



FIRSTRAND BANK

(Registration Number 1929/001225/06)

(Incorporated with limited liability in the Republic of South Africa)

Issue of ZAR103,000,000 Credit Linked Notes with Scheduled Termination Date of 7 March 2017 Stock code FRC187

Under its ZAR30,000,000,000 Note Programme

This document constitutes the Applicable Pricing Supplement relating to the issue of the 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 29 November 2011, as amended and updated from time to time (the “**Programme Memorandum**”). This Applicable Pricing Supplement must be read in conjunction with the Programme Memorandum. The Notes described herein are issued on and subject to the Terms and Conditions as amended and/or supplemented by the terms and conditions contained in this Applicable Pricing Supplement. 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. Subject to as provided below, any capitalised terms not defined in this Applicable Pricing Supplement shall have the meaning ascribed to them in the Terms and Conditions. To the extent that certain provisions of the *pro forma* Pricing Supplement do not apply to the Notes described herein, they may be deleted in this Applicable Pricing Supplement or indicated to be not applicable.

Description of the Notes

| | |
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| 1. Issuer: | FirstRand Bank Limited |
| 2. Status of Notes: | Unsecured |
| 3. Form of Notes: | Listed Registered Notes |
| 4. Series Number: | 187 |
| 5. Tranche Number: | 1 |
| 6. Specified Currency of the Notes: | ZAR |
| 7. Aggregate Nominal Amount: | |
| (a) Series: | ZAR103,000,000 |
| (b) Tranche: | ZAR103,000,000 |
| 8. Nominal Amount per Note: | ZAR1,000,000 |
| 9. Specified Denomination and number of Notes: | ZAR1,000,000 and 103 |
| 10. Issue Date of the Notes: | 27 December 2013 |
| 11. Issue Price of the Notes: | 100% (one hundred percent) of par |
| 12. Relevant Stock Exchange: | JSE |
| 13. Integral multiples of Notes required for transfer: | N/A |
| 14. Type of Notes: | Structured Notes |

15. If Structured Notes:
- (a) Type of Structured Notes: Credit Linked Notes
- (b) Capital guarantee: No
16. Deposit Notes: No
17. Redemption/Payment Basis: Redemption at par
18. Automatic/Optional Conversion from one Redemption/Payment Basis to another: N/A
19. Partly Paid Note Provisions: N/A

Provisions relating to interest (if any) payable on the Note

20. General Interest Provisions

- (a) Interest payable on the Note: Yes
- (b) Interest Basis: Floating Rate Note
- (c) Automatic/Optional Conversion from one Interest Basis to another: N/A
- (d) Interest Commencement Date: Issue Date
- (e) Default Rate: N/A

21. Fixed Rate Note Provisions: N/A

22. Floating Rate Note Provisions: N/A

- (a) Manner in which the Interest Rate(s) is to be determined: Screen Rate Determination

(b) If Screen Rate Determination:

- Reference Rate: 3 month JIBAR
- Interest Determination Date(s): The first day of each Interest Period
- Relevant Screen Page and Reference Code: SAFEX Page and ZAR-JIBAR-SAFEX
- Relevant Time: 11:00am
- Relevant Financial Centre: Johannesburg

- (c) Margin: 800 basis points

- (d) Minimum Rate(s) of Interest: N/A

- (e) Maximum Rate(s) of Interest: N/A

- (f) Interest Payment Dates: 24 February, 24 May, 24 August and 24 November in each year until the Maturity Date, except for the final Interest Payment Date being the Maturity Date adjusted in accordance with Modified Following Business Day Convention.

- (g) Interest Period(s): The first interest period will commence on the Interest Commencement Date and end on but exclude 24 February 2014. Thereafter each successive Interest Period will commence on the applicable Interest Payment Date and end on but exclude the next Interest Payment Date. The last interest period will commence on 24 February 2017 and end on but exclude 7 March 2017.

- (h) Specified Period: N/A

- (i) Day Count Fraction: Actual/365

23. Zero Coupon Note Provisions: N/A

24. **Index Linked Interest Note Provisions:** N/A
25. **Dual Currency Note Provisions:** N/A
26. **Mixed Rate Note Provisions:** N/A

Provisions relating to redemption

27. Exchange Rate Time: Close of business
28. Maturity Date: 7 March 2017 subject as provided in Credit Linked Condition 3 (*Final Redemption and Maturity Date*)
29. Early Redemption following the occurrence of:
- (a) Tax Event: Applicable
- (b) Change in Law: Applicable
- (c) Hedging Disruption: Applicable
- (d) Increased Cost of Hedging: Applicable
- (e) Other:

The Issuer sends a notice to the Noteholder stating that in the Calculation Agent's then estimation, the Net Asset Value is less than or equal to 30% of the Issue Price.

"Net Asset Value" means the sum of components used by the Issuer to create the trade, as determined by the Calculation Agent acting in a commercially reasonable manner, including but not limited to:

- a) the estimated value of Credit Default Swap; and
- b) the amount that would be required (positive or negative) to settle the other Hedging Positions.

"Credit Default Swap" means a credit default swap entered into by the Issuer, as credit protection seller, with amongst others, the following features:

- a) Reference Entity: African Bank Limited
- b) Fixed Amount: USD10,000,000
- c) Effective Date: 19 December 2013;
- d) Scheduled Termination Date: 24 February 2017
- e) Obligation
- Category: Bond or Loan
 - Characteristics: None
- f) Floating Rate Payer Calculation Amount: USD Equivalent Amount.
- g) Credit Events: no more onerous than - Bankruptcy, Failure to Pay (Grace Period Extension: Applicable), Obligation Acceleration, Repudiation/Moratorium and Restructuring.

Multiple Holder Obligation:

Not Applicable with respect to Bonds;

Applicable with respect to Loans.

Default Requirement: ZAR10,000,000

Payment Requirement: ZAR10,000,000 or its equivalent in the relevant Obligation currency as of the occurrence of the relevant Failure to Pay.

The value of the Credit Default Swap will be determined using the Final Price of the Valuation Obligation.

“**USD Equivalent Amount**” means amount equal to the Issue Price expressed in United States Dollar (at a conversion rate determined by the Calculation Agent).

“**USD Equivalent Amount**” means amount equal to the Issue Price expressed in United States Dollar (at a conversion rate determined by the Calculation Agent).

“**Valuation Obligation**” means the Reference Obligation, except if the Calculation Agent determines in a commercially reasonable manner that the value of the Reference Obligation is materially different to the value of the Reference Entity’s other Obligations, or if the Reference Obligation no longer exists (including if it is redeemed) or if the aggregate amounts due under the Reference Obligation have been materially reduced by redemption or otherwise, then the Valuation Obligation shall be determined by the Buyer as an Obligation, subject to Section 2.15 of the 2003 ISDA Credit Derivatives Definitions, of the Reference Entity described by the Obligation Category: Bond and having the Obligation Characteristics: Specified Currency: USD, and notified by the Buyer to the Seller on or prior to the Valuation Date except if no such Bond exists, the Buyer may choose any other Obligation of the Reference Entity described by the Obligation Category: Bond in its sole discretion. If no such Bond exists, the Buyer may choose any other Obligation of the Reference Entity its sole discretion.

For the avoidance of doubt, the “**Credit Default Swap**” constitutes part of the “**Hedging Positions**”

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| 30. | Early Redemption at the Option of the Issuer: | Applicable |
| | (a) Optional Redemption Date[s]: | The date specified as such in the Issuer Redemption Notice. |
| | (b) Optional Redemption Amount[s] and method, if any, of calculation of such amount[s]: | The Early Redemption Amount as set out in paragraph 37 |
| | (c) Optional Redemption Payment Date: | Optional Redemption Date. |
| | (d) Notice period: | At least 3 (three) Business Days written notice |
| | (e) If redeemable in part: | N/A |
| 31. | Early Redemption at the Option of the Noteholders: | N/A |
| 32. | Valuation Dates: | Single Valuation Date: 10 (ten) Business Days after the satisfaction of the Conditions to Settlement. |
| 33. | Valuation Time: | 11h00 |
| 34. | Market Disruption Event: | N/A |
| 35. | (a) Averaging Dates: | N/A |
| | (b) Consequences of an Averaging Date being a Disrupted Day: | N/A |
| 36. | Final Redemption Amount: | 100% (one hundred per cent) of the Aggregate Nominal Amount |

In cases where the Note is an Indexed Linked Redemption Note or other variable-linked Note:

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| (a) | Index/Formula/variable: | N/A |
| (b) | Party responsible for calculating the Final Redemption Amount (if not the Calculation Agent): | N/A |
| (c) | Provisions for determining Final Redemption Amount where calculated by reference to Index and/or Formula and/or other variable: | N/A |
| (d) | Determination Date[s]: | N/A |
| (e) | Provisions for determining Final Redemption Amount where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted: | N/A |
| (f) | Payment Date: | N/A |
| (g) | Minimum Final Redemption Amount: | N/A |
| (h) | Maximum Final Redemption Amount: | N/A |
| 37. | Early Redemption Amount: | <p>Means the amount determined by the Calculation Agent, which will act in good faith and use commercially reasonable procedures to produce a commercially reasonable result, which value shall not be less than zero and will be the sum of the following items (if applicable) expressed in South African Rands –</p> <ul style="list-style-type: none"> a) The amount required (positive or negative) to settle Credit Default Swap (which will be terminated early by the Issuer); b) The amount required (positive or negative) to settle the other Hedging Positions (which will be early terminated by the Issuer). |
| 38. | Settlement Currency: | ZAR |
| 39. | The maximum and minimum number of days prior to the Early Redemption Date on which Issuer Redemption Notices and Special Redemption Notices must be given by the Issuer: | Other - 3 (three) Business Days |
| 40. | Time for receipt of Early Redemption Notice and/or Noteholder's Notice: | 10:00am (Johannesburg time), as stated in the Terms and Conditions |
| 41. | Redemption Notice Time: | 10:00am (Johannesburg time), as stated in the Terms and Conditions |
| 42. | Procedures for giving Issuer Redemption Notice if other than as specified in Condition 10.3 (<i>Redemption Notices</i>): | N/A |
| 43. | Procedure for giving Special | N/A |

Redemption Notice if other than as specified in Condition 10.3 (*Redemption Notices*):

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| 44. | Basis for selecting Notes where Daily Maximum Amount is exceeded if other than on a pro rata basis: | N/A |
| 45. | Additional provisions relating to the redemption of the Notes: | N/A |
| 46. | Instalment Note Provisions: | N/A |
| 47. | Exchangeable Notes Provisions: | N/A |
| 48. | Equity Linked Notes, Equity Basket Notes Provisions: | N/A |
| 49. | Single Index Notes, Basket of Indices Note Provisions: | N/A |
| 50. | Currency Linked Notes Provisions: | N/A |
| 51. | Credit Linked Notes: | Applicable |
| | (a) Type of Credit-Linked Notes: | Single Reference Entity Cash CLN |
| | (b) Whether Programme Transaction Type Standard Terms applicable | N/A |
| | (c) Reference Entity and the related Reference Obligations, Obligations and/or Deliverable Obligations: | Reference Entity: African Bank Limited Reference Obligation: Issuer: African Bank Limited Maturity: 24 February 2017 Coupon: 8.125% ISIN: XS0751016865 |
| | (d) Transaction Type(s): | N/A |
| | (e) Substitution of Reference Entity is applicable: | N/A |
| | (f) All Guarantees: | Applicable |
| | (g) Reference Price: | 100 per cent |
| | (h) Credit-Linked Payer Calculation Amount: | As defined in the Credit Linked Annex |
| | (i) Scheduled Termination Date: | 7 March 2017 |
| | <i>Terms relating to Credit Events</i> | |
| | <i>Credit Event Provisions</i> | |
| | (j) Credit Events: | Bankruptcy Failure to Pay Grace Period Extension: Applicable Obligation Acceleration Reputation/Moratorium Restructuring Multiple Holder Obligation: a) Not applicable with respect to Obligation Category "Bonds"; b) Applicable with respect to Obligation Category |

“Loans”.

Payment Requirement: ZAR10,000,000 or its equivalent in the relevant Obligation currency as of the occurrence of the relevant Failure to Pay

Default Requirement: ZAR10,000,000 or its equivalent in the relevant Obligation currency as of the occurrence of the relevant Credit Event.

- (k) Additional Credit Events: None
- (l) Potential Repudiation/Moratorium: N/A
- (m) Credit Event Portion: Applicable

Obligations

- (n) Obligation Category: Borrowed Money
- (o) Obligation Characteristics: None
- (p) Additional Obligations: N/A
- (q) Excluded Obligations: None

Terms relating to settlement following a Credit Event

- (r) Conditions to Settlement: Credit Event Notice
Notice of Publicly Available Information
Specified Number: Two
- (s) Settlement Currency: ZAR
- (t) Settlement Method: Cash Settlement
- (u) Fallback Settlement Method: N/A
- (v) Credit Derivatives Determinations Committee Extension: N/A

Terms relating to redemption by Auction

N/A

Terms relating to redemption by Cash Settlement

- (w) Valuation Date: Single Valuation Date: 10 (ten) Business Days after satisfaction of the Conditions to Settlement
- (x) Settlement Currency: ZAR
- (y) Cash Settlement Date: 3 (three) Business Days following the Valuation Date

Cash Settlement:

- (z) Cash Settlement Amount: Means the amount determined by the Calculation Agent, which will act in good faith and use commercially reasonable procedures to produce a commercially reasonable result, which value shall not be less than zero and will be the sum of the following items (if applicable) expressed in South African Rands –
- a) The amount received by the Issuer in settlement of the Funding Arrangement (which will be terminated early by the Issuer); minus
- b) The amount required (positive or negative) to settle other Hedging Positions including the Credit Default Swap.

“**Funding Arrangement**” means a funding arrangement entered into by the Issuer to hedge its obligations under this Note which

will be a deposit earning interest at a rate linked to 3 month JIBAR.

(aa) Cash Settlement of Loan: N/A

(bb) Quotations: N/A

(cc) Alternative Cash Settlement Amount: N/A

Terms relating to Physical Settlement N/A

Terms relating to Interest Provisions on the Notes

(dd) Extension Interest for purposes of Credit-Linked Condition 5.1 N/A

(ee) Cessation of Interest: Interest ceases to accrue from the Interest Payment Date immediately preceding that relevant Cash Settlement Date (or, the in the case of the first Interest Period, the Interest Commencement Date)

Further Provisions/Amendments

(ff) Unwind Costs: N/A

(gg) Additional provisions to the Credit-Linked Conditions: N/A

52. **Commodity Linked Notes:** N/A

Provisions relating to settlement

53. Settlement type: Cash Settlement

54. Board Lot: N/A

55. Currency in which cash settlement will be made: ZAR

56. Early Redemption Payment Date: 3 Business Days after the Early Redemption Date

57. Clearing System: N/A

58. Physical Delivery Date: N/A

Definitions

59. Definition of Business Day: As defined in Condition 2 (*Interpretation*)

60. Definition of Exchange Business Day: As defined in Condition 2 (*Interpretation*)

61. Definition of Maturity Notice Time: As defined in Condition 2 (*Interpretation*)

62. Definition of Tax Event: As defined in Condition 2 (*Interpretation*)

General Provisions

63. Business Day Convention: Modified Following Business Day Convention

64. Relevant Clearing System: Strate

65. (a) Reuters page(s) (or other reference source) from which the exchange rate for currency conversion will be taken when calculating the Redemption Amount and/or the Early

| | | |
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| | Redemption Amount, or | |
| | (b) the Reference Bank or Central Bank quoting the exchange rate for conversion pursuant to Condition 11.9.1 (<i>Exchange Date</i>)) | N/A |
| 66. | Last Day to Register: | By 5:00pm on 19 February, 19 May, 19 August, 19 November in each year until the Maturity Date and the final Last Day to Register being 2 March 2017. |
| 67. | Books Closed Period[s]: | The Register will be closed from 20 February to 24 February, from 20 May to 24 May, from 20 August to 24 August and from 20 November to 24 November (both dates inclusive) in each year until the Maturity Date and the final Books Closed Period be from 3 March 2017 to 7 March 2017 (both dates inclusive). |
| 68. | Determination Agent: | FirstRand Bank Limited, acting through its Rand Merchant Bank division |
| 69. | Specified Office of the Determination Agent: | 1 Merchant Place, cnr Rivonia Road and Fredman Drive, Sandton, 2196 |
| 70. | Specified Office of the Issuer: | 1 Merchant Place, cnr Rivonia Road and Fredman Drive, Sandton, 2196 |
| 71. | Calculation Agent: | FirstRand Bank Limited, acting through its Rand Merchant Bank division |
| 72. | Specified Office of the Calculation Agent: | 1 Merchant Place, cnr Rivonia Road and Fredman Drive, Sandton, 2196 |
| 73. | Paying Agent: | FirstRand Bank Limited, acting through its Rand Merchant Bank division |
| 74. | Specified Office of the Paying Agent: | 1 Merchant Place, cnr Rivonia Road and Fredman Drive, Sandton, 2196 |
| 75. | Transfer Agent: | FirstRand Bank Limited, acting through its Rand Merchant Bank division |
| 76. | Specified Office of the Transfer Agent: | 1 Merchant Place, cnr Rivonia Road and Fredman Drive, Sandton, 2196 |
| 77. | Provisions relating to stabilisation: | N/A |
| 78. | Stabilising manager: | N/A |
| 79. | Additional Selling Restrictions: | N/A |
| 80. | ISIN No.: | ZAG000111584 |
| 81. | Stock Code: | FRC187 |
| 82. | Method of distribution: | Non-syndicated |
| 83. | If syndicated, names of Managers: | N/A |
| 84. | If non-syndicated, name of Dealer: | FirstRand Bank Limited, acting through its Rand Merchant Bank division |
| 85. | Governing law (if the laws of South Africa are not applicable): | N/A |
| 86. | Other Banking Jurisdiction: | N/A |
| 87. | Surrendering of Notes in the case of Notes represented by a Certificate: | N/A |
| 88. | Use of proceeds: | General corporate purposes |
| 89. | Pricing Methodology: | N/A |

90. Ratings: zaAA National Scale Long Term rated by Standard & Poor's Financial Services LLC as at 16 October 2012, which may be reviewed from time to time.
- For the avoidance of doubt, the Notes have not been individually rated.
91. Receipts attached? No
92. Coupons attached? No
93. Stripping of Receipts and/or Coupons prohibited as provided in Condition 17.4 (*Prohibition on Stripping*): N/A
94. Any Conditions additional to, or modified from, those set forth in the Terms and Conditions: N/A
95. Total Notes in Issue ZAR5,012,239,929.00

Responsibility:

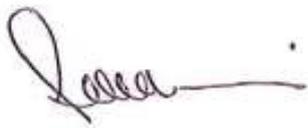
The Applicant Issuer certifies that to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made as well as that the Placing Document contains all information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

The Issuer accepts responsibility for the information contained in this Applicable Pricing Supplement.

Application is hereby made to list this issue of Notes on 27 December 2013.

SIGNED at Sandton on this 23 day of December 2013

For and on behalf of
FIRSTRAND BANK LIMITED



 Name: A Olding
 Capacity: Manager
 Who warrants his authority hereto

For and on behalf of
FIRSTRAND BANK LIMITED



 Name: P Kahn
 Capacity: Manager
 Who warrants his authority hereto