the Option of the Issuer	No
27. Redemption at the Option of the Senior	No

Noteholders

28. Early Redemption Amount(s) payable on redemption for taxation reasons or on Event of Default Yes

GENERAL

29. Additional selling restrictions N/A
30. (a) International Securities Numbering (ISIN) ZAG000145384
(b) Stock Code EMM07P
31. Financial Exchange Interest Rate Market of the JSE Limited
32. Method of Distribution Private Placement
33. If syndicated, names of managers N/A
34. Credit Rating assigned to Notes, the Programme and/ or the Issuer as at the Issue Date (if any) The Issuer has been assigned a credit rating of Aaa.za (Long-term) by Moody's Investors Service South Africa Proprietary Limited (**Moody's**) to be reviewed in June 2018.
35. Governing law (if the laws of South Africa are not applicable) N/A
36. Use of proceeds The funds to be raised through the issue of the Notes are to be used by the Issuer for the purposes specified in section 46 of the MFMA.
37. Last Day to Register By 17h00 on 6 January and 6 July of each year until the Maturity Date
38. Books Closed Period The Register will be closed on 7 January to 16 January and from 7 July to 16 July of each year until the Maturity Date
39. Stabilisation Manager (if any) N/A
40. Other provisions N/A

DISCLOSURE REQUIREMENTS IN TERMS OF PARAGRAPH 3(5) OF THE COMMERCIAL PAPER REGULATIONS

At the date of this Applicable Pricing Supplement:

41. Paragraph 3(5)(a)
The ultimate borrower is the Issuer.
42. Paragraph 3(5)(b)
The Issuer is a going concern and can in all circumstances be reasonably expected to meet its commitments under the Notes.
43. Paragraph 3(5)(c)
The auditor of the Issuer is the Auditor-General.
44. Paragraph 3(5)(d)

As at the date of this issue:

- (i) the Issuer has issued ZAR4,729,666,667.31 (exclusive of this issue of Notes) Commercial Paper (as defined in the Commercial Paper Regulations); and
- (ii) the Issuer estimates that it will issue ZAR5,529,666,667.31 of Commercial Paper during the current financial year, ending 30 June 2018.
45. Paragraph 3(5)(e)

Prospective investors in the Notes are to consider this Applicable Pricing Supplement, the Programme Memorandum and the documentation incorporated therein by reference in order to ascertain the nature of the financial and commercial risks of an investment in the Notes. In addition, prospective investors in the Notes are to consider the latest audited financial statements of the Issuer which are incorporated into the Programme Memorandum by reference and which may be requested from the Issuer.

46. Paragraph 3(5)(f)

There has been no material adverse change in the Issuer's financial position since the date of its last audited financial statements.

47. Paragraph 3(5)(g)

The Notes issued will be listed, as stated in the Applicable Pricing Supplement.

48. Paragraph 3(5)(h)

The funds to be raised through the issue of the Notes are to be used by the Issuer for the purposes specified in section 46 of the MFMA.

49. Paragraph 3(5)(i)

The Notes are unsecured.

50. Paragraph 3(5)(j)

The Auditor-General, the auditor of the Issuer, has confirmed that nothing has come to its attention to indicate that this issue of Notes issued under the Programme will not comply in all respects with the relevant provisions of the Commercial Paper Regulations.

Responsibility:

The Issuer accepts responsibility for the information contained in this Applicable Pricing Supplement and the Programme Memorandum. To the best of the knowledge and belief of the Issuer the information contained in this Applicable Pricing Supplement and the Programme Memorandum are in accordance with the facts and does not omit anything which would make any statement false or misleading and all reasonable enquiries to ascertain such facts have been made. This Applicable Pricing Supplement and the Programme Memorandum contain all information required by law and the debt listing requirements of the JSE.

The Issuer confirms that the authorised Programme Amount of ZAR8,000,000,000 has not been exceeded.

Application is hereby made to list this issue of Notes on 17 July 2017.

SIGNED at GERMISTON this 13th day of JULY 2017.

For and on behalf of
CITY OF EKURHULENI METROPOLITAN MUNICIPALITY

Name : M I Mashazi
Capacity : City Manager
who warrants his/her authority hereto

Name : Gugu Madala
Capacity : Chief Financial Officer
who warrants his/her authority hereto

ANNEXURE A – AMORTIZATION SCHEDULE

Principal Repayment Date	Principal Amount (ZAR)
17 January 2018	ZAR26,666,667
17 July 2018	ZAR26,666,667
17 January 2019	ZAR26,666,667
17 July 2019	ZAR26,666,667
17 January 2020	ZAR26,666,667
17 July 2020	ZAR26,666,667
17 January 2021	ZAR26,666,667
17 July 2021	ZAR26,666,667
17 January 2022	ZAR26,666,667
17 July 2022	ZAR26,666,667
17 January 2023	ZAR26,666,667
17 July 2023	ZAR26,666,667
17 January 2024	ZAR26,666,667
17 July 2024	ZAR26,666,667
17 January 2025	ZAR26,666,667
17 July 2025	ZAR26,666,667
17 January 2026	ZAR26,666,667
17 July 2026	ZAR26,666,667
17 January 2027	ZAR26,666,667
17 July 2027	ZAR26,666,667
17 January 2028	ZAR26,666,667
17 July 2028	ZAR26,666,667
17 January 2029	ZAR26,666,667
17 July 2029	ZAR26,666,667
17 January 2030	ZAR26,666,667
17 July 2030	ZAR26,666,667
17 January 2031	ZAR26,666,667
17 July 2031	ZAR26,666,667
17 January 2032	ZAR26,666,667
17 July 2032	ZAR26,666,667