

Corporate and Investment Banking



# Applicable Pricing Supplement

## APPLICABLE PRICING SUPPLEMENT

### ABSA BANK LIMITED

*(incorporated in the Republic of South Africa with limited liability and with company registration number: 1986/004794/06)*

#### Issue of ZAR30,567,000.00 Unsubordinated and Unsecured Registered Notes

#### under its ZAR40,000,000,000 Master Structured Note Programme approved by the JSE Limited t/a The Johannesburg Stock Exchange

This Applicable Pricing Supplement must be read in conjunction with the Master Structured Note Programme Memorandum dated 27 October 2015 which was approved by the JSE Limited t/a The Johannesburg Stock Exchange on or about 30 October 2015, as amended and/or supplemented from time to time (“the Master Programme Memorandum”). This Applicable Pricing Supplement was prepared by Absa Bank Limited in connection with the Absa Bank Limited ZAR40,000,000,000 Master Structured Note Programme.

Any capitalised term not defined in this Applicable Pricing Supplement has the meaning ascribed to it in Schedule 1 (Glossary of Terms) to Section II-A (Terms and Conditions of the Notes) of the Master Programme Memorandum.

This document constitutes an Applicable Pricing Supplement relating to the Notes described herein issued or to be issued by the Issuer. The Notes described herein are subject to the Terms and Conditions of the Notes, as replaced, amended and/or supplemented by this Applicable Pricing Supplement. To the extent that there is any conflict or inconsistency between the provisions of this Applicable Pricing Supplement and the provisions of the Master Programme Memorandum, the provisions of this Applicable Pricing Supplement will prevail for purposes of the Notes which are governed by it.

This Applicable Pricing Supplement supersedes any previous term sheet, pricing supplement, confirmation, or other communication in respect of the Notes described below.

By purchasing the Notes, the Holders of the Notes acknowledge and confirm that: (i) they fully understand the nature of the Notes and the extent of their exposure to risks under and imbedded in the Notes, and (ii) they had considered the suitability of the Notes as an investment in the light of their own circumstances and financial position.

The Notes involve a high degree of risk, including the risk of losing some or a significant part of the Noteholder’s initial investment. A Noteholder should be prepared to sustain a total loss of its investment in the Notes. The Notes represent general, unsecured, unsubordinated, contractual obligations of the Issuer and rank *pari passu* in all respects with each other.

1.	Issuer:	Absa Bank Limited
2.	Status of Notes:	Unsubordinated and Unsecured Notes. (The default status of the Notes under the Master Structured Note

	Programme is 'unsubordinated and unsecured' per Condition 5 ( <i>Status of Notes</i> ) on page 37 of the Master Programme Memorandum.)
3. Issuance Currency:	South African Rand (ZAR)
4. Series Number:	2018-39
5. Tranche Number:	ASN276
6. Aggregate Nominal Amount:	
(a) Per Series:	ZAR30,567,000.00
(b) Per Tranche:	ZAR30,567,000.00
7. Interest:	Not Applicable
8. Interest Payment Basis:	Not Applicable
9. Automatic / Optional Conversion from one Interest / Redemption / Payment Basis to another:	Not Applicable
10. Form of Notes:	Registered Notes: The Notes in this Tranche are issued in uncertificated form and held in the Central Securities Depository.
11. Trade Date:	01 August 2018
12. Issue Date:	17 August 2018
13. Specified Denomination:	ZAR1,000.00 per Note. (The provision reading "Notes will not be offered for subscription to any single addressee for an amount of less than R1,000,000" appearing under the "Selling Restrictions" for South Africa in "Section II-D: Subscription and Sale" of the Master Programme Memorandum will be disapplied and deemed to be amended for purposes of these Notes.)
14. Issue Price:	100.00%
15. Interest Commencement Date:	Not Applicable
16. Maturity Date:	04 August 2023, subject to such day being an Exchange Business Day and a Business Day. If such day is not an Exchange Business Day and a Business Day, then the Maturity Date will be the next day which is an Exchange

	Business Day and a Business Day.
17. Business Days:	As described in Schedule 1 (Glossary of Terms) of the Master Programme Memorandum, London Business Days and a TARGET Settlement Days, being days on which the Trans-European Automated Real-time Gross settlement Express system is open.
18. Applicable Business Day Convention:	Modified Following Business Day
19. Final Redemption Amount:	See Index-Linked Notes provisions in paragraph 23 below.
20. Last Dates to Register:	In respect of payment of the Final Redemption Amount, the Last Date to Register is 24 July 2023, i.e. the 11 <sup>th</sup> calendar day preceding the Maturity Date.
21. Books Closed Periods:	In respect of payment of the Final Redemption Amount, the Register will be closed from 25 July 2023 until the Maturity Date, i.e. for a period of 10 calendar days preceding the Maturity Date.
22. Value of aggregate Nominal Amount of all Notes issued under the Structured Note Programme as at the Issue Date:	ZAR14,676,526,355.66
<b>INDEX-LINKED NOTES</b>	
23. (a) Type of Index-Linked Notes:	Indexed Redemption Amount Notes
(b) Formula by reference to which payment amount in respect of the Index-Linked Leg is to be determined:	<p>If on the Index Valuation Date the final level of Index is equal to or greater than the initial level of Index on Trade Date, the Calculation Agent will determine and calculate the Final Redemption Amount in accordance with the following formula:</p> $\text{FRA} = \text{ANA} + [\text{ANA} * \text{MAX}(\text{MAX}[\text{CR}_1, \text{CR}_2, \text{CR}_3, \text{CR}_4, \text{CR}_5], 0)]$ <p>“FRA” means the Final Redemption Amount;  “ANA” means the Aggregate Nominal Amount;  “*” means “multiplied by”;  “max” means “the maximum of” or “the greater of”;</p>

	<p>“CR<sub>1</sub>” means the “Coupon Return” which is determined and calculated in accordance with the following formula:</p> <p>If <math>\text{Index}_i \leq \text{Index}_f &lt; \text{Index}_{1}</math>, then 0.30 (30%), otherwise 0%</p> <p>where:</p> <p>“Index<sub>i</sub>” means, in respect of the Index, the initial Index level, being the official closing level of the Index, as determined by the Issuer, which is: 3,509.23 in the case of the Euro Stoxx 50® Index on the Trade Date;</p> <p>“≤” means “lessor than or equals to”;</p> <p>“Index<sub>f</sub>” means, in respect of the Index, the final Index level as determined by the Issuer as the official closing level of the Index on the Expiration Date;</p> <p>“&lt;” means “lessor than”;</p> <p>“Index<sub>1</sub>” means, in respect of the Index, the initial Index level, being the official closing level of the Index multiplied by 1.05 (105%), as determined by the Issuer, which is: 3,509.23 in the case of the Euro Stoxx 50® Index on the Trade Date.</p> <p>“CR<sub>2</sub>” means the “Coupon Return” which is determined and calculated in accordance with the following formula:</p> <p>If <math>\text{Index}_{1} \leq \text{Index}_f &lt; \text{Index}_{2}</math> , then 0.40 (40%), otherwise 0%</p> <p>where:</p> <p>“Index<sub>1</sub>” means, in respect of the Index, the initial Index level, being the official closing level of the Index multiplied by 1.05 (105%), as determined by the Issuer, which is: 3 in the case of the Euro Stoxx 50® Index on the Trade Date;</p> <p>“≤” means “lessor than or equals to”;</p> <p>“Index<sub>f</sub>” means, in respect of the Index, the final Index level as determined by the Issuer as the official closing level of the Index on the Expiration Date;</p> <p>“&lt;” means “lessor than”;</p> <p>“Index<sub>2</sub>” means, in respect of the Index, the initial Index</p>
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	<p>level, being the official closing level of the Index multiplied by 1.075 (107.50%), as determined by the Issuer, which is: 3,772.42 in the case of the Euro Stoxx 50® Index on the Trade Date.</p> <p>“CR<sub>3</sub>” means the “Coupon Return” which is determined and calculated in accordance with the following formula:</p> <p>If <math>\text{Index}_2 \leq \text{Index}_f &lt; \text{Index}_3</math> , then 0.70 (70%), otherwise 0%</p> <p>where:</p> <p>“Index<sub>2</sub>” means, in respect of the Index, the initial Index level, being the official closing level of the Index multiplied by 1.075 (107.50%), as determined by the Issuer, which is: 3,772.42 in the case of the Euro Stoxx 50® Index on the Trade Date;</p> <p>“≤” means “lessor than or equals to”;</p> <p>“Index<sub>f</sub>” means, in respect of the Index, the final Index level as determined by the Issuer as the official closing level of the Index on the Expiration Date;</p> <p>“&lt;” means “lessor than”;</p> <p>“Index<sub>3</sub>” means, in respect of the Index, the initial Index level, being the official closing level of the Index multiplied by 1.10 (110%), as determined by the Issuer, which is: 3,860.15 in the case of the Euro Stoxx 50® Index on the Trade Date.</p> <p>“CR<sub>4</sub>” means the “Coupon Return” which is determined and calculated in accordance with the following formula:</p> <p>If <math>\text{Index}_3 \leq \text{Index}_f &lt; \text{Index}_4</math> , then 1.00 (100%), otherwise 0%</p> <p>where:</p> <p>“Index<sub>3</sub>” means, in respect of the Index, the initial Index level, being the official closing level of the Index multiplied by 1.10 (110%), as determined by the Issuer, which is: 3,860.15 in the case of the Euro Stoxx 50® Index on the Trade Date;</p> <p>“≤” means “lessor than or equals to”;</p> <p>“Index<sub>f</sub>” means, in respect of the Index, the final Index</p>
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	<p>level as determined by the Issuer as the official closing level of the Index on the Expiration Date;</p> <p>“&lt;” means “less than”;</p> <p>“Index<sub>4</sub>” means, in respect of the Index, the initial Index level, being the official closing level of the Index multiplied by 1.125 (112.50%), as determined by the Issuer, which is: 3,947.88 in the case of the Euro Stoxx 50® Index on the Trade Date.</p> <p>“CR<sub>5</sub>” means the “Coupon Return” which is determined and calculated in accordance with the following formula:</p> <p>If <math>\text{Index}_f \geq \text{Index}_4</math>, then 1.30 (130%), otherwise 0%</p> <p>where:</p> <p>“Index<sub>f</sub>” means, in respect of the Index, the final Index level as determined by the Issuer as the official closing level of the Index on the Expiration Date;</p> <p>“≥” means “greater than or equals to”;</p> <p>“Index<sub>4</sub>” means, in respect of the Index, the initial Index level, being the official closing level of the Index multiplied by 1.125 (112.50%), as determined by the Issuer, which is: 3,947.88 in the case of the Euro Stoxx 50® Index on the Trade Date.</p> <p>“Index Valuation Date” means 01 August 2023;</p> <p>“Exchange Business Day” means a Scheduled Trading Day on which:</p> <ul style="list-style-type: none"> <li>(a) the Index Sponsor actually publishes the closing level of the Index; and</li> <li>(b) each Listing Financial Exchange or each Index Component Exchange, as the case may be, is actually open for trading during its regular trading session, notwithstanding the relevant Listing Financial Exchange and/or any relevant Index Component Exchange, as the case may be, closing prior to its Scheduled Closing Time;</li> </ul> <p>“Scheduled Trading Day” means any day on which:</p> <ul style="list-style-type: none"> <li>(a) the Index Sponsor is scheduled to publish the closing level of the Index; and</li> <li>(b) each Listing Financial Exchange or each Index Component Exchange, as the case may be, is</li> </ul>
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	<p>scheduled to be open for trading during its regular trading session.</p> <p>“Scheduled Closing Time” means, in respect of an Index Component Exchange and an Exchange Business Day, the scheduled weekday closing time of such Index Component Exchange on such Exchange Business Day, without regard to after hours or any other trading outside of the regular trading session hours.</p> <p>“Index Sponsor” means the corporation or other entity that:</p> <p>(a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to the Index; and</p> <p>(b) announces (directly or through an agent) the level of the Index on a regular basis during each Exchange Business Day.</p> <p>“Index Component Exchange” means in respect of each component security of the Index (each “a Component Security”), the principal securities exchange on which such Component Security is principally traded, as determined by the Calculation Agent.</p> <p>“Index Valuation Time” means:</p> <p>(a) for the purposes of determining whether a Market Disruption Event has occurred:</p> <p>(aa) in respect of any Component Security, the Scheduled Closing Time of the relevant Index Component Exchange; and</p> <p>(bb) in respect of any options contracts or futures contracts referencing the Index, the close of trading on the related securities exchange; and</p> <p>(b) in all other circumstances, the time at which the official closing level of the Index is calculated and published by the Index Sponsor.</p>
(c)	Euro Stoxx 50® Index (Bloomberg Ticker: SX5E Index; Thomson Reuters Ric: .STOXX50E)
(d) Index Calculation Agent:	In respect of the Euro Stoxx 50® Index, STOXX Limited, Zurich, Switzerland and/or its licensors are the Index Calculation Agent.
(e) Other terms relating to	None



Index Linked Notes:	
<b>PROVISIONS REGARDING REDEMPTION/MATURITY</b>	
24. Redemption at the option of the Issuer:	No
25. Redemption at the Option of Note holders:	No
26. Early Redemption Amount(s) payable on redemption for Tax Reasons, Change in Law, Hedging Disruption, Increased Cost of Hedging, Market Disruption Event, Trading Disruption, Exchange Disruption, Early Closure, Disrupted Day, Additional Termination Events or Events of Default (if required).	Yes
If yes:	
(a) Amount payable; or	Not Applicable
(b) Method of calculation of amount payable for all other purposes:	As specified in Condition 8.5 ( <i>Early Redemption Amounts</i> ) of the Master Programme Memorandum.
<b>GENERAL</b>	
27. Listing Financial Exchange:	All such exchanges relevant to the Index as determined by the Calculation Agent.
28. Calculation Agent:	Absa Corporate and Investment Banking, a division of Absa Bank Limited.
29. Paying Agent:	Absa Corporate and Investment Banking, a division of Absa Bank Limited.
30. Specified office of the Paying Agent:	15 Alice Lane Sandton 2196 Gauteng Republic of South Africa

31. Transfer Agent:	Absa Corporate and Investment Banking, a division of Absa Bank Limited.
32. ISIN No.:	ZAG000153479
33. Stock Code:	ASN276
34. Method of distribution:	Private Placement
35. Governing law:	Law of the Republic of South Africa
36. Other provisions:	<p>Applicable</p> <p>The Notes will be inward listed on the JSE in terms of the authority granted by the Financial Surveillance Department of the South African Reserve Bank.</p>
(a) Change in Law:	<p>If on or after the Effective Date of the Notes:</p> <ul style="list-style-type: none"> <li>(i) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or</li> <li>(ii) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including, without limitation, any action taken by a taxing authority),</li> </ul> <p>the Calculation Agent determines in good faith and acting in a commercially reasonable manner that:</p> <ul style="list-style-type: none"> <li>(aa) it has become illegal or contrary to such applicable law or regulation for the Note Holder to hold the Notes; or</li> <li>(bb) it has become illegal or contrary to such applicable law or regulation for the Issuer or any affiliate of the Issuer to hold, acquire, deal in or dispose of hedge positions, underlying securities or other property or assets comprised in an index, any currency, futures contracts, commodities or contracts in securities, options, futures, derivatives or foreign exchange relating to the Notes (collectively, "Hedge Positions"), or</li> <li>(cc) the Issuer or any affiliate of the Issuer will incur a materially increased cost in performing its obligations in respect of the Notes or its Hedge Positions in connection with the Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse</li> </ul>

	<p>effect on its tax position), or</p> <p>(dd) the Issuer or any affiliate of the Issuer will be subjected to materially less favourable regulatory capital treatment in respect of such Notes or any related Hedge Positions,</p> <p>the Issuer may terminate the Notes early and the Calculation Agent will determine and calculate the early termination amount to be paid to the Note Holder.</p> <p>The phrase “any applicable law or regulation” includes, without limitation, the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, any rules and regulations promulgated there under and any similar law or regulation (collectively, the “Wall Street Act”). Any additional capital charges or other regulatory capital requirements imposed in connection with the Wall Street Act or any legislation and/or regulation based on the Wall Street Act, or Basel III, will constitute a materially increased expense or cost of the Issuer in performing its obligations in respect of these Notes.</p>
<p>(b) Hedging Disruption:</p>	<p>If the Issuer or any affiliate of the Issuer (each “a Hedging Party”) is unable, after using commercially reasonable efforts, to either:</p> <p>(i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity price risk (or any other relevant price risk including, but not limited to, the currency risk) of entering into and performing its obligations with respect to the Notes or any Hedge Positions in connection with the Notes, or</p> <p>(ii) freely realise, recover, receive, repatriate, remit or transfer the proceeds of any Hedge Position in connection with the Notes between accounts within the jurisdiction of the Hedge Positions (the “Affected Jurisdiction”) or from accounts within the Affected Jurisdiction to accounts outside of the Affected Jurisdiction,</p> <p>the Issuer may terminate the Notes early and the Calculation Agent will calculate the early termination amount to be paid to the Note Holder.</p>
<p>(c) Increased Cost of Hedging:</p>	<p>If the Issuer or any affiliate of the Issuer (each “a Hedging Party”) would incur a materially increased (as compared with circumstances existing on the Effective</p>

	<p>Date) amount of tax, duty, expenses, costs or fees (other than brokerage or commissions) to:</p> <ul style="list-style-type: none"> <li>(i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity price risk (or any other relevant price risk, including, but not limited to, the currency risk) of entering into and performing its obligations with respect to the Notes or Hedge Positions in connection with the Notes, or</li> <li>(ii) realise, recover or remit the proceeds of Hedge Positions in connection with the Notes between accounts within the jurisdiction of the Hedge Positions (the "Affected Jurisdiction") or from accounts within the Affected Jurisdiction to accounts outside the Affected Jurisdiction,</li> </ul> <p>the Issuer may terminate the Notes early and the Calculation Agent will calculate the early termination amount to be paid to the Note Holder.</p>
<p>(d) Market Disruption:</p>	<p>A "Disrupted Day" means any Scheduled Trading Day on which:</p> <ul style="list-style-type: none"> <li>(i) the Index Sponsor fails to publish the level of the Index;</li> <li>(ii) the Index Component Exchange fails to open for trading during its regular trading session; or</li> <li>(iii) a Market Disruption Event has occurred.</li> </ul> <p>The Calculation Agent will as soon as reasonably practicable under the circumstances notify the Note Holders of the occurrence of a Disrupted Day on any day that, but for the occurrence of a Disrupted Day, would have been a Valuation Date. Without limiting the obligation of the Calculation Agent to notify the Note Holders as set forth in the preceding sentence, failure by the Calculation Agent to notify the Note Holders of the occurrence of a Disrupted Day will not affect the validity of the occurrence.</p> <p>The consequences of a Disrupted Day are that the relevant Valuation Date will be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the eight Scheduled Trading Days immediately following the relevant scheduled Valuation Date is a Disrupted Day. In that case, (aa) that eighth Scheduled Trading Day will be deemed to be the</p>

relevant Valuation Date, notwithstanding the fact that such day is a Disrupted Day, and (bb) the Calculation Agent will determine the level of the Index as of the Index Valuation Time on that eighth Scheduled Trading Day in accordance with the formula for and method of calculating the Index last in effect prior to the occurrence of the first Disrupted Day using the Index Component Exchange traded or quoted price as of the Index Valuation Time on that eighth Scheduled Trading Day of each Component Security (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant Component Security on that eighth Scheduled Trading Day, its good faith estimate of the value for the relevant Component Security as of the Index Valuation Time on that eighth Scheduled Trading Day).

For purposes of the above, the following terms have the meanings assigned next to each such term:

“Valuation Date” means each of the following dates: the Trade Date, the Index Valuation Date, the Maturity Date and an Exchange Business Day.

“Market Disruption Event” means either:

- (i) (aa) the occurrence or existence, in respect of any Component Security, of:
  - (1) a Trading Disruption in respect of such Component Security, which the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Index Valuation Time in respect of the Index Component Exchange on which such Component Security is principally traded;
  - (2) a Trading Disruption in respect of such Component Security, which the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Index Valuation Time in respect of the Index Component Exchange on which such Component is principally traded;

	<p>(3) an Early Closure in respect of such Component Security;</p> <p>AND</p> <p>(bb) the aggregate of all Component Securities in respect of which a Trading Disruption, an Exchange Disruption or an Early Closure occurs or exists comprises 20% (twenty per cent.) or more of the level of the Index;</p> <p>OR</p> <p>(ii) the occurrence or existence, in respect of futures or options contracts relating to the Index, of:</p> <p>(aa) a Trading Disruption Event;</p> <p>(bb) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one hour period that ends at the Index Valuation Time in respect of the Index Component Exchange; or</p> <p>(cc) an Early Closure, in each case in respect of such futures or options contracts.</p> <p>For the purposes of determining whether a Market Disruption Event exists in respect of a Component Security at any time, if a Market Disruption Event occurs in respect of such Component Security at that time, then the relevant percentage contribution of that Component Security to the level of the Index will be based on a comparison of (x) the portion of the level of the Index attributable to that Component Security to (y) the overall level of the Index, in each case using the official opening weightings as published as part of the market "opening data".</p> <p>"Trading Disruption" means any suspension of or limitation imposed on trading by the relevant Index Component Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Index Component Exchange or otherwise:</p> <p>(i) relating to any Component Security on the Index Component Exchange in respect of such</p>
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	<p>Component Security; or</p> <p>(ii) in futures or options contracts relating to the Index on the Index Component Exchange.</p> <p>“Exchange Disruption” means any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general to effect transactions in, or obtain market values for:</p> <p>(i) any Component Security on the Index Component Exchange in respect of such Component Security; or</p> <p>(ii) futures or options contracts relating to the Index on the Index Component Exchange.</p> <p>“Early Closure” means the closure on any Exchange Business Day of the Index Component Exchange in respect of any Component Security prior to its Scheduled Closing Time, unless such earlier closing is announced by such Index Component Exchange at least one hour prior to the earlier of:</p> <p>(i) the actual closing time for the regular trading session on such Index Component Exchange on such Exchange Business Day; and</p> <p>(ii) the submission deadline for orders to be entered into the Index Component Exchange system for execution at the relevant Index Valuation Time on such Exchange Business Day.</p>
(e) Inward Listing:	<p>The Notes will be inward listed on the Financial Exchange in terms of the authority granted by the Financial Surveillance Department of the South African Reserve Bank.</p>
(f) Taxation:	<p>Condition 9 titled “Taxation” in the section II-A of the Master Programme Memorandum titled “Terms and Conditions of the Notes” is deemed to be amended in relation to this Tranche of Notes by:</p> <p>(i) the replacement of the words after the dash in Condition 9.3 with the phrase “provided that this exception will only apply to that portion of the withholding or deduction which could lawfully have been so reduced”,</p>

- (ii) the deletion of Condition 9.8, and
- (iii) the insertion of the following additional paragraphs immediately after Condition 9.7:

“9.8 where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC (or any other directive implementing the conclusions of the 2312th Economic and Financial Affairs Council (ECOFIN) meeting of 26 and 27 November 2000) on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such directive; or

9.9 held by or on behalf of a Noteholder in circumstances where such party could lawfully reduce the amount of taxation otherwise levied or leviable upon the principal or interest by virtue of any tax treaty or non-South African tax laws applicable to such Noteholder, whether by way of a tax credit, rebate deduction or reduction equal to all or part of the amount withheld or otherwise, and whether or not it is actually claimed and/or granted and/or allowed; or

9.10 in respect of any present or future taxes, duties, assessments or governmental charges of whatever nature which are payable otherwise than by withholding from payment of principal or interest, if any, with respect to such Note; or

9.11 where any combination of the scenarios or occurrences contemplated in Conditions 9.1 to 9.10 above occurs the Issuer is not liable for or otherwise obliged to pay any taxes that may arise as a result of the ownership, transfer or redemption of any Note.

If the Issuer becomes subject generally at any time to any taxing jurisdiction, authority or agency other than or in addition to the Republic of South Africa, references in Conditions 8.2 (Redemption for Tax Reasons or due to a Change in Law) and 9 (Taxation) to the Republic of South Africa will be read and construed as references to the



	Republic of South Africa and/or to such other jurisdiction, authority or agency.”
(g) Additional Early Redemption Events:	<p>Each of the following constitutes an “Additional Early Redemption Event”:</p> <p>(i) The failure by any party despite all its reasonable endeavours to obtain or maintain all applicable exchange controls approvals and any other regulations, licences or approvals (howsoever described) required in the Republic of South Africa to acquire and keep the Notes.</p> <p>(ii) A <i>force majeure</i> (impossibility of performance) will arise if after the date of this Term Sheet:</p> <p>(aa) any confiscations, impairment of currency and/or security transfers, banking moratorium, standstill, waivers or deferral, or other restrictions, whether de facto or de iure (including any expropriation, confiscation, requisition or nationalisation of private property), imposed by a government or administrative authority, any court, tribunal, or any other entity de facto or de iure, or any other entity charged with the regulation of the financial markets (including the central bank), or</p> <p>(bb) the declaration of a national emergency, the occurrence of a natural or man-made disaster, civil unrest or act of terrorism, the imposition of martial law or declaration of war or further to any similar circumstance beyond the control of a party</p> <p>it becomes impossible (other than as a result of its own misconduct) for a party to perform any absolute or contingent obligation to make a payment or delivery or to receive a payment or delivery in respect of the Notes or to comply</p>

	<p>with any other material provision of this Term Sheet.</p> <p>If an Additional Early Redemption Event occurs, the Issuer may terminate the Notes early and the Calculation Agent will calculate the early termination amount to be paid to the Note Holder</p>
(h) Index Disclaimer:	<p>The EURO STOXX 50<sup>®</sup> and the trademarks used in the Index name are the intellectual property of STOXX Limited, Zurich, Switzerland and/or its licensors. The Index is used under license from STOXX. The Securities based on the index are in no way sponsored, endorsed, sold or promoted by STOXX and/or its licensors and neither STOXX nor its licensors shall have any liability with respect thereto.</p>
(i) For information on the computation of the of index / the frequency at which the index is updated / the provisions relation to the modification discontinuance of the index refer to:	<p>For EURO STOXX 50<sup>®</sup> Index:</p> <p><a href="http://www.stoxx.com/download/indices/rulebooks/stoxx_indexguide.pdf">http://www.stoxx.com/download/indices/rulebooks/stoxx_indexguide.pdf</a></p>
(j) For information on the historical performance of the index refer to:	<p>For EURO STOXX 50<sup>®</sup> Index:</p> <p><a href="https://www.stoxx.com/index-details?symbol=sx5e">https://www.stoxx.com/index-details?symbol=sx5e</a></p>
(k) Rule Books:	<p>For EURO STOXX 50<sup>®</sup> Index:</p> <p><a href="http://www.stoxx.com/indices/rulebooks.html">http://www.stoxx.com/indices/rulebooks.html</a>.</p> <p>Any changes to the index methodology will be published on SENS and communicated to the JSE.</p>
(l) Issuer Rating on Issue Date:	<p>Issuer Rating: Aa3.za as assigned by Moody's on 20 June 2018 to be reviewed by Moody's from time to time.</p> <p>Issuer Rating: zaAA+ as assigned by Standard &amp; Poor on 02 July 2018 and to be reviewed by Standard &amp; Poor from time to time.</p>

37. Material Change in Financial or Trading Position	The Issuer confirms that as at the date of this Applicable Pricing Supplement, there has been no material change in the financial or trading position of the Issuer and its subsidiaries since the date of the Issuer's latest audited financial statements for the twelve months ended 31 December 2017. This statement has not been confirmed nor verified by the auditors of the Issuer.
38. Debt Listing Requirements:	In accordance with section 4.22 of the JSE Debt Listing Requirements, the Issuer hereby confirms that the Programme Amount has not been exceeded at the time of the issuing of the Notes.

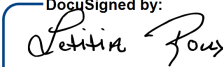
**Responsibility:**

The Issuer certifies that to the best of its knowledge and belief there are no facts that have been omitted which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made as well as that this Applicable Pricing Supplement contains all information required by law and the JSE Listing Requirements. The Issuer accepts full responsibility for the accuracy of the information contained in this Applicable Pricing Supplement and the annual financial report, the amendments to the annual financial report or any supplements from time to time, except as otherwise stated therein.

The JSE takes no responsibility for the contents of the Applicable Pricing Supplement and the annual financial report of the Issuer and any amendments or supplements to the aforementioned documents. The JSE makes no representation as to the accuracy or completeness of the Applicable Pricing Supplement and the annual financial report of the Issuer and any amendments or supplements to the aforementioned documents and expressly disclaims any liability for any loss arising from or in reliance upon the whole or any part of the aforementioned documents. The JSE's approval of the registration of the Applicable Pricing Supplement and listing of the debt securities is not to be taken in any way as an indication of the merits of the Issuer or of the debt securities and that, to the extent permitted by law, the JSE will not be liable for any claim whatsoever.

for and on behalf of

**ABSA BANK LIMITED**

DocuSigned by:  
  
 114437319D2E476

Name: Letitia Roux  
 Capacity: Head of OTC Confirmations  
 Date: 15-08-2018 | 03:08:13 AM PDT

Who warrants his/her authority hereto

DocuSigned by:  
  
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Name: Erik Liebel  
 Capacity: Confirmation Analyst  
 Date: 15-08-2018 | 12:16:08 PM SAST

Who warrants his/her authority hereto