



The Standard Bank of South Africa Limited

(Incorporated with limited liability in South Africa under registration number 1962/000738/06)

Issue of

CLN544 ZAR100,000,000 Sasol Limited Listed Notes due 20 December 2023

Under its ZAR60,000,000,000 Structured Note Programme

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 (the **Terms and Conditions**) set forth in the Programme Memorandum dated 01 January 2017 (the **Programme Memorandum**), as updated and amended from time to time. This 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 Pricing Supplement and the Programme Memorandum, the provisions of this Pricing Supplement shall prevail.

DESCRIPTION OF THE NOTES

1.	Issuer	The Standard Bank of South Africa Limited
2.	Status of the Notes	Senior
3.	(a) Series Number	510
	(b) Tranche Number	1
4.	Aggregate Nominal Amount	ZAR100,000,000
5.	Redemption/Payment Basis	Credit Linked
6.	Interest Payment Basis	Floating Rate
7.	Form of Notes	Uncertificated
8.	Automatic/Optional Conversion from one Interest Payment Basis to another	Not applicable
9.	Issue Date	08 November 2018
10.	Trade Date	31 October 2018
11.	Business Centre	Johannesburg
12.	Additional Business Centre	Not applicable
13.	Specified Denomination	ZAR1,000,000
14.	Calculation Amount	ZAR100,000,000

15.	Issue Price	100%
16.	Interest Commencement Date	Issue Date
17.	Maturity Date	The Scheduled Maturity Date, subject as provided in Credit Linked Condition 6 (<i>Repudiation/Moratorium Extension</i>), Credit Linked Condition 7 (<i>Grace Period Extension</i>), Credit Linked Condition 8 (<i>Credit Derivatives Determinations Committee Extension</i>) and Credit Linked Condition 9 (<i>Maturity Date Extension</i>)
18.	Payment Currency	ZAR
19.	Applicable Business Day Convention	Following Business Day Convention. Unless otherwise indicated in this Applicable Pricing Supplement or the Terms and Conditions, the Applicable Business Day Convention shall apply to all dates herein.
20.	Calculation Agent	The Standard Bank of South Africa Limited
21.	Paying Agent	The Standard Bank of South Africa Limited
22.	Transfer Agent	The Standard Bank of South Africa Limited
23.	Settlement Agent	The Standard Bank of South Africa Limited
24.	Business Address of the Calculation Agent, Paying Agent, Settlement Agent and Transfer Agent	1 st Floor, East Wing, 30 Baker Street, Rosebank, Johannesburg, 2196
25.	Final Redemption Amount	Nominal Amount
26.	Unwind Costs	Standard Unwind Costs

PARTLY PAID NOTES

27.	Amount of each payment comprising the Issue Price	Not applicable
28.	Date upon which each payment is to be made by Noteholder	Not applicable
29.	Consequences (if any) of failure to make any such payment by Noteholder	Not applicable
30.	Interest Rate to accrue on the first and subsequent instalments after the due date for payment of such instalments	Not applicable

INSTALMENT NOTES

- | | | |
|-----|---|----------------|
| 31. | Instalment Dates | Not applicable |
| 32. | Instalment Amounts (expressed as a percentage of the aggregate Nominal Amount of the Notes or as an amount) | Not applicable |

FIXED RATE NOTES

- | | | | |
|-----|-----|---|----------------|
| 33. | (a) | Interest Rate(s) | Not applicable |
| | (b) | Interest Payment Date(s) | Not applicable |
| | (c) | Fixed Coupon Amount[(s)] | Not applicable |
| | (d) | Initial Broken Amount | Not applicable |
| | (e) | Final Broken Amount | Not applicable |
| | (f) | Any other terms relating to the particular method of calculating interest | Not applicable |

FLOATING RATE NOTES

- | | | | |
|-----|-----|---|---|
| 34. | (a) | Interest Payment Date(s) | Each 20 March, 20 June, 20 September and 20 December until the Maturity Date, with the first Interest Payment Date being 20 December 2018. |
| | (b) | Interest Period(s) | Each period from and including one Interest Payment Date to, but excluding the next Interest Payment Date provided that the first Interest Period shall commence on (and include) the Interest Commencement Date (Issue Date) and the last Interest Period shall conclude on, but exclude the last Interest Payment Date (Scheduled Maturity Date), each Interest Payment Date as adjusted in accordance with the applicable Business Day Convention. |
| | (c) | Definitions of Business Day (if different from that set out in Condition 1 (<i>Interpretation and General Definitions</i>)) | Not applicable |
| | (d) | Interest Rate(s) | Reference Rate plus the Margin |
| | (e) | Minimum Interest Rate | Not applicable |
| | (f) | Maximum Interest Rate | Not applicable |

- | | | | |
|-----|-----|---|---|
| | (g) | Day Count Fraction | Actual/365 (Fixed) |
| | (h) | Other terms relating to the method of calculating interest (eg Day Count Fraction, rounding up provision, if different from Condition 6.2 (<i>Interest on Floating Rate Notes, Indexed Notes and FX Linked Interest Notes</i>)) | Not applicable |
| 35. | | Manner in which the Interest Rate is to be determined | Screen Rate Determination |
| 36. | | Margin | 3.00% |
| 37. | | If ISDA Determination: | |
| | (a) | Floating Rate | Not applicable |
| | (b) | Floating Rate Option | Not applicable |
| | (c) | Designated Maturity | Not applicable |
| | (d) | Reset Date(s) | Not applicable |
| 38. | | If Screen Rate Determination: | |
| | (a) | Reference Rate (including relevant period by reference to which the Interest Rate is to be calculated) | three-month ZAR-JIBAR-SAFEX |
| | (b) | Interest Determination Date(s) | Each 20 March, 20 June, 20 September and 20 December of each year, commencing on the Issue Date until the Maturity Date |
| | (c) | Relevant Screen Page | Reuters page SAFEX or any successor page |
| | (d) | Relevant Time | 11h00 (Johannesburg time) |
| | (e) | Specified Time | 12h00 (Johannesburg time) |
| | (f) | Reference Rate Market | As set out in Condition 1 (<i>Interpretation and General Definitions</i>) |
| 39. | | If Interest Rate to be calculated otherwise than by reference to 37 or 38 above | |
| | (a) | Margin | Not applicable |

- | | | |
|-----|--|----------------|
| (b) | Minimum Interest Rate | Not applicable |
| (c) | Maximum Interest Rate | Not applicable |
| (d) | Day Count Fraction | Not applicable |
| (e) | Reference Banks | Not applicable |
| (f) | Fall back provisions, rounding provisions and any other terms relating to the method of calculating interest for Floating Rate Notes | Not applicable |

40. If different from Calculation Agent, agent responsible for calculating amount of principal and interest Not applicable

MIXED RATE NOTES

41. Period(s) during which the interest rate for the Mixed Rate Notes will be (as applicable) for:

- | | | |
|-----|--------------------------|----------------|
| (a) | Fixed Rate Notes | Not applicable |
| (b) | Floating Rate Notes | Not applicable |
| (c) | Indexed Notes | Not applicable |
| (d) | FX Linked Interest Notes | Not applicable |
| (e) | Other | Not applicable |

ZERO COUPON NOTES

- | | | | |
|-----|-----|--|----------------|
| 42. | (a) | Implied Yield | Not applicable |
| | (b) | Reference Price | Not applicable |
| | (c) | Any other formula or basis for determining amount(s) payable | Not applicable |

INDEXED NOTES

- | | | | |
|-----|-----|---|----------------|
| 43. | (a) | Type of Indexed Notes | Not applicable |
| | (b) | Index/ Formula by reference to which Interest Amount/ Final | Not applicable |

Redemption Amount is to be determined

- | | | |
|-----|---|----------------|
| (c) | Index of Indices: | Not applicable |
| (d) | Manner in which the Interest Amount/ Final Redemption Amount is to be determined | Not applicable |
| (e) | Initial Index Level | Not applicable |
| (f) | Interest Payment Date(s) | Not applicable |
| (g) | If different from the Calculation Agent, agent responsible for calculating amount of principal and interest | Not applicable |
| (h) | Provisions where calculation by reference to index and/or formula is impossible or impracticable | Not applicable |
| (i) | Interest Rate(s) | Not applicable |
| (j) | Minimum Interest Rate | Not applicable |
| (k) | Maximum Interest Rate | Not applicable |
| (l) | Other terms relating to the calculation of the Interest Rate | Not applicable |

FX LINKED INTEREST NOTES

- | | | |
|-----|---------------------------|----------------|
| 44. | FX Linked Interest Notes: | Not applicable |
|-----|---------------------------|----------------|

EXCHANGEABLE NOTES

- | | | |
|-----|---|----------------|
| 45. | Mandatory Exchange applicable? | No |
| 46. | Noteholders' Exchange Right applicable? | No |
| 47. | Exchange Securities | Not applicable |
| 48. | Manner of determining Exchange Price | Not applicable |
| 49. | Exchange Period | Not applicable |
| 50. | Other | Not applicable |



51.	Credit Linked Notes	Applicable
(a)	Scheduled Maturity Date	20 December 2023
(b)	Reference Entity(ies)	Sasol Limited
(c)	Reference Obligation(s)	Standard Reference Obligation: Not applicable
		The obligations identified as follows:
		Issuer: Sasol Financing USA LLC
		ISIN: US80386WAA36
		Coupon Rate: 5.875%
		Maturity: 27 March 2024
		Original Issue Amount: USD 1,500,000,000
		Guarantor: Sasol Limited
(d)	Financial Information of the Guarantor/Issuer of the Reference Obligation	The financial information of the Guarantor will be available on the following website http://www.sasol.com/investor-centre/financial-reporting/annual-financial-statements/latest . As of the Issue Date the aforementioned information can be obtained from the aforementioned website. The Issuer shall not however be responsible for: (i) such information (a) remaining on such website; (b) being removed from such website; (c) being moved to another location; or (d) for notifying any party (including the Noteholder) of the occurrence of any of the events stated in paragraphs 51(d)(i) and/or (ii) the correctness and/or completeness of such information.
(e)	Credit Linked Reference Price	100%
(f)	Credit Event Determination Date	Credit Event Notice: Applicable
		Notice of Physical Settlement: Applicable
		Notice of Publicly Available Information: Applicable, and if applicable:
		Public Sources of Publicly Available Information: Applicable
		Specified Number of Public Sources: 2

(g) Credit Events

The following Credit Events shall apply:

Bankruptcy

Failure to Pay

Grace Period Extension: Applicable

Grace Period: 30 calendar days

Payment Requirement: ZAR10,000,000

Obligation Default

Obligation Acceleration

Repudiation/Moratorium

Restructuring

Default Requirement: ZAR25,000,000

Multiple Holder Obligation: (i) Not applicable with respect to Obligation Category "Bonds"; (ii) Applicable with respect to Obligation Category "Loans"

Mod R: Not applicable

Mod Mod R: Not applicable

Credit Linked Condition 13: Not Applicable

(h) Credit Event Backstop Date Applicable

(i) Calculation Agent City Johannesburg

(j) All Guarantees Applicable

(k) 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 type="checkbox"/> Specified Currency <input type="checkbox"/>
<input type="checkbox"/> Reference Obligations Only	<input type="checkbox"/> Not Sovereign Lender

<input type="checkbox"/> Bond	<input checked="" type="checkbox"/> Not Domestic Currency
<input type="checkbox"/> Loan	<input checked="" type="checkbox"/> Not Domestic Law
<input checked="" type="checkbox"/> Bond or Loan	<input type="checkbox"/> Listed
	<input checked="" type="checkbox"/> Not Domestic Issuance

Additional Obligations Not applicable

Excluded Obligations None

(l) Accrual of interest upon Credit Event Not applicable

(m) Financial Reference Entity Terms Not applicable

(n) Subordinated European Insurance Terms Not applicable

(o) Reference Obligation Only Termination Amount Not applicable

(p) Settlement Method Auction Settlement

Local Market Variation: Applicable

(q) Fallback Settlement Method Physical Settlement

Terms Relating to Cash Settlement: Not applicable

Terms Relating to Physical Settlement:

(a) Physical Settlement Date As specified in Credit Linked Condition 12 (*Credit Linked Definitions*).

(b) Physical Settlement Period As specified in Credit Linked Condition 12 (*Credit Linked Definitions*).

(c) Entitlement Exclude Accrued Interest

(d) Deliverable Obligation(s)

Deliverable Obligation Category (Select only one)	Deliverable 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, Standard Specified Currency
<input type="checkbox"/> Reference Obligations Only	<input type="checkbox"/> Not Sovereign Lender
<input type="checkbox"/> Bond	<input type="checkbox"/> Not Domestic Currency [Domestic Currency means []]
<input type="checkbox"/> Loan	<input type="checkbox"/> Not Domestic Law
<input checked="" type="checkbox"/> Bond or Loan	<input type="checkbox"/> Listed
	<input checked="" type="checkbox"/> Not Domestic Issuance
	<input checked="" type="checkbox"/> Assignable Loan
	<input checked="" type="checkbox"/> Consent Required Loan
	<input type="checkbox"/> Direct Loan Participation
	Qualifying Participation Seller: <input type="checkbox"/>
	<input checked="" type="checkbox"/> Transferable
	<input type="checkbox"/> Maximum Maturity []
	<input type="checkbox"/> Accelerated or Matured
	<input checked="" type="checkbox"/> Not Bearer

- (e) Asset Package Delivery Not applicable
- (f) Sovereign No Asset Package Delivery Not applicable
- (g) Additional Deliverable Obligations Not applicable
- (h) Excluded Deliverable Obligations Not applicable
- (i) Other terms Not applicable
- (j) Other Provisions The Issuer records that when selecting the Deliverable Obligations that will constitute the Entitlement in



accordance with the provisions of Credit Linked Condition 4 (Physical Settlement), it will be guided by the transactions which it has entered into in order to hedge its obligations under this Note and the elections of the counterparties under those transactions. Notwithstanding the foregoing and without prejudice to the Issuer's unfettered discretion to select any of the Deliverable Obligations to constitute the Entitlement, the Issuer undertakes to the Noteholder that it will use its reasonable commercial endeavours to select ZAR denominated Loans as the Deliverable Obligations that will constitute the Entitlement provided that at all times the Issuer shall not be required to incur additional costs in order to fulfil this undertaking.

FX LINKED REDEMPTION NOTES

- | | | |
|-----|----------------------------|----------------|
| 52. | FX Linked Redemption Notes | Not applicable |
|-----|----------------------------|----------------|

OTHER NOTES

- | | | |
|-----|---|----------------|
| 53. | If the Notes are not Partly Paid Notes, Instalment Notes, Fixed Rate Notes, Floating Rate Notes, Mixed Rate Notes, Zero Coupon Notes, Indexed Notes, Exchangeable Notes, Credit Linked Notes or FX Linked Notes or if the Notes are a combination of any of the foregoing, set out the relevant description and any additional terms and conditions relating to such Notes. | Not applicable |
|-----|---|----------------|

PROVISIONS REGARDING REDEMPTION/MATURITY

- | | | |
|-----|--|--|
| 54. | Redemption at the Option of the Issuer (Call Option) | Applicable, subject to the provisions of paragraph 79.3 below. |
|-----|--|--|

If applicable:

- | | | |
|-----|---|---|
| (a) | Optional Redemption Date(s) (Call) | The day which is 5 Business Days following the date on which the Issuer gives notice of its election to exercise its right to redeem the Notes early in accordance with paragraph 79.3 below (the “ Optional Redemption Notice ”). |
| (b) | Optional Redemption Amount(s) (Call) and method, if any, of calculation of such amount(s) | Unwind Value, determined by the Calculation Agent on the day which is as close as reasonably practicable to the date on which the Issuer delivers the Optional Redemption Notice, for settlement on the Optional Redemption Date (Call). |

- | | | |
|------|--|-----------------|
| (c) | Minimum period of notice (if different from Condition 7.3 (<i>Early Redemption at the option of the Issuer (Call Option)</i>)) | 5 Business Days |
| (d) | If redeemable in part: | Not applicable |
| (i) | Minimum Redemption Amount(s) | Not applicable |
| (ii) | Higher Redemption Amount(s) | Not applicable |
| (e) | Other terms applicable on Redemption | Not applicable |
55. Redemption at the option of the Noteholders (Put Option) Not applicable
56. Early Redemption Amount(s) payable on redemption for taxation reasons and/or change of law or on Event of Default and/or the method of calculating same (if required or if different from that set out in Condition 7.7 (*Early Redemption Amounts*)) Unwind Value, determined by the Calculation Agent on the day which is as close as reasonably practicable to the relevant date on which the Notes are to be redeemed.

GENERAL

- | | | |
|-----|---|--|
| 57. | Material Changes | 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 unaudited interim financial statements for the six months ended 30 June 2018. As at the date of this Applicable Pricing Supplement, there has been no involvement by KPMG Incorporated and/or PricewaterhouseCoopers Incorporated, the auditors of the Issuer, in making the aforementioned statement. |
| 58. | Other terms or special conditions | Not applicable |
| 59. | Board approval for issuance of Notes obtained | Not applicable |
| 60. | United States selling restrictions | Not applicable |
| 61. | Additional selling restrictions | Not applicable |

62. (a) International Securities ZAG000155250
Numbering (ISIN)
- (b) Common Code Not applicable
- (c) Stock Code CLN544
63. (a) Financial Exchange JSE Limited
- (b) Relevant sub-market of Interest Rate Market
the Financial Exchange
- (c) Clearing System Strate Proprietary Limited
64. If syndicated, names of managers Not applicable
65. Receipts attached? If yes, number No
of Receipts attached
66. Coupons attached? If yes, number No
of Coupons attached
67. Credit Rating assigned to the Issuer/Notes/Programme (if any) Moody's Investor Services Inc ratings assigned to the Issuer:
- | | Short-term | Long-term | Outlook |
|---------------------------------|------------|-----------|---------|
| Foreign currency deposit rating | P-3 | Baa3 | Stable |
| Local currency deposit rating | P-3 | Baa3 | Stable |
| National rating | P-1.za | Aa1.za | |
68. Date of Issue of Credit Rating and Date of Next Review Moody's ratings obtained on 12 June 2017. Moody's changed the outlook to stable on 27 March 2018. Review expected semi-annually.
69. Stripping of Receipts and/or Coupons prohibited as provided in Condition 13.4 (*Prohibition on Stripping*)? Not applicable
70. Governing law (if the laws of South Africa are not applicable) Not applicable
71. Other Banking Jurisdiction Not applicable
72. Last Day to Register, which shall mean that the "books closed period" (during which the Register 17h00 on 09 March, 09 June, 09 September and 09 December of each year commencing on 09 December 2018

will be closed) will be from each Last Day to Register to the applicable Payment Day until the date of redemption

Books closed period

The "books closed period" (during which the Register will be closed) will be from each 10 March, 10 June, 10 September and 10 December of each year commencing on 10 December 2018, until the applicable Interest Payment Date

73. Stabilisation Manager (if any)

Not applicable

74. Method of Distribution

Private Placement

75. Total Notes in Issue (including current issue)

ZAR31,184,418,474.66. The Issuer confirms that the aggregate Nominal Amount of all Notes Outstanding under this Programme is within the Programme Amount.

76. Rights of Cancellation

The Notes will be delivered to investors on the Issue Date/Settlement Date through the settlement system of Strate provided that:

- (i) no event occurs prior to the settlement process being finalised on the Issue Date/Settlement Date which the Issuer (in its sole discretion) consider to be a force majeure event; or
- (ii) no event occurs which the Issuer (in its sole discretion) considers may prejudice the issue, the Issuer or the Notes,

(each a **Withdrawal Event**).

If the Issuer decides to terminate this transaction due to the occurrence of a Withdrawal Event, this transaction shall terminate and no party hereto shall have any claim against any other party as a result of such termination. In such event, the Notes, if listed, will immediately be de-listed.

77. Responsibility Statements

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 in the Programme Memorandum, as read together with this Applicable Pricing Supplement false or misleading and that all reasonable enquiries to ascertain such facts have been made, as well as that the Programme Memorandum 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 this Applicable Pricing Supplement and any amendments or any supplements to the

aforementioned documents, except as otherwise stated therein.

The JSE takes no responsibility for the contents of this Applicable Pricing Supplement and any amendments or any supplements to the aforementioned documents. The JSE makes no representation as to the accuracy or completeness of any of the Applicable Pricing Supplement and any amendments or any 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 Programme Memorandum 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 any of the debt securities and that, to the extent permitted by law, the JSE will not be liable for any claim whatsoever.

- | | | |
|------|----------------------------------|---|
| 78. | Listing and Admission to Trading | Application has been/will be made for the Notes to be listed and admitted to trading on the JSE with effect from, the earliest, the Issue Date. No assurances can be given that such application for listing and admission to trading will be granted (or, if granted, will be granted by the Issue Date). |
| | | Notes may be suspended from trading and/or de-listed at any time in accordance with applicable rules and regulations of the relevant stock exchange(s). |
| 79. | Other provisions | |
| 79.1 | Announcement of interest payable | The amount of any interest payable in respect of the Notes will be announced on SENS at least 3 Business Days before the relevant Interest Payment Date. |
| 79.2 | South African Exchange Control | Any holder of these Notes which is subject to the exchange control regulations of the South African Reserve Bank ("SARB") hereby warrants and confirms that it has obtained any necessary approvals from the SARB to hold these Notes and acknowledges and agrees that it is solely responsible for maintaining any such approvals, satisfying any conditions imposed in terms of such approvals and for fulfilling any relevant reporting requirements. Exchange control approval has been granted to the Issuer for the listing of the debt securities. |
| 79.3 | Optional Trigger | Early Redemption |
| | | If at any time on any day prior to the redemption of these Notes, the Calculation Agent determines that the Unwind Value of a Note would be less than 35% (the "Trigger Level") of the Nominal Amount thereof, the Issuer may elect, in its sole and absolute discretion, |

regardless of whether or not such Unwind Value is still below the Trigger Level at the relevant time on the date on which the Notes are to be redeemed, to redeem the Notes early in accordance with the provisions of Condition 7.3 (read with paragraph 54 above) by delivering the Optional Redemption Notice.

79.4 Additional Risk Factors

Any Unwind Value, Early Redemption Amount, Entitlement or Cash Settlement Amount may be calculated by reference to Obligations of the Reference Entity or instruments referencing Obligations of the Reference Entity with a principal or notional amount equal to the Reference Currency Notional (as defined in 79.5.5 below). For the purposes of determining any Unwind Value, Early Redemption Amount, Entitlement or the Cash Settlement Amount, any amount denominated in the Reference Currency will be converted into the Settlement Currency at the then prevailing exchange rate between such currencies, as determined by the Calculation Agent.

As such, Noteholders may be exposed not only to credit risk of the Reference Entity and the Issuer, but also to the performance of the Reference Currency relative to the Settlement Currency, which cannot be predicted. Noteholders should be aware that foreign exchange rates are, and have been, highly volatile and determined by supply and demand for currencies in the international foreign exchange markets, which are subject to economic factors, including inflation rates in the countries concerned, interest rate differences between the respective countries, economic forecasts, international political factors, currency convertibility and safety of making financial investments in the currency concerned, speculation and measures taken by governments and central banks (e.g., imposition of regulatory controls or taxes, issuance of a new currency to replace an existing currency, alteration of the exchange rate or exchange characteristics by devaluation or revaluation of a currency or imposition of exchange controls with respect to the exchange or transfer of a specified currency that would affect exchange rates and the availability of a specified currency).

The Optional Early Redemption Trigger references the Unwind Value, which may, in certain market conditions, be volatile. It may therefore occur that at the time that the Optional Early Redemption Trigger is exercised market conditions have changed, or market conditions change shortly thereafter, such that the Unwind Value would no longer have been below the Trigger Level.

The Trigger Level of these Notes has been inserted for the benefit of the Issuer and accordingly is not intended to be an implied guarantee or assurance of a minimum return on the Notes, nor is the Issuer under any obligation to exercise its right to redeem the Notes early in the event that the Trigger Level is breached. Accordingly, any Early Redemption Amount or Cash Settlement Amount payable or Entitlement that may be received in respect of the Notes may be less than 35% of the Nominal Amount. The determination of whether or not the Trigger Level has been breached is based on the Calculation Agent's estimates of the Unwind Value, and accordingly the Early Redemption Amount payable to Noteholders following delivery of the Optional Redemption Notice or any Cash Settlement Amount payable or any Entitlement that may be received following the occurrence of a Credit Event Determination Date may differ from such estimates. In addition, due to the volatility of the Underlying Components, the Unwind Value may fluctuate between the time at which the Trigger Level is first breached and the date on which the Notes are to be redeemed in terms of Condition 7.3, if applicable, which may result in an Early Redemption Amount lower than 35% of the Nominal Amount of the Notes.

79.5 Additional Definitions:

79.5.1 Unwind Value

Means on any day, in respect of each Note, an amount calculated by the Calculation Agent in its sole discretion equal to:

- (A) the sum of the value of each of the Underlying Components of the Notes (as defined below) on such day, determined by the Calculation Agent in its sole discretion, acting in a commercially reasonable manner, which may be either positive or negative minus any Trigger Unwind Costs (as defined below),

multiplied by

- (B) a fraction equal to the Specified Denomination of such Note divided by the Calculation Amount.

79.5.2 Underlying Components

Means each of the components determined by the Issuer in its sole discretion which make up these Notes, including but not limited to:

- (i) a hypothetical credit default swap with the Issuer as the seller of protection, referencing the Reference Entity, with a Fixed Rate Payer

Calculation Amount and Floating Rate Payer Calculation Amount equal to the Reference Currency Notional, entered into on market standard terms applicable to the Transaction Type “Standard Emerging European Corporate” as at the Trade Date (as defined in paragraph 10 above), with an “Effective Date” and “Scheduled Termination Date” equivalent to the Issue Date and the Scheduled Maturity Date of these Notes; and

- (ii) any instruments held or transactions entered into by the Issuer in its sole discretion in order to hedge its obligations to the Noteholder under these Notes, including but not limited to any fixed deposits and/or cross currency swaps entered into by the Issuer.

Unless otherwise indicated, capitalised terms used and not otherwise defined in subparagraph (i) of this paragraph 79.5.2 will have the meaning as defined in the 2014 ISDA Credit Derivatives Definitions, as published by the International Swaps and Derivatives Association, Inc.

79.5.3 Trigger Unwind Costs

Means an amount determined by the Calculation Agent equal to the sum of (without duplication) all costs, expenses (including loss of funding), tax and duties which are or would be incurred by the Issuer or gains, including funding benefits, actually realised by the Issuer, in which case expressed as a negative number, in connection with the redemption of the Notes and the related unwind, termination, settlement, amendment or reestablishment of any hedge or related trading position (which for the avoidance of doubt may include, but shall not be limited to, Underlying Components), provided that on any day on which the Unwind Value is required to be determined where the Notes are not being redeemed on such day or in relation to any hypothetical swaps or instruments, the Trigger Unwind Costs will be determined based on the Calculation Agent’s estimate of what such costs, expenses, losses, taxes, duties or gains would be if the Notes were to be redeemed on such day and assuming that the relevant hedges or related trading positions would be unwound, terminated, settled, amended or re-established, as the case may be.

79.5.4 Reference Currency

USD

79.5.5 Reference Currency Notional

USD6,788,866

79.5.6 Settlement Currency

ZAR

79.5.7 Settlement Currency Equivalent

Means, in respect of any amount denominated in the Settlement Currency, such Settlement Currency amount and in respect of any amount denominated in a currency other than the Settlement Currency (the “**Other Currency**”), the amount of the Other Currency converted into the Settlement Currency at the spot rate of exchange (as determined by the Calculation Agent in its sole discretion) as at the date on which the Settlement Currency Equivalent is required to be determined, or in such other commercially reasonable manner as the Calculation Agent shall determine.

79.5.8 Cash Settlement Amount

For the purposes of Auction Settlement, “Cash Settlement Amount” means an amount calculated by the Calculation Agent equal to:

$$(A - B - C) \times D$$

where:

A is the Aggregate Nominal Amount;

B is the Settlement Currency Equivalent of: Reference Currency Notional \times (1 – Auction Final Price);

C is Unwind Costs; and


D is a fraction equal to the Specified Denomination of each Note divided by the Calculation Amount.

Application is hereby made to list this issue of Notes on the JSE as from 08 November 2018.

Signed at Johannesburg on this 6th day of November 2018.

For and on behalf of

THE STANDARD BANK OF SOUTH AFRICA LIMITED

By: 

Name: KAULIN LLANALEY

Capacity: SENIOR LEGAL MANAGER

Who warrants his/her authority hereto.

For and on behalf of

THE STANDARD BANK OF SOUTH AFRICA LIMITED

By: 

Name: JASON COSTA

Capacity: EXECUTIVE GLOBAL MARKETS

Who warrants his/her authority hereto.