
APPLICABLE PRICING SUPPLEMENT

K2014176899 (SOUTH AFRICA) LIMITED

(Incorporated with limited liability in the Republic of South Africa under Registration Number 2014/176899/06)

To change its name to

AFRICAN BANK LIMITED

On the Issue Date

("the Issuer")

Issue of ZAR521 600 000 Senior Unsecured Indexed Notes

Under its ZAR25 000 000 000 Domestic Medium Term Note Programme

Stock Code ABKI02

This document constitutes the Applicable Pricing Supplement relating to the issue of Notes described herein. Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions set forth in the Programme Memorandum dated 22 March 2016 and approved by the JSE on 22 March 2016, prepared by the Issuer in connection with the ZAR25 000 000 000.00 Domestic Medium Term Note Programme of the Issuer as amended or supplemented from time to time (the "Programme Memorandum").

Any capitalised terms not defined in this Applicable Pricing Supplement shall have the meanings ascribed to them in the section of the Programme Memorandum headed "*Terms and Conditions of the Notes*".

The Notes described in this Applicable Pricing Supplement are issued on and subject to the Terms and Conditions in the Programme Memorandum and this Applicable Pricing Supplement must be read in conjunction with such Programme Memorandum. To the extent that there is any conflict or inconsistency between the contents of this Applicable Pricing Supplement and the Programme Memorandum, the provisions of this Applicable Pricing Supplement shall prevail.

DESCRIPTION OF NOTES

- | | |
|--|---|
| 1. Issuer | K2014176899 (SOUTH AFRICA) LIMITED (<i>Registration Number 2014/176899/06</i>) to change its name to African Bank Limited on the Issue Date |
| 2. Status of Notes | Senior, unsecured |
| 3. Series Number | 14 |
| 4. Tranche Number | 1 |
| 5. Aggregate Nominal Amount: | |
| (a) Series | ZAR521 600 000 |
| (b) Tranche | ZAR521 600 000 |
| 6. Interest | Interest-bearing |
| 7. Interest Payment Basis | Indexed Note |
| 8. Automatic/Optional Conversion from one Interest/Redemption/Payment Basis to another | N/A |
| 9. Form of Notes | Listed Registered Notes: The Notes in this Tranche are issued in uncertificated form to the CSD. |
| 10. Issue Date | 4 April 2016 |
| 11. Settlement Date | 4 April 2016 |

12. Maturity Date	5 June 2020
13. Maturity Period	N/A
14. Nominal Amount per Note	ZAR800 000
15. Specified Denomination	Notes are subject to a minimum denomination of ZAR800 000
16. Issue Price	126.12534% of Nominal Amount
17. Payment Day (if different from that set out in Condition 7.6)	N/A
18. Specified Currency	ZAR
19. Final Redemption Amount	100 percent of the Nominal Amount of each Note, adjusted by the CPI Adjustment for the Maturity Date, provided that if the amount so adjusted is less than the Nominal Amount per Note, the final redemption amount will be the Nominal amount per Note.
20. Books Closed Period(s)	The Register will be closed from 26 May to 4 June and from 25 November to 4 December (all dates inclusive) in each year until the Maturity Date.
21. Last Day to Register	By 17h00 on 25 May and 24 November of each year.
22. Business Centre	Johannesburg
23. Additional Business Centre	N/A
24. Applicable Business Day Convention	Modified Following Business Day
25. Description of Underlying Asset	N/A
26. Note Linked to another Listed Instrument	N/A

PROVISIONS RELATING TO INTEREST PAYABLE

27. Interest Commencement Date	4 April 2016
28. Interest Coupon Rate	4.00% p.a., payable semi-annually.
29. Interest Payment Dates	5 June and 5 December in each year after the Issue Date up to and including the Maturity Date.
30. Interest Periods	Each period from, and including, one Interest Payment Date to, but excluding, the following Interest Payment Date, provided that the first interest period shall be from and including the Interest Commencement Date to, but excluding, the first Interest Payment Date thereafter.
31. Business Day (if different from that set out in the Conditions)	N/A
32. Applicable Business Day Convention	Modified Following Business Day Convention
33. Default Rate	N/A
34. Yield	4.00% nacs
35. FIXED RATE NOTES	N/A
36. FLOATING RATE NOTES	N/A
37. ZERO COUPON NOTES	N/A
38. PARTLY PAID NOTES	N/A
39. INSTALMENT NOTES	N/A



40. MIXED RATE NOTES

N/A

INDEX-LINKED NOTES

41. (a) ISDA Inflation Definitions

The 2006 ISDA Inflation Derivatives Definitions as at the Issue Date (as published by the International Swaps and Derivatives Association, Inc.) (the "ISDA Inflation Derivatives Definitions").

(b) Incorporation of the ISDA Inflation Definitions

The ISDA Inflation Derivatives Definitions are incorporated by reference into this Applicable Pricing Supplement.

(c) Type of Index-Linked Notes

Indexed Interest and Indexed Redemption Amount Notes.

(d) Index/Formula by reference to which Interest Rate / Interest Amount is to be determined

Statistical Release PO141 Consumer Price Index Urban Areas (Headline Inflation Rate).

(e) Manner in which the Interest Rate / Interest Amount is to be determined

(i) Reference CPI or REF CPI_{Date}

means in relation to a date:

- (i) if the date is the first day of a calendar month, Reference CPI is the CPI for the fourth calendar month preceding the calendar month to which the date occurs (which CPI is typically published during the third calendar month preceding the calendar month in which the date occurs); and
- (ii) if the date occurs on any day other than the first day of any calendar month, then Reference CPI shall be determined in accordance with the following formula:

$$\text{Ref CPI}_{Date} = \text{Ref CPI}_J + \left[\frac{t-1}{D} \right] \times (\text{Ref CPI}_{J+1} - \text{Ref CPI}_J)$$

Where:

- (i) Ref CPI_J is the Reference CPI for the first day of the fourth calendar months preceding the calendar month in which such date occurs;
- (ii) Ref CPI_{J+1} is the Reference CPI for the first day of the third calendar month preceding the calendar month in which such date occurs;
- (iii) t is the calendar day corresponding to such date; and
- (iv) D is the number of days in the calendar month in which such date occurs.

(ii) Base CPI

92.67765

(iii) CPI Adjustment

means, in relation to an amount to be valued or paid on a date, that amount divided by the Base CPI and multiplied by the Reference CPI for that date, as determined by the Calculation Agent.

(iv) Interest Amount

means the amount determined by adjusting the Nominal Amount per Note by the CPI Adjustment for the relevant Interest Payment Date, and multiplying the adjusted amount by the Interest Coupon Rate, and dividing the result by two provided that in respect of the first Interest Period from, and including, one Issue Date to, but excluding, the one Interest

Payment Date thereafter namely 5 June 2016 the Interest Amount shall be the amount determined by adjusting the Nominal Amount per Note by the CPI Adjustment for the relevant Interest Payment Date, and multiplying the adjusted amount by the Interest Coupon Rate, and dividing the result by 2, and multiplying such result by the number of days in such first Interest Period, and dividing the result by the number of days in the period had this not been a broken period, (i.e. had the period commenced on 5 December 2015).

(f) Index delay and disruption event provisions

The provisions of the ISDA Inflation Derivatives Definitions will apply.

42. OTHER NOTES

N/A

PROVISIONS REGARDING REDEMPTION/MATURITY

43. Prior consent of Relevant Regulator for any redemption prior to Maturity Date

N/A

44. Redemption at the Option of the Issuer:

No

45. Redemption at the Option of the Senior Noteholders:

No

46. Early Redemption Amount(s) payable on redemption for taxation reasons or on redemption for Regulatory Reasons or on Event of Default (if required).

100 percent of the Nominal Amount of each Note.

47. TIER 2 NOTES

No

TRIGGER EVENT

48. Contractual Conversion Condition

N/A

49. Contractual Write-off Condition

N/A

OTHER TIER 2 PROVISIONS

N/A

50. Additional Conditions

N/A

51. Provisions applicable to Tier 2 Notes

N/A

52. Substitution and Variation for Tier 2 Notes

N/A

53. Substitution and Variation for Tier 2 Notes upon a Change in Law

N/A

54. Amendment Option to disapply Contractual Conversion Condition for Tier 2 Notes pursuant to Condition 5.8

N/A

55. Amendment Option to disapply Contractual Write-off Condition for Tier 2 Notes pursuant to Condition 5.8

N/A

GENERAL

56. Arranger

The Issuer

57. Financial Exchange	Interest Rate Market of the JSE
58. Additional selling restrictions	N/A
59. ISIN No.	ZAG000134552
60. Stock Code	ABKI02
61. Stabilising manager	N/A
62. Provisions relating to stabilisation	N/A
63. Method of distribution	Private Placement to African Bank Limited (in curatorship) registration number 1975/002526/06 ("Old African Bank") as part of the Restructuring and will be issued in consideration for the transfer to the Issuer by Old African Bank of certain parts of its business as part of the Restructuring.
64. Rating assigned to the Issuer	B+ (Global scale long term foreign currency preliminary issuer rating)
65. Rating Agency	Standard & Poor's Ratings Services
66. Date of Rating	4 February 2016
67. Date of next Rating Review	3 February 2017 (or earlier)
68. Governing law (if the laws of South Africa are not applicable)	N/A
69. The notice period required for exchanging Uncertificated Notes for Individual Certificates	30 days prior to the Exchange Date.
70. Surrendering of Notes in the case of Notes represented by an Individual Certificate	The Issuer shall not be obliged to make or cause to be made any payment in respect of the final redemption of a Registered Note represented by an Individual Certificate until at least 7 days has passed since the date on which the Individual Certificate in respect of the Notes to be redeemed has been surrendered to the Transfer Agent at its Specified Office.
71. Use of Proceeds	The Notes are issued to African Bank Limited (in curatorship) registration number 1975/002526/06 ("Old African Bank") as part of the Restructuring and will be issued in consideration for the transfer to the Issuer by Old African Bank of certain parts of its business as part of the Restructuring.
72. Aggregate Nominal Amount of Notes in Issue	ZAR10.153 billion taking into consideration all Notes issued by the Issuer on 4 April 2016, including these Notes.
73. Programme Amount	The Programme Amount has not been exceeded.
74. Other provisions (including additional covenants, if any)	N/A

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 statements in this Applicable Pricing Supplement false or misleading and that all reasonable enquiries to ascertain such facts have been made and that this Applicable Pricing Supplement contains all information required by law and the JSE Debt Listings Requirements.

The Issuer accepts full responsibility for the accuracy of the information contained in the Programme Memorandum, this Applicable Pricing Supplement, the annual report, the amendments to the annual report and/or any supplements from time to time, except as otherwise stated therein.

Application is hereby made to list this issue of Notes on 4 April 2016.

SIGNED at Midrand on 30 March 2016

For and on behalf of

K2014176899 (SOUTH AFRICA) LIMITED

(Registration Number 2014/176899/06)

to change its name to African Bank Limited on the Issue Date



Name: **Brian Riley**

Capacity: Director

Who warrants his authority hereto



Name: **Gustav Raubenheimer**

Capacity: Director

Who warrants his authority hereto