

Updated in March 2022

Effective Date: Engagements where the terms of engagement have been agreed on or after 1 January 2022.

Note that this illustrative report is a template and changes may be made hereto to the extent required, provided they are consistent with the standard and terms of the engagement. Where substantive changes are made to the illustrative report, firms should consider their own internal policies and procedures, to ensure compliance with reporting requirements.

The Chief Executive Officer
Prudential Authority
South African Reserve Bank
PO Box 8432
Pretoria
0001

Dear Sir

AGREED-UPON PROCEDURES REPORT IN RESPECT OF FORM BA 501 (THE “RETURN”) OF [NAME OF SECURITISATION VEHICLE] (“THE COMPANY”) DEALING WITH MATTERS RELATED TO SECURITISATION VEHICLES IN COMPLIANCE WITH DIRECTIVE 4/2017 (THE “DIRECTIVE”) ISSUED IN TERMS OF SECTION 6(6) OF THE BANKS ACT 1990 (THE “ACT”)

Purpose of this Agreed-Upon Procedures Report and Restriction on Use and Distribution

Our report on the Return is provided in accordance with the Directive, solely for the purpose of assisting the Prudential Authority (the “PA”) in evaluating whether any instances of non-compliance with the requirements of the Directive were identified; and this report may not be suitable for another purpose. This report is intended solely for the directors of the Company and the PA, and should not be used by, or distributed to, any other parties.

Responsibilities of the Directors of the Company and the PA

The directors of the Company and the PA have acknowledged that the agreed-upon procedures are appropriate for the purposes of the engagement.

The directors of the Company are responsible for the subject matter on which the agreed-upon procedures are performed.

Auditor’s Responsibilities

We have conducted the agreed-upon procedures engagement in accordance with the International Standard on Related Services (ISRS) 4400 (Revised), *Agreed-Upon Procedures Engagements*. An agreed-upon procedures engagement involves us performing the procedures that have been agreed

with the directors of the Company and reporting the findings, which are the factual results of the agreed-upon procedures performed. We make no representation regarding the appropriateness of the agreed-upon procedures.

This agreed-upon procedures engagement is not an assurance engagement. Accordingly, we do not express an opinion or an assurance conclusion.

Had we performed additional procedures, other matters might have come to our attention that would have been reported.

[For engagements beginning before 15 December 2022] *[Delete this block, if not applicable]*

Professional Ethics and Quality Control

We have complied with the ethical requirements of the Code of Professional Conduct for Registered Auditors issued by the Independent Regulatory Board for Auditors (IRBA Code). The IRBA Code is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour; and it is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*. For the purpose of this engagement, there are no independence requirements with which we are required to comply.

The [firm applies/firms apply] International Standard on Quality Control 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements*; and, accordingly, maintains/maintain a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

[For engagements beginning on or after 15 December 2022] *[Delete this block, if not applicable]*

Professional Ethics and Quality Management

We have complied with the ethical requirements of the Code of Professional Conduct for Registered Auditors issued by the Independent Regulatory Board for Auditors (IRBA Code). The IRBA Code is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour; and it is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*. For the purpose of this engagement, there are no independence requirements with which we are required to comply.

The [firm applies/firms apply] the International Standard on Quality Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, which requires the firm/firms to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Procedures and Findings

We have performed the procedures described in the table below, which were agreed upon with the directors of the Company in respect of the Return.

No.	Procedures	Findings <i>[Possible findings included in italics below]</i> ¹	Explanations from management in respect of the exceptions ²
General Procedures			
1	<p>Obtain the submitted return (BA 501) from the PA and a copy of the certified return (the “certified return”) from <i>[state the name and designation of the individual]</i>.</p> <p>Inspect that the submitted and the certified returns agree, except for the text fields in the returns.</p> <p>Obtain and document the explanations for any exceptions identified from <i>[state the name and designation of the individual]</i>.</p>	<p><i>We obtained the submitted return (BA 501) from the PA and the certified return from [state the name and designation of the individual].</i></p> <p><i>We inspected that the submitted and the certified returns agree, except for the text fields in the returns.</i></p> <p><i>[No exceptions have been noted / The following exceptions are noted / Refer to the column on the right for management’s explanations for the exceptions identified.]</i></p>	
2	<p>For the certified return obtained in procedure 1, perform the following procedures:</p> <p>a) Agree the date at which the certified return has been completed to the financial year-end of the Company; and</p>	<p><i>For the return obtained in procedure 1, we performed the following:</i></p> <p><i>a) We agreed the date at which the certified return was completed to the financial year-end of the Company; and</i></p>	

² The following can be used where management provides explanations to the exceptions: “We obtained from [insert the name and designation of the individual] the explanations recorded below for any exceptions that we identified in relation to the abovementioned procedures [state the explanations].”

No.	Procedures	Findings <i>[Possible findings included in italics below]</i> ¹	Explanations from management in respect of the exceptions ²
	<p>b) Test the mathematical accuracy of the certified return by casting and cross-casting all rows and columns.</p> <p>Obtain and document the explanations for any exceptions identified from <i>[state the name and designation of the individual]</i>.</p>	<p>b) <i>We tested the mathematical accuracy of the certified return by casting and cross-casting all rows and columns.</i></p> <p><i>[No exceptions have been noted / The following exceptions are noted / Refer to the column on the right for management's explanations for the exceptions identified.]</i></p>	
3	<p>Inquire of <i>[state the name and designation of the individual]</i> about:</p> <p>a) The nature of the exposures within the securitisation scheme for which the certified return has been populated; and</p> <p>b) Whether the securitisation scheme is an ABCP³ programme, a traditional securitisation scheme or a synthetic securitisation scheme.</p> <p>Document management's response.</p>	<p><i>We have enquired of [state the name and designation of the individual] about:</i></p> <p><i>(a) The nature of exposures within the securitisation scheme for which the certified return has been populated; and</i></p> <p><i>(b) Whether the securitisation scheme is an ABCP⁴ programme or not.</i></p> <p><i>We documented management's response as follows:</i></p> <p><i>a) It was noted that the exposures relate to [corporate loans and receivables / Small</i></p>	

3 This refers to an Asset Backed Commercial Paper Programme (ABCP), as per the following: "Designation of an activity not falling within the meaning of The Business of a Bank (Securitisation Schemes)" in Government Gazette 30628.

4 This refers to an Asset Backed Commercial Paper Programme (ABCP), as per the following: "Designation of an activity not falling within the meaning of The Business of a Bank (Securitisation Schemes)" in Government Gazette 30628.

No.	Procedures	Findings <i>[Possible findings included in italics below]</i> ¹	Explanations from management in respect of the exceptions ²
		<p><i>Medium Enterprise loans and receivables / commercial property / bonds / non-retail exposures other than corporate and Small Medium Enterprise loans and receivables, commercial property and bonds / retail mortgages / revolving products / instalment sales and leases / retail exposures other than mortgages, revolving products and instalment sales and leases]; and</i></p> <p><i>b) The securitisation scheme [is/is not] an ABCP programme.</i></p>	
4	<p>If the securitisation is not an ABCP programme, perform procedures 6-27 (below) on the certified return. Inspect that line items 75-104 on the certified return are reported as nil values.</p> <p>Obtain and document the explanations for any exceptions identified from <i>[state the name and designation of the individual]</i>.</p>	<p><i>The securitisation is not an ABCP programme; hence, procedures 6-27 have been performed on the certified return. We inspected line items 75-104 on the certified return and noted that they [are/are not] nil values.</i></p> <p><i>[Refer to the column on the right for management’s explanations for the exceptions identified.]</i></p>	
5	<p>If the securitisation is an ABCP programme, perform procedures 28-44 (below) on the certified return and inspect that line items 1-74 on the certified return are reported as nil values.</p>	<p><i>The securitisation is an ABCP programme; hence, procedures 28-44 have been performed on the certified return. We inspected line items</i></p>	

No.	Procedures	Findings <i>[Possible findings included in italics below]</i> ¹	Explanations from management in respect of the exceptions ²
	Obtain and document the explanations for any exceptions identified from <i>[state the name and designation of the individual]</i> .	<i>1-74 on the certified return and noted that they [are/are not] nil values. [Refer to the column on the right for management's explanations for the exceptions identified.]</i>	
6	Append the certified return to the report.	<i>We append the certified return to the report as Appendix [x].</i>	
Section A: Credit Risk			
7	Obtain from <i>[state the name and designation of the individual]</i> the management's reconciliation between the Total Gross Credit Exposure in line 12, column 16, and the <i>[audited Annual Financial Statement – specify the information used]</i> . Inspect the reconciliation and document any reconciling items noted.	<i>We obtained from [state the name and designation of the individual] the management's reconciliation of the Total Gross Credit Exposure (line 12, column 16) to the [audited Annual Financial Statement – specify the information used]. We inspected the reconciliation and noted [no reconciling items/the following reconciling items differences:].</i>	
8	Obtain from <i>[state the name and designation of the individual]</i> the following: a) Management's calculation of the Total Gross Credit Exposure (lines 1-11 and 13, column 16).	<i>We obtained from [state the name and designation of the individual] the following: a) Management's calculation of the Total Gross Credit Exposure (lines 1-11 and 13, column 16).</i>	

No.	Procedures	Findings <i>[Possible findings included in italics below]</i> ¹	Explanations from management in respect of the exceptions ²
	<p>b) Management's assumption applied in calculating the Total Gross Credit Exposure (lines 1-11 and 13, column 16).</p> <p>c) <i>[Audited Annual Financial Statements/Management Accounts – specify the information used]</i>.</p> <p>and perform the following procedure:</p>	<p><i>b) Management's assumption applied in calculating the Total Gross Credit Exposure (lines 1-11 and 13, column 16).</i></p> <p><i>c) [Audited Annual Financial Statements/Management Accounts – specify information used]</i></p> <p><i>and performed the following procedure:</i></p>	
8.1	<p>Re-perform the calculation of the Total Gross Credit Exposure (lines 1-11 and 13, column 16) using management's assumptions and <i>[audited Annual Financial Statements/Management Accounts – specify the information used]</i> and agree to the Total Gross Credit Exposure (lines 1-11 and 13, column 16) in the return.</p> <p>Obtain and document the explanations for any exceptions identified from <i>[state the name and designation of the individual]</i>.</p>	<p><i>We re-performed the calculation of the Total Gross Exposure (lines 1-11 and 13, column 16) using management's assumptions and [specify the underlying financial information] of the Company and agreed it to the Total Gross Credit Exposure (lines 1-11 and 13, column 16) in the return and noted [no differences/the following differences:].</i></p> <p><i>[Refer to the column on the right for management's explanations for the exceptions identified.]</i></p>	
9	<p>Obtain from <i>[state the name and designation of the individual]</i> the management's reconciliation between the Total Impairment in line 12, column 17, and the <i>[audited Annual Financial</i></p>	<p><i>We obtained from [state the name and designation of the individual] the management's reconciliation between the Total Impairment (line 12, column 17) to the [audited</i></p>	

No.	Procedures	Findings <i>[Possible findings included in italics below]</i> ¹	Explanations from management in respect of the exceptions ²
	<i>Statements/Management Accounts – specify the information used].</i> Inspect the reconciliation and document any reconciling items noted.	<i>Annual Financial Statements/Management Accounts – specify the information used]. We inspected the reconciliation and noted [no reconciling items/the following reconciling items:].</i>	
10	Obtain from <i>[state the name and designation of the individual]</i> the following: a) Management’s calculation of the Total Impairment (lines 1-11 and 13, column 17); b) Management’s assumption applied in calculating the Total Impairment (lines 1-11 and 13, column 17); and c) <i>[Audited Annual Financial Statements/Management Accounts – specify the information used];</i> and perform the following procedure:	<i>We obtained from [state the name and designation of the individual] the following:</i> a) <i>Management’s calculation of the Total Impairment (lines 1-11 and 13, column 17);</i> b) <i>Management’s assumption applied in calculating the Total Impairment (lines 1-11 and 13, column 17); and</i> c) <i>[Audited Annual Financial Statements/Management Accounts – specify the information used];</i> <i>and performed the following procedure:</i>	
10.1	Re-perform the calculation of the Total Impairment (lines 1-11 and 13, column 17) using management’s assumptions and <i>[audited Annual Financial Statements/Management Accounts – specify the information used]</i> and agree to the	<i>We re-performed the calculation of the Total Impairment (lines 1-11 and 13, column 17) using management’s assumptions and [audited Annual Financial Statements/Management Accounts – specify the information used] and agreed it to the Total Impairment (lines 1-11</i>	

No.	Procedures	Findings <i>[Possible findings included in italics below]</i> ¹	Explanations from management in respect of the exceptions ²
	<p>Total Impairment (lines 1-11 and 13, column 17) in the return.</p> <p>Obtain and document the explanations for any exceptions identified from <i>[state the name and designation of the individual]</i>.</p>	<p><i>and 13, column 17) and noted [no differences/the following differences:].</i></p> <p><i>[Refer to the column on the right for management's explanations for the exceptions identified.]</i></p>	
11	<p>Obtain from <i>[state the name and designation of the individual]</i> the data (Gross exposure, Accrued interest, Loan to Value ratio, Collateral and Specific impairment) used to populate Section A of the return and:</p> <p>a) Re-perform management's calculations and agree to amounts reported in lines 2-6, 8-11 and 13, columns 1-15.</p> <p>b) Inspect that the loans are classified according to the following criteria in the calculation:</p> <p>i. The accrued interest of each loan is added to the capital amount of the loan to determine the Gross Exposure.</p> <p>ii. The loans are segregated according to the Loan to Value (LTV) ratio for each account into unsecured/partially secured (LTV>100%) and fully secured (LTV<=100%). Document management's <i>[explanation/policy, and specify the</i></p>	<p><i>We obtained from [state the name and designation of the individual] the data (Gross exposure, Accrued interest, Loan to Value ratio, Collateral and Specific impairment) used to populate Section A of the return.</i></p> <p>a) <i>We re-performed management's calculations and agreed to amounts reported in lines 2-6, 8-11 and 13, columns 1-15 and noted [no reconciling items/the following reconciling items:].</i></p> <p>b) <i>We inspected the calculations and noted that the loans were classified according to the following criteria:</i></p> <p>i. <i>The accrued interest of each loan is added to the capital amount of the loan to determine the Gross Exposure.</i></p> <p>ii. <i>The loans are segregated according to the Loan to Value (LTV) ratio for</i></p>	

No.	Procedures	Findings <i>[Possible findings included in italics below]</i> ¹	Explanations from management in respect of the exceptions ²
	<p><i>source used]</i> to identify secured, unsecured and partially secured loans.</p> <p>iii. For unsecured/partially secured loans, other than those handed over to legal, classify the loans into the following categories, based on the aging analysis:</p> <p>a. Performing assets (columns 1-3) – those assets which are not overdue for more than 60 days;</p> <p>b. Special mention (columns 4-6) – those assets that are overdue for more than 60 days but less than 90 days;</p> <p>c. Sub-standard (columns 7-9) – those assets that are overdue for more than 90 days but less than 180 days; and</p> <p>d. Doubtful (columns 10-12) – those assets that are overdue for more than 180 days.</p>	<p><i>each account into unsecured/partially secured (LTV>100%) and fully secured (LTV=<100%). [Document management's [explanation/policy, and specify the source used] to identify secured, unsecured and partially secured loans.]]</i></p> <p>iii. <i>For unsecured/partially secured loans, other than those handed over to legal, we classified the loans into the following categories, based on the aging analysis:</i></p> <p>a. <i>Performing assets (columns 1-3) – those assets which are not overdue for more than 60 days;</i></p> <p>b. <i>Special mention (columns 4-6) – those assets that are overdue for more than 60 days but less than 90 days;</i></p> <p>c. <i>Sub-standard (columns 7-9) – those assets that are overdue for more than 90 days but less than 180 days; and</i></p> <p>d. <i>Doubtful (columns 10-12) -- those assets that are overdue for more than 180 days.</i></p>	

	<p>iv. For unsecured/partially secured loans that have been handed over to legal, classify the loans into the following categories, based on the aging analysis:</p> <ul style="list-style-type: none"> a. Doubtful (columns 10-12) – those assets that are overdue for more than 60 days; and b. Loss (columns 13-15) – those assets for which the legal process has been exhausted and no amounts are recoverable. <p>v. For fully secured loans (LTV≤100%), classify the loans into the following categories, based on the aging analysis:</p> <ul style="list-style-type: none"> a. Performing assets (columns 1-3) – those assets which are not overdue for more than 60 days; b. Special mention (columns 4-6) – those assets that are overdue for more than 60 days but less than 12 months; and c. Sub-standard (columns 7-9) – those assets that are overdue for more than 12 months. <p>Obtain and document the explanations for any exceptions identified from <i>[state the name and designation of the individual]</i>.</p>	<p>iv. <i>For unsecured/partially secured loans that have been handed over to legal, we classified the loans into the following categories, based on the aging analysis:</i></p> <ul style="list-style-type: none"> a. <i>Doubtful (columns 10-12) – those assets that are overdue for more than 60 days; and</i> b. <i>Loss (columns 13-15) – those assets for which the legal process has been exhausted and no amounts are recoverable.</i> <p>v. <i>For fully secured loans (LTV<100%), we classified the loans into the following categories, based on the aging analysis:</i></p> <ul style="list-style-type: none"> a. <i>Performing assets (columns 1-3) – those assets that are not overdue for more than 60 days;</i> b. <i>Special mention (columns 4-6) – those assets that are overdue for more than 60 days but less than 12 months; and</i> c. <i>Sub-standard (columns 7-9) – those assets that are overdue for more than 12 months.</i> <p><i>[No exceptions have been noted / The following exceptions are noted / Refer to the</i></p>	
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No.	Procedures	Findings <i>[Possible findings included in italics below]</i> ¹	Explanations from management in respect of the exceptions ²
		<i>column on the right for management's explanations for the exceptions identified.]</i>	
Section B: Scheme Triggers			
12	<p>Perform the following procedures in respect of lines 18-26:</p> <p>a) In respect of each trigger reported in the return, extract the associated implications of the trigger breach and trigger level indicated from the <i>[specify the document used, such as the programme memorandum or prospectus]</i> (column 1 of the return);</p> <p>b) Inspect the <i>[specify the document used, such as the Investment report or Annual Financial Statements]</i> and agree the current level of trigger balances to those in the return (column 2 of the return);</p> <p>c) Inspect if the current level is in breach of the trigger level that it has been reported as Yes (1) or No (2) in column 3 of the return; and</p>	<p><i>We performed the following procedures in respect of lines 18-26:</i></p> <p><i>a) In respect of each trigger reported, we extracted the associated implications of the trigger breach and trigger level indicated from [specify the document used, such as the programme memorandum or prospectus] (column 1 of the return);</i></p> <p><i>b) Inspected the [specify the document used, such as the Investment report or Annual Financial Statements] and agreed the current level of trigger balances in column 2 in the return;</i></p> <p><i>c) Inspected if the trigger has been breached and if correctly reported as Yes/No in column 3 in the return; and</i></p>	

No.	Procedures	Findings <i>[Possible findings included in italics below]</i> ¹	Explanations from management in respect of the exceptions ²
	d) Inspect that all monetary trigger levels are reported as R'000 and that all percentage trigger levels are rounded to the nearest percentage in the return.	d) <i>Inspected if all monetary trigger levels are reported as R'000 and that all percentage trigger levels are rounded to the nearest percentage in the return.</i>	
Section C: Assets			
13	<p>Obtain the previous half-year return from the PA and agree the closing balances in line 43 to the current half-year return opening balances in line 27.</p> <p>Obtain and document the explanations for any exceptions identified from <i>[state the name and designation of the individual]</i>.</p>	<p><i>We obtained the previous half-year return from the PA and agreed the closing balances in line 43 to the current half-year return opening balances in line 27.</i></p> <p><i>[No exceptions have been noted / The following exceptions are noted / Refer to the column on the right for management's explanations for the exceptions identified.]</i></p>	
14	<p>Agree the amounts reported on lines 27-42 to the amounts disclosed in the <i>[specify the documents used, such as audited Annual Financial Statements/Management Accounts and SPI Investor Reports]</i>.</p> <p>Obtain and document the explanations for any exceptions identified from <i>[state the name and designation of the individual]</i>.</p>	<p><i>We agreed the amounts reported on lines 27-42 to the amounts disclosed in the [specify the documents used, such as audited Annual Financial Statements/Management Accounts and SPI Investor Reports].</i></p> <p><i>[No exceptions have been noted / The following exceptions are noted / Refer to the column on the right for management's explanations for the exceptions identified.]</i></p>	

No.	Procedures	Findings <i>[Possible findings included in italics below]¹</i>	Explanations from management in respect of the exceptions ²
15	<p>Agree the closing balance as disclosed in line 43 to the closing balance information disclosed in the <i>[specify the documents used, such as audited Annual Financial Statements/Management Accounts and SPI Investor Reports]</i>.</p> <p>Obtain and document explanations for any exceptions identified from <i>[state the name and designation of the individual]</i>.</p>	<p><i>We agreed the closing balance as disclosed in line 43 to the closing balance information disclosed in the [specify the documents used, such as audited Annual Financial Statements/Management Accounts and SPI Investor Reports].</i></p> <p><i>[No exceptions have been noted / The following exceptions are noted / Refer to the column on the right for management's explanations for the exceptions identified.]</i></p>	
Section D: Cash Flow Forecast of the Scheme for the Next Six Months			
16	<p>Obtain from <i>[state the name and designation of the individual]</i> the cash flow projections of the scheme for the next six months and agree the amounts to the forecast disclosed in Section D of the form.</p>	<p><i>We obtained from [state the name and designation of the individual] the cash flow projections of the scheme for the next six months and agreed the amounts to the forecast disclosed in Section D of the form.</i></p>	
Section E: Subordinated Loans			
17	<p>Agree the amounts in Section E, lines 53-57, reported in the return to the amounts included in the <i>[specify the documents used, such as audited</i></p>	<p><i>We agreed the amounts in Section E, lines 53-57, reported in the return to the amounts included in the [specify the documents used, such as audited Annual Financial</i></p>	

No.	Procedures	Findings <i>[Possible findings included in italics below]</i> ¹	Explanations from management in respect of the exceptions ²
	<p><i>Annual Financial Statements/Management Accounts and SPI Investor Reports].</i></p> <p>Obtain and document the explanations for any exceptions identified from <i>[state the name and designation of the individual].</i></p>	<p><i>Statements/Management Accounts and SPI Investor Reports].</i></p> <p><i>[No exceptions have been noted / The following exceptions are noted / Refer to the column on the right for management's explanations for the exceptions identified.]</i></p>	
18	<p>Agree the closing balance disclosed in line 58 to the closing balance information disclosed in the <i>[specify the documents used, such as audited Annual Financial Statements/Management Accounts and SPI Investor Reports].</i></p> <p>Obtain and document the explanations for any exceptions identified from <i>[state the name and designation of the individual].</i></p>	<p><i>We agreed the closing balance disclosed in line 58 to the closing balance information disclosed in the [specify the documents used, such as audited Annual Financial Statements/Management Accounts and SPI Investor Reports].</i></p> <p><i>[No exceptions have been noted / The following exceptions are noted / Refer to the column on the right for management's explanations for the exceptions identified.]</i></p>	
19	<p>Obtain the previous half-year return from the PA and agree the closing balances in line 58 to the current half-year return opening balances in line 56.</p> <p>Obtain and document the explanations for any exceptions identified from <i>[state the name and designation of the individual].</i></p>	<p><i>We obtained the previous half-year return from the PA and agreed the closing balances in line 58 to the current half-year return opening balances in line 56.</i></p> <p><i>[No exceptions have been noted / The following exceptions are noted / Refer to the</i></p>	

No.	Procedures	Findings <i>[Possible findings included in italics below]</i> ¹	Explanations from management in respect of the exceptions ²
		<i>column on the right for management's explanations for the exceptions identified.]</i>	
Section F: Reserves			
20	<p>Obtain the previous half-year return from the PA and agree the closing balances in line 62 to the current half-year return opening balances in line 59.</p> <p>Obtain and document the explanations for any exceptions identified from <i>[state the name and designation of the individual]</i>.</p>	<p><i>We obtained the previous half-year return from the PA and agreed the closing balances in line 62 to the current half-year return opening balances in line 59.</i></p> <p><i>[No exceptions have been noted / The following exceptions are noted / Refer to the column on the right for management's explanations for the exceptions identified.]</i></p>	
21	<p>Agree the amounts reported in Section F, lines 53-57, to the amounts disclosed in the <i>[specify the documents used, such as audited Annual Financial Statements/Management Accounts and SPI Investor Reports]</i>.</p> <p>Obtain and document the explanations for any exceptions identified from <i>[state the name and designation of the individual]</i>.</p>	<p><i>We agreed the amounts reported in Section F, lines 53-57 to the amounts disclosed in the [specify the documents used, such as audited Annual Financial Statements/Management Accounts and SPI Investor Reports].</i></p> <p><i>[No exceptions have been noted / The following exceptions are noted / Refer to the column on the right for management's explanations for the exceptions identified.]</i></p>	
22	<p>Agree the closing balance disclosed in line 62 to the closing balance information disclosed in the</p>	<p><i>We agreed the closing balance disclosed in line 62 to the closing balance information</i></p>	

No.	Procedures	Findings <i>[Possible findings included in italics below]</i> ¹	Explanations from management in respect of the exceptions ²
	<i>[specify the documents used, such as audited Annual Financial Statements/Management Accounts and SPI Investor Reports].</i>	<i>disclosed in the [specify the documents used, such as audited Annual Financial Statements/Management Accounts and SPI Investor Reports].</i>	
Section G: Liquidity Commitment Received by the Issuer			
23	Obtain a list from <i>[state the name and designation of the individual]</i> of all liquidity facilities relating to the SPI, including expiry dates.	<i>We obtained a list from [state the name and designation of the individual] of all liquidity facilities relating to the SPI, including expiry dates.</i>	
24	Obtain from <i>[state the name and designation of the individual]</i> agreement(s) with the liquidity provider that support each of the liquidity facilities and perform the following procedure:	Obtained from <i>[state the name and designation of the individual]</i> agreement(s) with the liquidity provider that support each of the liquidity facilities and performed the following procedure:	
24.1	Inspect the date of the agreement(s) with the liquidity provider to support each of the liquidity facilities. Document the amount of the expired liquidity facilities that are included.	<i>We inspected the date of the [agreement/s] with the liquidity provider to support each of the liquidity facilities. There were [no/Rxxx] expired liquidity facilities included.</i>	
25	Agree the amounts reported in lines 63 to the amounts disclosed in the <i>[specify the documents used, such as audited Annual Financial</i>	<i>We agreed the amounts reported in lines 63 to the amounts disclosed in the [specify the documents used, such as audited Annual</i>	

No.	Procedures	Findings <i>[Possible findings included in italics below]¹</i>	Explanations from management in respect of the exceptions ²
	<p><i>Statements/Management Accounts and SPI Investor Reports].</i></p> <p>Obtain and document the explanations for any exceptions identified from <i>[state the name and designation of the individual].</i></p>	<p><i>Financial Statements/Management Accounts and SPI Investor Reports].</i></p> <p><i>[No exceptions have been noted / The following exceptions are noted / Refer to the column on the right for management's explanations for the exceptions identified.]</i></p>	
Section H: Hedge Counterparty			
26	<p>Obtain a list from <i>[state the name and designation of the individual]</i> of all Hedge counterparties as at <i>[insert the date]</i> and agree these counterparties to that disclosed in line 64.</p> <p>Obtain and document the explanations for any exceptions identified from <i>[state the name and designation of the individual].</i></p>	<p><i>We obtained a list from [state the name and designation of the individual] of all Hedge counterparties as at [insert the date] and agreed these counterparties to that disclosed in line 64.</i></p> <p><i>[No exceptions have been noted / The following exceptions are noted / Refer to the column on the right for management's explanations for the exceptions identified.]</i></p>	
27	<p>Agree the amounts in line 64 of the return to the amounts included in the <i>[specify the documents used, such as audited Annual Financial Statements/Management Accounts and SPI Investor Reports].</i></p>	<p><i>We agreed the amounts in line 64 of the return to the amounts included in the [specify the documents used, such as audited Annual Financial Statements/Management Accounts and SPI Investor Reports].</i></p>	

No.	Procedures	Findings <i>[Possible findings included in italics below]¹</i>	Explanations from management in respect of the exceptions ²
	Obtain and document the explanations for any exceptions identified from <i>[state the name and designation of the individual]</i> .	<i>[No exceptions have been noted / The following exceptions are noted / Refer to the column on the right for management's explanations for the exceptions identified.]</i>	
Section I: Key Features of the Scheme			
28	<p>Obtain a list from <i>[state the name and designation of the individual]</i> of all commercial paper issued as at <i>[insert the year-end]</i> and perform the following procedures in respect of lines 65-72:</p> <p>a) Agree the balances set out in lines 65-72 to the <i>[specify the documents used, such as audited Annual Financial Statements/Management Accounts or SPI Investor Reports]</i>.</p> <p>b) Agree the following information on the return (lines 65-73) to the <i>[specify the documents used, such as the Prospectus, Programme Memorandum, SPI Investor Report or combination thereof]</i>:</p> <ul style="list-style-type: none"> i. Rated by. ii. International scale rating. iii. National scale rating. iv. JSE listing. 	<p><i>We obtained a list from [state the name and designation of the individual] of the commercial paper issued and performed the following procedures in respect of lines 65-72:</i></p> <p><i>a) We agreed the balances set out in lines 65-72 to the [specify the documents used, such as audited Annual Financial Statements/Management Accounts or SPI Investor Reports].</i></p> <p><i>b) We agreed the following information on the return (lines 65-73) to the [specify the documents used, such as the Prospectus, Programme Memorandum, SPI Investor Report or combination thereof]:</i></p> <ul style="list-style-type: none"> <i>i. Rated by.</i> <i>ii. International scale rating.</i> <i>iii. National scale rating.</i> <i>iv. JSE listing.</i> 	

No.	Procedures	Findings <i>[Possible findings included in italics below]</i> ¹	Explanations from management in respect of the exceptions ²
	<p>v. Years to scheduled maturity.</p> <p>vi. Issue date.</p> <p>vii. Date of legal maturity.</p> <p>viii. Step up call date.</p> <p>ix. Date of scheduled maturity.</p> <p>x. Instrument profile (floating/fixed).</p> <p>xi. Interest rate benchmark.</p> <p>xii. Spread above/below benchmark.</p> <p>xiii. Total value of commercial paper issued at inception.</p> <p>xiv. Total value of the commercial paper currently issued/outstanding.</p> <p>xv. Guarantee provided by the originator in terms of the commercial paper issued.</p> <p>c) Enquire of <i>[state the name and designation of the individual]</i> of the possibility of refinancing notes within the next six months and document management's response.</p> <p>Obtain and document the explanations for any exceptions identified from <i>[state the name and designation of the individual]</i>.</p>	<p>v. <i>Years to scheduled maturity.</i></p> <p>vi. <i>Issue date.</i></p> <p>vii. <i>Date of legal maturity.</i></p> <p>viii. <i>Step up call date.</i></p> <p>ix. <i>Date of scheduled maturity.</i></p> <p>x. <i>Instrument profile (floating/fixed).</i></p> <p>xi. <i>Interest rate benchmark.</i></p> <p>xii. <i>Spread above/below benchmark.</i></p> <p>xiii. <i>Total value of commercial paper issued at inception.</i></p> <p>xiv. <i>Total value of the commercial paper currently issued/outstanding.</i></p> <p>xv. <i>Guarantee provided by the originator in terms of the commercial paper issued.</i></p> <p>c) <i>We enquired of [state the name and designation of the individual] of the possibility of refinancing notes within the next six months and documented management's response. [No exceptions have been noted / The following exceptions are noted / Refer to the column on the right for management's explanations for the exceptions identified.]</i></p>	

No.	Procedures	Findings <i>[Possible findings included in italics below]</i> ¹	Explanations from management in respect of the exceptions ²
Section J: Top Ten Investors			
29	<p>Obtain from <i>[state the name and designation of the individual]</i> the top 10 investor holdings of the total commercial paper outstanding and agree the holdings to the <i>[specify the documents used, such as audited Annual Financial Statements/Management Accounts or SPI Investor Reports]</i>.</p> <p>Obtain and document the explanations for any exceptions identified from <i>[state the name and designation of the individual]</i>.</p>	<p>We obtained from <i>[state the name and designation of the individual]</i> the top 10 investor holdings of the total commercial paper outstanding and we agreed the top 10 investors' holdings of the total commercial paper outstanding to the <i>[specify the documents used, such as audited Annual Financial Statements/Management Accounts or SPI Investor Reports]</i>.</p> <p><i>[No exceptions have been noted / The following exceptions are noted / Refer to the column on the right for management's explanations for the exceptions identified.]</i></p>	
Section K: General Information			
30	<p>Agree lines 75 (Programme Limit), 77 (Maximum tenor allowed) and 79 (Maximum maturity of assets) to the <i>[specify the documents used, such as the ABCP Prospectus or Programme information]</i>.</p>	<p><i>We agreed lines 75 (Programme Limit), 77 (Maximum tenor allowed) and 79 (Maximum maturity of assets) to the [specify the documents used, such as the ABCP Prospectus or Programme information].</i></p> <p><i>[No exceptions have been noted / The following exceptions are noted / Refer to the</i></p>	

No.	Procedures	Findings <i>[Possible findings included in italics below]</i> ¹	Explanations from management in respect of the exceptions ²
	Obtain and document the explanations for any exceptions identified from <i>[state the name and designation of the individual]</i> .	<i>column on the right for management's explanations for the exceptions identified.]</i>	
31	Agree line 78 (Maximum tenor outstanding) to the "days to scheduled maturity" reported in column 3 in Section Q. Obtain and document the explanations for any exceptions identified from <i>[state the name and designation of the individual]</i> .	We agreed line 78 (Maximum tenor outstanding) to the "days to scheduled maturity" reported in column 3 in Section Q. <i>[No exceptions have been noted / The following exceptions are noted / Refer to the column on the right for management's explanations for the exceptions identified.]</i>	
32	Agree line 79 (maximum maturity of assets) to the maximum maturity of assets to the <i>[specify the document used, SPI Investment report, or to the last contractual payment of assets held in the vehicle]</i> . Obtain and document explanations for any exceptions identified from <i>[state name and designation]</i>	<i>We agreed line 79 (maximum maturity of assets) to the maximum maturity of assets to the [specify the document used, SPI Investment report, or to the last contractual payment of assets held in the vehicle].</i> <i>[No exceptions have been noted / The following exceptions are noted / Refer to the column on the right for management's explanations for the exceptions identified.]</i>	
33	Agree line 80 (average expected maturity of the assets) to the average expected maturity of assets per the SPI Investment report.	<i>We agreed line 80 (average expected maturity of the assets) to the average expected maturity of assets per the SPI Investment report.</i>	

No.	Procedures	Findings <i>[Possible findings included in italics below]¹</i>	Explanations from management in respect of the exceptions ²
	Obtain and document the explanations for any exceptions identified from <i>[state the name and designation of the individual]</i> .	<i>[No exceptions have been noted / The following exceptions are noted / Refer to the column on the right for management's explanations for the exceptions identified.]</i>	
34	Recalculate line 81 (largest participating asset percentage) by taking the largest individual asset outstanding per <i>[specify the source data used]</i> and divide this into the total assets outstanding per line 99.	<i>We recalculated line 81 (largest participating asset percentage) by taking the largest individual asset outstanding per [specify the source data used] and divided this into the total assets outstanding per line 99.</i>	
35	<p>Agree the answer reported in line 82 to the <i>[specify the documents used, such as the ABCP Prospectus, Programme information or SPI Investor Report]</i>.</p> <p>Obtain and document the explanations for any exceptions identified from <i>[state the name and designation of the individual]</i>.</p>	<p><i>We agreed the answer reported in line 82 to the [specify the documents used, such as the ABCP Prospectus, Programme information or SPI Investor Report].</i></p> <p><i>[No exceptions have been noted / The following exceptions are noted / Refer to the column on the right for management's explanations for the exceptions identified.]</i></p>	
Section L: Assets			
36	Obtain the previous half-year return from the PA and agree the closing balances in line 99 to the return opening balances in line 83.	<i>We obtained the previous half-year return from the PA and agreed the closing balances in line 99 to the return opening balances in line 83.</i>	

No.	Procedures	Findings <i>[Possible findings included in italics below]</i> ¹	Explanations from management in respect of the exceptions ²
	Obtain and document the explanations for any exceptions identified from <i>[state the name and designation of the individual]</i> .	<i>[No exceptions have been noted / The following exceptions are noted / Refer to the column on the right for management's explanations for the exceptions identified.]</i>	
37	<p>Agree the amounts reported on each line in Section L to the information disclosed in the <i>[specify the documents used, such as the ABCP Prospectus, Programme information or SPI Investor Report]</i>.</p> <p>Obtain and document the explanations for any exceptions identified from <i>[state the name and designation of the individual]</i>.</p>	<p><i>We agreed the amounts reported on each line in Section L to the information disclosed in the [specify the documents used, such as the ABCP Prospectus, Programme information or SPI Investor Report].</i></p> <p><i>[No exceptions have been noted / The following exceptions are noted / Refer to the column on the right for management's explanations for the exceptions identified.]</i></p>	
38	<p>Agree the closing balances in line 99 to the closing balance and the number of loans disclosed in the <i>[specify the documents used, such as the ABCP Prospectus, Programme information or SPI Investor Report]</i>.</p> <p>Obtain and document the explanations for any exceptions identified from <i>[state the name and designation of the individual]</i>.</p>	<p><i>We agreed the closing balances in line 99 to the closing balance and the number of loans disclosed in the [specify the documents used, such as the ABCP Prospectus, Programme information or SPI Investor Report].</i></p> <p><i>[No exceptions have been noted / The following exceptions are noted / Refer to the column on the right for management's explanations for the exceptions identified.]</i></p>	

No.	Procedures	Findings <i>[Possible findings included in italics below]</i> ¹	Explanations from management in respect of the exceptions ²
Section M: Liquidity Commitments Received			
39	Obtain a list and agreements from [state the name and designation of the individual] of all liquidity facilities received relating to the SPI.	<i>We obtained a list and agreements from [state the name and designation of the individual] of all liquidity facilities received relating to the SPI.</i>	
40	Inspect the date of agreement with the liquidity provider to support each of the liquidity facilities. Document if expired liquidity facilities are included.	<i>We inspected the date of agreement with the liquidity provider to support each of the liquidity facilities. There were [no/Rxxx] expired liquidity facilities included.</i>	
41	<p>Agree the committed and drawn amounts and percentages reported in line 100 to the amounts disclosed in the <i>[specify the documents used, such as audited Annual Financial Statements/Management Accounts and SPI Investor Reports]</i>.</p> <p>Obtain and document the explanations for any exceptions identified from <i>[state the name and designation of the individual]</i>.</p>	<p>We agreed the committed and drawn amounts and percentages reported in line 100 to the amounts disclosed in the <i>[specify the documents used, such as audited Annual Financial Statements/Management Accounts and SPI Investor Reports]</i>.</p> <p><i>[No exceptions have been noted / The following exceptions are noted / Refer to the column on the right for management's explanations for the exceptions identified.]</i></p>	

No.	Procedures	Findings <i>[Possible findings included in italics below]</i> ¹	Explanations from management in respect of the exceptions ²
Section N: Hedge Counterparty			
42	<p>Obtain from <i>[state the name and designation of the individual]</i> a list of the Hedge counterparties and agree the amounts and the counterparty reported in line 101 of the return to the amount and counterparty included in the <i>[specify the documents used, such as audited Annual Financial Statements/Management Accounts and SPI Investor Reports]</i>.</p> <p>Obtain and document the explanations for any exceptions identified from <i>[state the name and designation of the individual]</i>.</p>	<p><i>We obtained from [state the name and designation of the individual] a list of the Hedge counterparties and agreed the amounts and the counterparty reported in line 101 of the return to the amount and counterparty included in the [specify the documents used, such as audited Annual Financial Statements/Management Accounts and SPI Investor Reports].</i></p> <p><i>[No exceptions have been noted / The following exceptions are noted / Refer to the column on the right for management's explanations for the exceptions identified.]</i></p>	
Section O: Other Facilities			
43	<p>Obtain from <i>[state the name and designation of the individual]</i> a list of other facilities and agree the information included in line 102 of the return to the <i>[specify the documents used, such as the ABCP Prospectus, Programme information or SPI Investor Report]</i>.</p>	<p><i>We obtained from [state the name and designation of the individual] a list of other facilities and agreed the information included in line 102 of the return to the [specify the documents used, such as the ABCP Prospectus, Programme information or SPI Investor Report].</i></p>	

No.	Procedures	Findings <i>[Possible findings included in italics below]</i> ¹	Explanations from management in respect of the exceptions ²
	Obtain and document the explanations for any exceptions identified from <i>[state the name and designation of the individual]</i> .	<i>[No exceptions have been noted / The following exceptions are noted / Refer to the column on the right for management's explanations for the exceptions identified.]</i>	
Section P: Credit Enhancement			
44	Obtain from <i>[state the name and designation of the individual]</i> a list of the credit enhancement and agree the information included in line 103 of the return to the <i>[specify the documents used, such as the ABCP Prospectus, Programme information or SPI Investor Report]</i> . Obtain and document the explanations for any exceptions identified from <i>[state the name and designation of the individual]</i> .	<i>We obtained from [state the name and designation of the individual] a list of the credit enhancement and agreed the information included in line 103 of the return to the [specify the documents used, such as the ABCP Prospectus, Programme information or SPI Investor Report].</i> <i>[No exceptions have been noted / The following exceptions are noted / Refer to the column on the right for management's explanations for the exceptions identified.]</i>	
Section Q: Notes Issued			
45	Obtain the programme memorandum or prospectus to identify the key features, as specified in procedure 25(b) of the commercial paper that has been issued, and perform the following procedures in respect of line 103:	<i>We obtained the programme memorandum or prospectus to identify the key features, as specified in procedure 25(b) of the commercial paper that has been issued, and performed the following:</i>	

No.	Procedures	Findings <i>[Possible findings included in italics below]</i> ¹	Explanations from management in respect of the exceptions ²
	<p>a) Agree the balances disclosed in line 103, columns 1-11, to the <i>[specify the documents used, such as audited Annual Financial Statements/Management Accounts or SPI Investor Reports]</i>.</p> <p>b) Agree the following information on the return (line 103) to the <i>[specify the documents used, such as the Prospectus, Programme Memorandum, SPI Investor Report or combination thereof]</i>:</p> <ul style="list-style-type: none"> i. Rated by. ii. JSE listing. iii. Days to scheduled maturity. iv. Issue date. v. Date of scheduled maturity. vi. Instrument profile (floating/fixed). vii. Interest rate benchmark. viii. Spread above/below benchmark. ix. Issue value. x. Face value. <p>c) Enquire of <i>[state the name and designation of the individual]</i> of the possibility of refinancing notes within the next six months and document management's response.</p>	<p>a) <i>Agreed the balances disclosed in line 103, columns 1-11, to the [specify the documents used, such as audited Annual Financial Statements/Management Accounts or SPI Investor Reports].</i></p> <p>b) <i>Agreed the following information on the return (line 103) to the [specify the documents used, such as the Prospectus, Programme Memorandum, SPI Investor Report or combination thereof]:</i></p> <ul style="list-style-type: none"> <i>i. Rated by.</i> <i>ii. JSE listing.</i> <i>iii. Days to scheduled maturity.</i> <i>iv. Issue date.</i> <i>v. Date of scheduled maturity.</i> <i>vi. Instrument profile (floating/fixed).</i> <i>vii. Interest rate benchmark.</i> <i>viii. Spread above/below benchmark.</i> <i>ix. Issue value.</i> <i>x. Face value.</i> <p>c) <i>We enquired of [state the name and designation of the individual] of the possibility of refinancing notes within the next six months and documented management's response.</i></p>	

No.	Procedures	Findings <i>[Possible findings included in italics below]</i> ¹	Explanations from management in respect of the exceptions ²
Section R: Top 10 Investors			
46	Agree the top 10 investors' holdings of the total commercial paper outstanding to the <i>[audited Annual Financial Statements/Management Accounts/SPI Investor Report/(similar document)]</i> .	<i>We agreed the top 10 investors' holdings of the total commercial paper outstanding to the [audited Annual Financial Statements/Management Accounts/SPI Investor Report/(similar document)].</i>	

Yours faithfully⁵,

[Insert the firm name]

Per [Insert the name]

[Director or Partner]

Date

⁵ Each firm to include its own signing conventions.