



ABSA BANK LIMITED

(Incorporated in the Republic of South Africa with limited liability under registration number 1986/004794/06)

Issue of ZAR9,500,000.00 City of Johannesburg Metropolitan Municipality Credit Linked Note due 09 December 2015

Under its ZAR 40,000,000,000 Master Structured Note Programme approved by the JSE Limited and the Stock Exchange of Mauritius Limited

This Applicable Pricing Supplement must be read in conjunction with (i) the Master Structured Note Programme Memorandum dated 21 October 2013 and approved by the JSE on or about 28 October 2013, as amended and/or supplemented from time to time (the "**Master Programme Memorandum**"), (ii) the supplemental memorandum dated 29 November 2013 approved by the Stock Exchange of Mauritius Ltd on or about 29 November 2013, as amended and/or supplemented from time to time (the "**Mauritius Supplemental Memorandum**"), and (iii) the Applicable Product Supplement in Section IV-A of the Master Programme Memorandum headed "Credit Linked Notes", as amended and/or supplemented from time to time (the "**Applicable Product Supplement**"), prepared by Absa Bank Limited in connection with the Absa Bank Limited ZAR40,000,000,000 Master Structured Note Programme.

Any capitalised terms not defined in this Applicable Pricing Supplement shall have the meanings ascribed to them in (i) Schedule 1 to Section II-A of the Master Programme Memorandum headed "Terms and Conditions of the Notes" (the "**Glossary of Terms**"), and/or (ii) Section I (*Introduction*) (2) (*Definitions*) of the Mauritius Supplemental Memorandum, in each case as amended by the Applicable Product Supplement.

This document constitutes the Applicable Pricing Supplement relating to the issue of Notes described herein. The Notes described herein are issued on and subject to (i) the Terms and Conditions, and (ii) the Mauritius Supplemental Memorandum, in each case as replaced, amended and/or supplemented by the Applicable Product Supplement and/or this Applicable Pricing Supplement. To the extent that there is any conflict or inconsistency between the contents of this Applicable Pricing Supplement and the Master Programme Memorandum and/or the Mauritius Supplemental Memorandum and/or the Applicable Product Supplement, the provisions of this Applicable Pricing Supplement shall prevail.

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

DESCRIPTION OF THE NOTES		
1.	Issuer	Absa Bank Limited ("Absa")
2.	Applicable Product Supplement	Credit Linked Note Applicable Product Supplement contained in Section IV-A of the Master Programme Memorandum
3.	Listing	Listed Notes
4.	Issuance Currency	ZAR
5.	Series Number	2014-10
6.	Tranche Number	ASN013
7.	Aggregate Nominal Amount:	
	(a) Series	ZAR 9,500,000.00
	(b) Tranche	ZAR 9,500,000.00
8.	Interest	Interest-bearing
9.	Interest Payment Basis	Floating Rate
10.	Automatic / Optional Conversion from one Interest / Redemption / Payment Basis to another:	Not Applicable
11.	Form of Notes	Registered Notes: The Notes in this Tranche are issued in uncertificated form and lodged in the CSD. The default standard of the Notes under the Master Structured Note Programme is ' <u>unsubordinated and unsecured</u> ' per Condition 5 (<i>Status of Notes</i>) on page 37 of the Master Programme Memorandum.
12.	Issue Date	03 April 2014
13.	Trade Date	27 March 2014
14.	Specified Denomination	ZAR 1,000,000.00
15.	Issue Price	100%
16.	Interest Commencement Date	Issue Date
17.	Maturity Date	09 December 2015
18.	Applicable Business Day Convention	Following Business Day Convention
19.	Final Redemption Amount	ZAR 9,500,000.00
20.	Last Date to Register	11 calendar days before each Floating Interest Payment Date, i.e. 29 May, 29 August, 28 November and 26 February in each year until the Maturity Date.
21.	Books Closed Period(s)	The Register will be closed from 10 calendar days before each Floating Interest Payment Date to each

		Floating Interest Payment Date, i.e. 30 May to 9 June, 30 August to 9 September, 29 November to 9 December and 27 February to 9 March in each year until the Maturity Date.
22.	Value of aggregate Nominal Amount of all Notes issued under the Structured Note Programme as at the Issue Date	ZAR1,440,947,800.00
FLOATING RATE NOTES		
23.	(a) Floating Interest Payment Date(s)	The 9 th of June, September, December and March in each year, commencing 9 June 2014.
	(b) Minimum Interest Rate:	0% per cent per annum
	(c) Maximum Interest Rate:	Not Applicable
	(d) Other terms relating to the method of calculating interest (e.g.: Day Count Fraction, rounding up provision)	<p>In respect of each Note, the interest amount for each Interest Period will be determined and calculated by the Calculation Agent in accordance with the following formula:</p> $I = SD * (FIX - FIR) * DCF$ <p>Where:</p> <p>"I" means the relevant Interest Amount per Note;</p> <p>"SD" means the Specified Denomination per Note;</p> <p>"FIX" means 14.77%;</p> <p>"FIR" means the Floating Interest Rate, being the Reference Rate;</p> <p>"DCF" means the Day Count Fraction being Act/365 (Fixed); and</p> <p>"*" means "multiplied by".</p>
	(e) Manner in which the Interest Rate is to be determined	Screen Rate Determination
	(f) Margin	0%
	(g) If Screen Determination:	
	(i) Reference Rate (including relevant period by reference to which the Interest Rate is to be calculated)	ZAR-JIBAR-SAFEX (3 months)
	(ii) Interest Rate Determination Date(s)	The 9 th of June, September, December and March in each calendar year, commencing 03 April 2014 and

	ending 9 September 2015
(iii) Relevant Screen Page and Reference Code	Reuters RIC <SFX3MYLD> on Reuters Page "SAFEY" (Page number ZA01209)
(h) Calculation Agent responsible for calculating amount of principal and interest	Absa Corporate and Investment Banking, a division of Absa Bank Limited or an affiliate thereof
CREDIT EVENT REDEMPTION	
24. Type of Credit Linked Note	Single Name CLN
25. Redemption at Maturity	Final Redemption Amount
26. Redemption following the occurrence of Credit Events	Applicable
Extension Interest	Not Applicable
Reference Entity	City of Johannesburg Metropolitan Municipality (as defined in the Reference Obligation described below)
Reference Obligation(s)	<p>In respect of the Reference Entity (i) the obligation identified as follows or any Substitute Reference Obligation in respect thereof:</p> <p>Primary Obligor: City of Johannesburg Metropolitan Municipality</p> <p>Maturity: 09 December 2015</p> <p>Coupon: 10.815% semi-annually</p> <p>CUSIP/ISIN: ZAG000054354</p> <p>and; (ii) one or more obligations of such Reference Entity that would constitute an Obligation or a Deliverable Obligation. The Issuer may select the Reference Obligation or any Substitute Reference Obligation of the Reference Entity at any time on or before the CLN Valuation Date.</p>
Transaction Type	Not applicable
All Guarantees	Applicable
Conditions to Settlement	<p>Applicable</p> <p>Credit Event Notice: Applicable</p> <p>Notice of Publicly Available Information: Not applicable</p> <p>Public Sources of Publicly Available Information: Not applicable</p>
Credit Events	The following Credit Event(s) shall apply:

	Bankruptcy Failure to Pay Grace Period Extension: Applicable Payment Requirement: ZAR1,000,000.00 or its equivalent in the relevant Obligation Currency as of the occurrence of the relevant Failure to Pay Obligation Default Obligation Acceleration Repudiation/Moratorium Restructuring Multiple Holder Obligation: Not applicable Default Requirement: ZAR1,000,000.00 or its equivalent in the relevant Obligation Currency as of the occurrence of the relevant Credit Event	
Credit Event Accrued Interest	Not applicable	
Obligation(s)	Obligation Category (Select only one):	Obligation Characteristics (Select all that apply):
	<input type="checkbox"/> Payment	<input checked="" type="checkbox"/> Not Subordinated
	<input type="checkbox"/> Borrowed Money	<input checked="" type="checkbox"/> Specified Currency: ZAR
	<input type="checkbox"/> Reference Obligations Only	<input type="checkbox"/> Not Sovereign Lender
	<input type="checkbox"/> Bond	<input type="checkbox"/> Not Domestic Currency
	<input type="checkbox"/> Loan	<input type="checkbox"/> Not Domestic Law
	<input checked="" type="checkbox"/> Bond or Loan	<input type="checkbox"/> Listed
		<input type="checkbox"/> Not Domestic Issuance
Excluded Obligations (if any)	Not Domestic Currency and Not Domestic Law	
Issuer CLN Settlement Option	Not applicable	
Fallback CLN Settlement Method	Not applicable	
CLN Settlement Method	Cash Settlement	
Terms Relating to Cash Settlement:		
Final Price	Not Applicable	

CLN Valuation Date	Not Applicable
CLN Valuation Time	Not Applicable
Quotation Method	Not Applicable
Quotation Amount	Not Applicable
Minimum Quotation Amount	Not Applicable
Dealer(s)	Not Applicable
Settlement Currency	ZAR
Credit Event Redemption Date	Five (5) Business Days
Credit Event Redemption Amount	Means in respect of each Note an amount equal to the CLN Cash Settlement Amount (as defined below) minus such Note's pro rata share of the Settlement Expenses.
CLN Cash Settlement Amount	<p>Means an amount in ZAR calculated by the Calculation Agent, which amount shall not be less than zero, equal to the sum of:</p> <ul style="list-style-type: none"> (i) the Sale Price of the Bonds, and (ii) the Swap Costs (as defined below) <p>Where</p> <p>"Sale Price of the Bonds" means the ZAR amount actually received by the Issuer for the sale of the Reference Obligation in an amount equal to the Nominal Amount of the Notes.</p> <p>"Swap Costs" means, in respect of the Notes, an amount determined by the Calculation Agent in a commercially reasonable manner equal to any expense, loss or costs (in which case expressed as a negative number) or gain (in which case expressed as a positive number) incurred (or expected to be incurred) by or on behalf of the Issuer as a result of its terminating, liquidating, modifying, obtaining or re-establishing any hedge term deposit, related interest rate derivative position or funding arrangements entered into by it (including with its internal treasury function) specifically in connection with the Notes.</p>
Quotations	Exclude Accrued Interest

Valuation Method	Market
Other Provisions	None
PROVISIONS REGARDING REDEMPTION/MATURITY	
27. Redemption at the option of the Issuer	No
28. Redemption at the Option of the Noteholder	Yes
If yes:	
(a) Optional Redemption Date(s)	Any Business Day prior to redemption of the Notes selected by the Noteholder
(b) Optional Redemption Amount(s)	The Credit Event Redemption Amount determined by the Calculation Agent
(c) Minimum period of notice (if different from Condition 8.4 (<i>Redemption at the Option of Noteholders</i>))	One (1) Business Day
(d) If redeemable in part:	Not Applicable
(e) Other terms applicable for Redemption	Not Applicable
29. Early Redemption Amount(s) payable on redemption for taxation reasons, Change in Law or on Event of Default (if required).	Yes
If yes:	
(a) Amount payable; or	The Credit Event Redemption Amount determined by the Calculation Agent.
(b) Method of calculation of amount payable	Not Applicable
GENERAL	
30. Financial Exchange:	JSE Limited t/a The Johannesburg Stock Exchange
31. Calculation Agent	Absa Corporate and Investment Bank (a division of Absa Bank Limited) or an affiliate thereof.
32. Calculation Agent City	Johannesburg
33. Paying Agent	Absa Corporate and Investment Banking (a division of Absa Bank Limited) or an affiliate thereof.
34. Specified office of the Paying Agent	15 Alice Lane Sandton 2196

	Gauteng South Africa
35. Transfer Agent	Absa Corporate and Investment Banking (a division of Absa Bank Limited) or an affiliate thereof.
36. Additional selling restrictions:	None
37. ISIN No.:	ZAG000114554
38. Stock Code:	ASN013
39. Method of distribution:	Private Placement
40. If non-syndicated, name of Dealer	Absa Corporate and Investment Banking (a division of Absa Bank Limited) or an affiliate thereof.
41. Governing law (if the laws of South Africa are not applicable)	South African Law

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.

Application is hereby made to list this issue of Notes on **03 April 2014**.

SIGNED at Sandton on this 2nd day of April 2014

For and on behalf of

ABSA BANK LIMITED

Name: CHEV PAZU

Capacity: MANAGING PRINCIPAL

Name: Hel Pryce

Capacity: Managing Principal