



**NEDBANK LIMITED**

*(incorporated with limited liability under registration number 1951/000009/06 in the Republic of South Africa)*

**ZAR15,000,000,000 STRUCTURED NOTE PROGRAMME**

**issue of ZAR24,000,000 Credit Linked Notes due 17 August 2021**

This document constitutes the Applicable Pricing Supplement relating to the issue of the Tranche of Notes described herein ("Notes" and "this Tranche").

This Applicable Pricing Supplement must be read in conjunction with the Amended and Updated Programme Memorandum, dated 13 July 2016, as amended and/or supplemented from time to time ("Programme Memorandum"), prepared by Nedbank Limited ("Issuer") in connection with the Nedbank Limited ZAR15,000,000,000 Structured Note Programme ("Programme").

The Amended and Updated Programme Memorandum, dated 13 July 2016, was approved by the JSE Limited ("JSE") on 4 July 2016.

References to the "Terms and Conditions" in this Applicable Pricing Supplement are to the section of the Programme Memorandum headed "Terms and Conditions". References to any Condition in this Applicable Pricing Supplement are to that Condition of the Terms and Conditions.

Any capitalised terms not defined in this Applicable Pricing Supplement shall have the meanings ascribed to them in the Terms and Conditions.

This Tranche will be issued on, and subject to, the Terms and Conditions, as replaced, amended and/or supplemented by the terms and conditions of this Tranche set out in this Applicable Pricing Supplement.

To the extent that there is any conflict or inconsistency between the provisions of this Applicable Pricing Supplement and the Programme Memorandum, the provisions of this Applicable Pricing Supplement shall prevail.

A.	DESCRIPTION OF THE NOTES	
1.	Issuer	Nedbank Limited
2.	Tranche number	1
3.	Series number	CLNF16
4.	Status of the Notes	Senior Notes (see Condition 5 ( <i>Status</i> ))
5.	Security	Unsecured
7.	Form of the Notes	Registered Notes
		The Notes are issued in registered uncertificated form and will be held in the Central Securities Depository.
8.	Type of Notes	Credit Linked Notes (see Item D ( <i>Credit Linked Note Provisions</i> ) below)
9.	Issue Date/First Settlement Date	17 August 2017, subject to the Business Day Convention
10.	Issue Price	100%
11.	Interest	Floating Rate Note Provisions (see Condition 7.2 ( <i>Floating Rate Note Provisions</i> ) and Item C ( <i>Floating Rate Note Provisions</i> ) below)
12.	Redemption/Payment Basis	If a Credit Event has not occurred – see Items E(2), E(6), E(7), E(8) and E(9) ( <i>Redemption</i> ) below If a Credit Event has occurred - Credit Linked Redemption (see Item D ( <i>Credit Linked Note Provisions</i> ) below)
13.	Change of interest or	Not Applicable

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redemption payment basis

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|-----|--|--|
| 14. | Aggregate Principal Amount of this Tranche         | ZAR24,000,000  |
| 15. | Specified Currency                                 | ZAR  |
| 16. | Specified Denomination (Principal Amount per Note) | ZAR1,000,000 (or such other amount as is prescribed from time to time in terms of section 96(2)(a) of the Companies Act) |
| 17. | Minimum Specified Denomination of each Note        | ZAR1,000,000   |
| 18. | Calculation Amount                                 | ZAR1,000,000   |
| 19. | Business Day Convention                            | Following Business Day Convention  |
| 20. | Day Count Fraction                                 | Actual/365   |

#### **B. PROGRAMME AMOUNT**

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|----|---|---|
| 1. | Programme Amount as at the Issue Date   | ZAR15,000,000,000   |
| 2. | Aggregate outstanding Principal Amount of all of the Notes (including Existing Credit Linked Notes) in issue under the Programme as at the Issue Date | ZAR4,205,000,000, excluding the aggregate Principal Amount of this Tranche and any other Tranches of Notes issued on the Issue Date specified in Item A(9) above. |
| 3. | Issuer confirmation as to Programme Amount  | The Issuer confirms that the issue of this Tranche will not cause the Issuer to exceed the Programme Amount.  |

#### **C. FLOATING RATE NOTE PROVISIONS**

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|----|--|--|
| 1. | Floating Interest Rate   | The Notes will bear interest at the Floating Interest Rate per annum (nominal annual compounded quarterly) equal to the sum of the Reference Rate (see Item C(8)(a) below) plus the Margin (see Item C(9) below), determined by the Calculation Agent in accordance with Condition 7.2.6 ( <i>Calculation of Interest Amount</i> ), for the period from and including the Issue Date to but excluding the Redemption Date.                                     |
| 2. | Interest Commencement Date                                     | Issue Date   |
| 3. | Interest Payment Date/s  | Quarterly in arrears on 17 November, 17 February, 17 May and 17 August of each year until the Redemption Date, subject to the Business Day Convention.   |
| 4. | First Interest Payment Date                                    | 17 November 2017, subject to the Business Day Convention   |
| 5. | Interest Periods   | <p>The first Interest Period shall commence on (and include) the Interest Commencement Date and end on (but exclude) the first Interest Payment Date.</p> <p>Thereafter, each successive Interest Period shall commence on (and include) the immediately preceding Interest Payment Date and end on (but exclude) the immediately following Interest Payment Date; provided that the final Interest Period shall end on (but exclude) the Redemption Date.</p> |
| 6. | Rate Determination Date/s                                      | <p>The first day of each Interest Period; provided that the Rate Determination Date for the first Interest Period shall be the Issue Date.</p> <p>If any such date is not a Business Day, the Rate Determination Date will be the first following day that is a Business Day, unless it would thereby fall into the next calendar month, in which event the Rate Determination Date will be brought forward to the first preceding Business Day.</p>           |
| 7. | Manner in which the Floating Interest Rate is to be determined | Screen Rate Determination  |

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8.	<b>If Screen Rate Determination applicable:</b>	Applicable
(a)	Reference Rate	3-month JIBAR (being, subject to Condition 7.2.3 ( <i>Screen Rate Determination</i> )), the average mid-market yield rate per annum for 3-month deposits in Rand which appears on the Relevant Screen Page as the "SFX 3M YIELD" at or about the Relevant Time on the Rate Determination Date, determined by the Calculation Agent in accordance with Condition 7.2.6 ( <i>Calculation of Interest Amount</i> )
(b)	Relevant Screen Page	Reuters Screen SAFETY page
(c)	Relevant Time	11h00 (South African time)
(d)	Relevant Financial Centre	Johannesburg
(e)	Reference Banks	Absa Bank Limited, FirstRand Bank Limited, Nedbank Limited, The Standard Bank of South Africa Limited
9.	Margin	2.175%
10.	Minimum Rate of Interest	Not Applicable
11.	Maximum Rate of Interest	Not Applicable
12.	Default Rate	The call deposit rate payable from time to time by the Issuer on deposits made by its corporate clients, which call deposit rate may vary from time to time depending on volume and market forces.
13.	Fall back provisions, rounding provisions and any other terms relating to the method of calculating the Floating Interest Rate	Not Applicable

#### **D. CREDIT LINKED NOTE PROVISIONS**

##### **1. 2014 ISDA Credit Derivatives**

###### **Definitions:**

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|-----|---|---|
| (a) | General   | <p>The 2014 ISDA Credit Derivatives Definitions (as updated from time to time) as published by the International Swaps and Derivatives Association Inc. ("2014 ISDA Credit Derivatives Definitions") are, to the extent specified in this Item D below, incorporated by reference into, and form part of, this Item D and the Applicable Terms and Conditions of this Tranche.</p> <p>To the extent that there is any conflict or inconsistency between the provisions of this Item D and the 2014 ISDA Credit Derivatives Definitions, the provisions of this Item D shall prevail.</p>  |
| (b) | Interpretation  | <p>Capitalised terms not defined in this Item D shall have the meanings ascribed to them in the 2014 ISDA Credit Derivatives Definitions.</p> <p>Notwithstanding anything to the contrary contained in the 2014 ISDA Credit Derivatives Definitions:</p> <p>a) all references to "Credit Derivative Transaction" in the 2014 ISDA Credit Derivatives Definitions shall be construed as references to this Tranche;</p> <p>b) all references to "Confirmation" in the 2014 ISDA Credit Derivatives Definitions shall be construed as references to this Applicable Pricing Supplement.</p> |
| (c) | Additional amendments to the 2014 ISDA Credit Derivatives Definitions | Not Applicable  |

##### **2. General:**

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|-----|------------------|------------------|
| (a) | Reference Entity | Transnet SOC Ltd |
|-----|------------------|------------------|

See internet link to annual financial statements –

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	Seniority Level	Senior Level
(b)	Reference Obligation/s	Not Applicable
	<ul style="list-style-type: none"> <li>Standard Reference Obligation</li> <li>Non-Standard Reference Obligation</li> </ul>	No
(c)	Substitute Reference Obligation	No
(d)	Substitution Event	No
(e)	All Guarantees Applicable	Yes
(f)	Reference Price	8.33333333333333%
(g)	Section 11.1 ( <i>Additional Representations and Agreements of the Parties</i> ) of the 2014 ISDA Credit Derivatives Definitions	Not Applicable
3.	<b>Fixed and Floating Payments:</b>	Not Applicable
4.	<b>Conditions to Settlement:</b>	
(a)	Credit Event Notice	Yes
(b)	Terms of Credit Event Notice upon the occurrence of a Restructuring Credit Event if different from the applicable provisions of the 2014 ISDA Credit Derivatives Definitions	Not Applicable
(c)	Notice of Physical Settlement	No
(d)	Notice of Publicly Available Information Applicable	No
(e)	Public Sources/s: <ul style="list-style-type: none"> <li>Standard International Public Sources Applicable</li> <li>Standard South Africa Public Sources Applicable</li> <li>Additional Public Sources</li> </ul>	No No Not Applicable
(f)	Specified Number	Not Applicable
5.	<b>Credit Events:</b>	
	The following Credit Event/s shall apply to this Tranche:	
(a)	Bankruptcy	Yes
(b)	Failure to Pay	Yes
	<ul style="list-style-type: none"> <li>Grace Period Extension Applicable</li> <li>Grace Period</li> </ul>	Yes 7 Business Days

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	• Payment Requirement	ZAR10,000,000 or its equivalent in the relevant Obligation Currency as at the occurrence of the relevant Credit Event
(c)	Obligation Default	Yes
	• Default Requirement	ZAR10,000,000 or its equivalent in the relevant Obligation Currency as at the occurrence of the relevant Credit Event
(d)	Obligation Acceleration	Yes
	• Default Requirement	ZAR10,000,000 or its equivalent in the relevant Obligation Currency as at the occurrence of the relevant Credit Event
(e)	Repudiation/Moratorium	Yes
	• Default Requirement	ZAR10,000,000 or its equivalent in the relevant Obligation Currency as at the occurrence of the relevant Credit Event
(f)	Restructuring	Yes
	• Default Requirement	ZAR25,000,000 or its equivalent in the relevant Obligation Currency as at the occurrence of the relevant Credit Event
	• Mod R	Not Applicable
	• Mod Mod R	Not Applicable
	• Multiple Holder Obligation Applicable	Applicable

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(g)	Governmental Intervention	Yes
	• Default Requirement	ZAR10,000,000 or its equivalent in the relevant Obligation Currency as at the occurrence of the relevant Credit Event

(h)	Other	Not Applicable
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**6. Obligations:**

(a)	Obligation Category:	
	• Payment	No
	• Borrowed Money	Yes
	• Reference Obligations Only	No
	• Bond	No
	• Loan	No
	• Bond or Loan	No
(b)	Obligation Characteristics:	Not Applicable
(c)	Additional Obligations	Not Applicable
(d)	Excluded Obligation/s (Note: See Section 3.6 (Excluded Obligations) of the 2014 ISDA Credit Derivatives Definitions)	None
(e)	Specified Currency	ZAR
(f)	Domestic Currency	ZAR
(g)	Section 3.15 (Interpretation of Provisions) of the 2014 ISDA Credit Derivatives Definitions applicable	No
(h)	Specify if any provisions of Section 3.15 (Interpretation of Provisions) of the 2014 ISDA	No

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Credit Derivatives Definitions  
are not applicable

7. **Settlement Method:**

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|-----|----------------------------|-----|
| (a) | Auction Settlement         | No  |
| (b) | Cash Settlement            | Yes |
| (c) | Physical Settlement        | No  |
| (d) | Fallback Settlement Method | No  |

8. **Terms relating to Cash Settlement:**

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|-----|---|--|
| (a) | Valuation Date  |  |
|     | • Single Valuation Date   | Within 60 Business Days  |
| (b) | Valuation Time  | 11:00 a.m. Johannesburg time   |
| (c) | Quotation Method  | Bid  |
| (d) | Quotation Amount  | Representative Amount  |
| (e) | Minimum Quotation Amount  | Zero   |
| (f) | Reference Dealer/s  |  |
|     | • Specify the Reference Dealer/s  | As selected by the Calculation Agent in consultation with the Noteholder(s)                          |
|     | • Capacity of Reference Dealer/s - specify whether a Reference Dealer may be: |  |
|     | ○ the Issuer  | Yes  |
|     | ○ any Affiliate of the Issuer   | Yes  |
|     | ○ the Noteholders   | Yes  |
|     | ○ any Affiliates of the Noteholders   | Yes  |
| (g) | Settlement Currency   | ZAR  |
| (h) | Cash Settlement Date  | 5 Business Days  |
| (i) | Cash Settlement Amount  | The Early Redemption Amount  |
| (j) | Quotations  | Exclude Accrued Interest   |
| (k) | Valuation Method  |  |
|     | • more than one Reference Obligation and one Valuation Date                   | Blended Highest  |
| (l) | Additional terms applicable to Cash Settlement                                | Not Applicable   |
| 9.  | Notifying Party   | the Issuer or the Noteholders of this Tranche  |
| 10. | Term  | The period commencing on and including the Issue Date and ending on and including the Maturity Date. |
| 11. | Other terms or special conditions   | Not Applicable   |

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E. REDEMPTION		
1.	Maturity Date	17 August 2021, subject to the Business Day Convention
2.	<b>Final Redemption Amount:</b>	The aggregate Outstanding Principal Amount of this Tranche plus accrued interest (if any) to the Maturity Date
3.	Prior approval of the Relevant Authority required for redemption prior to the Maturity Date	No
4.	<b>Issuer Early Redemption Election:</b>	Not Applicable
5.	<b>Noteholder Early Redemption Election:</b>	Not Applicable
6.	<b>Specified Early Redemption Event:</b>	Applicable Tax Event Applicable Change in Law Applicable Hedging Disruption Event Applicable Increased Cost of Hedging Event Applicable
7.	<b>Redemption following a Specified Early Redemption Event:</b>	Applicable
(a)	Redemption in whole	Applicable
	Early Redemption Date (Specified Early Redemption Event)	The date stipulated as the Early Redemption Date (Specified Early Redemption Event) in the notice of redemption given by the Issuer in terms of Condition 8.4 ( <i>Redemption following a Specified Early Redemption Event</i> )
(b)	Redemption in part	Not Applicable
8.	<b>Early Redemption Amount:</b>	An amount in ZAR determined and calculated by the Calculation Agent in accordance with the following formula: $ERA = A + B + C$ Where: "ERA" means the Early Redemption Amount; "A" means the ZAR Fair Value of a hypothetical USD deposit (USD1,783,060.92) made with the Issuer on the Issue Date and with a termination date being the same as the Redemption Date of this Tranche of Notes, less Unwind Costs all as determined and calculated by the Calculation Agent with reference to the relevant bid/offer spread that the Issuer would have had for the early termination of such a hypothetical USD deposit; "B" means the ZAR Fair Value of a hypothetical USDZAR cross-currency basis swap entered into by the Issuer with an effective date being the same as the Issue Date and a termination date being the same as the Redemption Date of this Tranche of Notes, less Unwind Costs all as determined and calculated by the Calculation Agent with reference to the relevant costs associated with early terminating or reinstating such a hypothetical USDZAR cross-currency basis swap; "C" means the ZAR Fair Value of a hypothetical credit default swap entered into by the Issuer with an effective date being the same as the Issue Date and a termination date being the same as the Redemption Date of this Tranche of Notes, less Unwind Costs all as determined and calculated by the Calculation Agent with reference to the relevant costs associated with early terminating or reinstating such a hypothetical credit default swap.

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9. **Fair Value and Unwind Costs:** Applicable

"Fair Value" means, in relation to this Tranche of Notes, an amount determined by the Calculation Agent (acting in a commercially reasonable manner and using objectively ascertainable market inputs including, but not limited to, the Issuer's liquidity and credit curves, cross-currency basis swap agreements, swap rates, foreign currency exchange rates) which represents the fair market value of this Tranche of Notes; provided that no account shall be taken of the financial condition or creditworthiness of the Issuer which shall be presumed to be able to perform fully its obligations in respect of this Tranche of Notes;

"Unwind Costs" means, in relation to this Tranche of Notes, an amount equal to the total amount of any and all costs and expenses of whatsoever nature (whether or not contemplated or in existence on the Issue Date) associated with or incurred by the Issuer or any Affiliate in connection with the early redemption of this Tranche of Notes (including, without limitation, any costs associated with unwinding any funding or other financing relating to this Tranche of Notes, any costs associated with unwinding or reinstating any hedge positions relating to this Tranche of Notes and all taxes, regulatory costs and/or penalties), all as determined and calculated by the Calculation Agent acting in a commercially reasonable manner.

10. Other terms applicable on redemption Not Applicable

**F. AGENTS AND SPECIFIED OFFICES**

1.	Calculation Agent	Nedbank Limited
2.	Specified Office of the Calculation Agent	Nedbank 135 Rivonia Campus, Sixth Floor Block F, 135 Rivonia Road, Sandown, Sandton, 2196, South Africa
3.	Paying Agent	Nedbank Limited
4.	Specified Office of the Paying Agent	Nedbank 135 Rivonia Campus, Sixth Floor Block F, 135 Rivonia Road, Sandown, Sandton, 2196, South Africa
5.	Transfer Agent	Nedbank Limited
6.	Specified Office of the Transfer Agent	Nedbank 135 Rivonia Campus, Sixth Floor Block F, 135 Rivonia Road, Sandown, Sandton, 2196, South Africa

**G. REGISTER CLOSED**

1.	Last Day to Register	Up until 17h00 (South African time) on 06 November, 06 February, 06 May and 06 August of each year until the Redemption Date being, in each instance, the last date on which the Transfer Agent will accept Transfer Forms and record in the Register the transfer of Notes represented by Certificates.
2.	Register Closed Period	The Register will be closed during the 10 days preceding each Interest Payment Date and the Redemption Date from 17h00 (South African time) on the Last Day to Register until 17h00 (South African time) on the day preceding the Interest Payment Date (or other periodic payment date, as applicable) and the Redemption Date, being the period during which the Register is closed for purposes of giving effect to transfers, redemptions or payments in respect of the Notes.
3.	Books Closed Date	07 November to 17 November, 07 February to 17 February, 07 May to 17 May and 07 August to 17 August of each year until the Redemption Date.

**H. GENERAL**

1.	Exchange control approval	Not Applicable
2.	Additional selling restrictions	Not Applicable
3.	International Securities Numbering (ISIN)	ZAG000146150

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4.	Stock Code Number	CLNF16
5.	Financial Exchange	JSE Limited (Interest Rate Market of the JSE)
6.	Debt Sponsor	Nedbank Limited
7.	Name of Dealer	Nedbank Limited
8.	Stabilisation Manager	Not Applicable
9.	Method of Distribution	Private Placement
10.	Bookbuild and Allocation Policy	Not Applicable
11.	Pricing Methodology	Not Applicable
12.	Governing law	The Notes and the Applicable Terms and Conditions are governed by, and shall be construed in accordance with, the laws of South Africa.
13.	Business Centre	Johannesburg
13.	Additional Financial Centre	Not Applicable
14.	Additional Business Centre	Not Applicable
15.	Other Banking Jurisdiction	Not Applicable
16.	Rating (if any) assigned to this Tranche as at the Issue Date, Rating Agency/ies and date on which such Rating is expected to be reviewed	Not Applicable
17.	Rating assigned to the Issuer as at the Issue Date, Rating Agency/ies and date on which such Rating is expected to be reviewed	As at the Issue Date, the Issuer has a domestic long-term credit rating of (i) Aa1.za from Moody's Investor Services Limited last affirmed on 10 May 2016 (and expected to be reviewed from time to time) and (ii) zaAA- from Standard & Poor's last reviewed on 10 August 2016 (and expected to be reviewed from time to time)
18.	Use of proceeds	The Issuer will use the net proceeds from the issue of this Tranche for its general corporate purposes
19.	Other provisions	Not Applicable

The Issuer accepts full responsibility for the accuracy of the information contained in the Programme Memorandum, this Applicable Pricing Supplement, the annual financial statements of the Issuer and any amendments to such annual financial statements and each supplement to the Programme Memorandum published by the Issuer from time to time (except as otherwise stated therein).

The Issuer certifies that, to the best of its knowledge and belief, there are no facts the omission of which would make the Programme Memorandum or any statement contained in the Programme Memorandum false or misleading, that all reasonable enquiries to ascertain such facts have been made, and that the Programme Memorandum contains or incorporates by reference (see the section of the Programme Memorandum headed "*Documents Incorporated by Reference*") all information required by the JSE Debt Listings Requirements and all other Applicable Laws.

Application is hereby made to list Tranche 1 of Series CLNF16 of the Notes on the Interest Rate Market of the JSE, as from 17 August 2017, pursuant to the Nedbank Limited ZAR15,000,000,000 Structured Note Programme.

NEDBANK LIMITED

By: \_\_\_\_\_

duly authorised

Name of signatory: Roger Fuller-Good  
Authorised Signatory

Date: 15.8.17

By: \_\_\_\_\_

duly authorised

**Moss Brickman**  
**Authorised Signatory**

Name of signatory: \_\_\_\_\_

Date: 15/8/17