



TRANS-CALEDON TUNNEL AUTHORITY  
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## COMMERCIAL PAPER PLACING DOCUMENT

Prepared by

**TCTA**  
( the "Issuer" )

in respect of

A programme for the issue of R4 000 Million (Four Thousand Million Rand) unlisted unsecured, guaranteed Capital Project Bills, Negotiable Bearer Capital Project Bills and Negotiable Bearer Call Bills (together the "Commercial paper") to be issued by the Issuer.

### 1 AUTHORITY

- 1.1 In terms of the programme the Issuer is authorised to issue commercial paper up to a maximum of R4 000 Million (Four Thousand Million Rand) (the "Maximum Amount"), where the aggregate principal amount of R 4 000 Million (Four Thousand Million Rand) is not exceeded at any one point in time.
- 1.2 This Placing Document is intended to cover this, existing and future issues of the Commercial paper, for as long as the existing legislation, which governs this Issue, shall remain unchanged. Commercial paper issued, under this and other programs, are disclosed in item 8.1 of this document.

### 2 DENOMINATIONS

This Issue will comprise:-

- 2.1 Consecutively numbered Capital Project Bills with a denomination of R1 000 000 (One Million Rand) each;
- 2.2 Consecutively numbered Negotiable Bearer Capital Project Bills with a denomination of R5 000 000 (Five Million Rand) each; and

2.3 Consecutively numbered Negotiable Bearer Call Bills with a denomination of R1 000 000 (One Million Rand ) each.

### **3 MATURITY**

3.1 The Commercial paper will mature for repayment on the maturity dates indicated on the individual Bills themselves.

3.2 Payment of the nominal face value of each Bill will be effected to "Bearer", on the relative maturity date against surrender of such bill for payment to the Paying Agent identified as such in the relevant.

### **4 ISSUE PRICE AND INTEREST RATE OF COMMERCIAL PAPER**

4.1 Capital Project Bills will be issued at a discount to par at market related rates at the date of issue. The issue term of Capital Project Bills will be determined by the period in days between the issue date and the maturity date as indicated on the Bills.

4.2 Negotiable Bearer Capital Project Bills will be issued at par and bear interest at market related rates, which will be reset, calculated and paid as per the terms and conditions stated on the back of the relevant bill.

4.3 Negotiable Bearer Call Bills will be issued at par and bear interest at the commercial paper call rate of the Paying Agent identified as such in the relevant bill which is determined by it and calculated on a daily basis, and is payable monthly in arrears.

### **5 LISTING**

The Commercial paper will not be listed on a registered Stock Exchange or any Financial Exchange unless otherwise agreed.

### **6 GUARANTEE**

All issues of Commercial paper in terms of the programme up to the Maximum Amount are irrevocably and unconditionally guaranteed by the Government of the Republic of South Africa (the "Government") in accordance with the terms and conditions set out in the Guarantee signed on behalf of the Minister of Water Affairs and Forestry representing the government of the Republic of South Africa in terms of Section 35 (1) of the Exchequer Act 1975 on 29 October 1999 with the concurrence of the Minister of Finance signed on 10 July 2000, a copy of which is attached hereto as Schedule 1, but will not be secured in any other manner.

Handwritten signature and initials in the bottom right corner of the page.

## **7 PURPOSE OF THE ISSUE**

The funds to be raised by this Issue shall be assigned to operating capital to fund the Issuer's short-term liquidity positions to enable it to carry out its obligations in relation to the implementation, maintenance and operation of the Lesotho Highlands Water Project (LHWP) pursuant to the Treaty on the Lesotho Highlands Water Project entered into on 24 October 1986 between the Government and the Government of the Kingdom of Lesotho as amplified by various protocols thereto.

## **8 OTHER ISSUES OF COMMERCIAL PAPER**

8.1 As at the date of issue of this commercial paper placing document the Issuer has issued Commercial paper up to the value of R 2 232 Million (Two Thousand Two Hundred and Thirty Two Million Rand) under this program. In addition to this, amounts of R 3 635 Million (Three Thousand Six Hundred and Thirty Five Million Rand) under Lesotho Highlands Water project Registered loan stock (Loan No. 1), R2 325 Million ( Two Thousand Three Hundred and Twenty Five Million Rand) under Lesotho Highlands Water Project Registered Loan stock (Loan No. 2) and R2 160 Million ( Two Thousand One Hundred and Sixty Million Rand) under Lesotho Highlands Water Project Registered Loan stock (Loan No. 3) have been issued.

8.2 It is estimated that the Issuer will raise additional funding to the value of R 650 Million (Six Hundred and Fifty Million Rand) during the remainder of its current financial year. This will include additional funding under this Issue, Lesotho Highlands Water Project Registered Loan Stock (Loan No. 1 ), Lesotho Highlands Water Project Registered Loan Stock (Loan No. 2) and Lesotho Highlands Water Project Registered loan Stock (Loan No. 3).

## **9 AUDITORS**

9.1 The Auditors of the Issuer are PricewaterhouseCoopers Inc., Chartered Accountants (SA), of 32 Ida Street, Menlo Park, 0102, Pretoria.

9.2 By affixing their signature to this Placing Document the Auditors hereby confirm that this Issue complies in all respect with the provisions of Government Notice 2172 in Government Gazette 16167 dated 14 December 1994.



C.O.O

## 10 STATEMENT BY APPROVED OFFICIALS OF THE ISSUER

- 10.1 This Placing Document is signed by two senior officials of the Issuer in their respective capacities as the Chief Executive Officer and the Chief Financial Officer of the Issuer at the date of signature of this Placing Document.
- 10.2 By affixing their respective signatures to this Placing Document the aforementioned approved officials hereby state, on behalf of the Issuer, that:
- 10.2.1 the Issuer is a going concern and can in all circumstances be reasonably expected to meet its commitments; and
- 10.2.2 there has not been any material adverse change in the Issuer's financial position since its most recent financial year end.

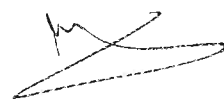


## 11 DOCUMENTS AVAILABLE

Copies of the following documents will be available from the registered office of the issuer:

- 11.1 The Issuer's latest audited annual financial statements as at 31 March.
- 11.2 Copies of the Government Guarantees related to commercial paper programme, Lesotho Highlands Water Project registered loan stock (Loan No. 1) Lesotho Highlands Water Project registered loan stock (Loan No. 2) and Lesotho Highlands Water Project registered loan stock (Loan No. 3).

## 12. CUSTODIANS

As custodians of the TCTA local Government Guarantees, utilisation against the guarantee amount of R 4 000 Million (Four Thousand Million Rand) can be obtained from Deloitte and Touche, 221 Waterkloof Road, Waterkloof, 0181, Pretoria.

  
  
  
C.O.O

**13. GOVERNING LAW**

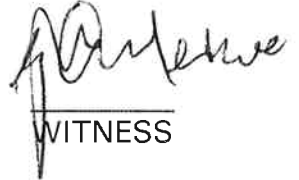
The Commercial Paper is governed by and construed in accordance with the laws in force in the Republic of South Africa.

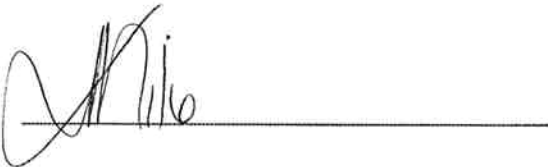
Signed at CENTURION on behalf of the TRANS-CALEDON TUNNEL AUTHORITY by



in her capacity as **Chief Executive Officer**

13/11/00  
DATE

  
WITNESS



in her capacity as **Chief Financial Officer**

13/12/00  
DATE

  
WITNESS

**Affirmation of the Auditors**

We agree to our name being inserted in the form and context in which it appears in paragraph 9 of this Placing Document.

Signed at London on this 13th day of December 2000

For and on behalf of



**PricewaterhouseCoopers Inc.**  
**Chartered Accountants (SA)**  
Registered Accountants and Auditors