
NOTE PRICING SUPPLEMENT



FIRSTRAND

FIRSTRAND BANK LIMITED

(Incorporated with limited liability in the Republic of South Africa under Registration Number 1929/001225/06)

Issue of ZAR240,639,000 Credit Linked Notes with Scheduled Termination Date of 25 October 2013

Stock Code FRC41

Under its ZAR15,000,000 Structured Note and Preference Share Programme

This document constitutes the 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 11 February 2008 (the “**Programme Memorandum**”). 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 will prevail. 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 Pricing Supplement or indicated to be not applicable.

GENERAL DESCRIPTION OF THE NOTES

- | | |
|------------------------------|--|
| 1. Issuer | FirstRand Bank Limited |
| 2. Status of Notes | Senior |
| 3. (a) Series Number | 41 |
| (b) Tranche Number | 1 |
| 4. Principal Amount | ZAR240,639,000 |
| 5. Principal Amount per Note | ZAR 1,000,000 |
| 6. Form of Notes | Registered Credit Linked Notes |
| 7. Interest/Payment Basis | <p>Interest will be payable on the Principal Amount at a rate equal to the Rate of Interest, in respect of each interest period from and including each Interest Payment Date to but excluding the following Interest Payment Date; provided that the first Interest Period shall commence on and include the Interest Commencement Date; plus</p> <p>Interest will be payable on each Additional Amount at a rate equal to the Additional Rate of Interest, in respect of each interest period from and including each Interest Payment Date to but excluding the following Interest Payment Date; provided that the first Interest Period applicable to each Additional Amount shall commence on and include the applicable Additional Amount Payment Date</p> |

8. Rate of Interest	3-month ZAR-JIBAR-SAFEX plus 275 basis points which rate will reset on each ZAR-JIBAR-SAFEX Reset Date
9. Additional Rate of Interest	3-month ZAR-JIBAR-SAFEX minus 5 basis points which rate will reset on the applicable Additional Amount Payment Date and each subsequent ZAR-JIBAR-SAFEX Reset Date
10. ZAR-JIBAR-SAFEX Reset Date(s)	25 January, 25 April, 25 July and 25 October of every year until the Scheduled Termination Date
11. Interest Payment Dates	25 January, 25 April, 25 July and 25 October of every year until the Scheduled Termination Date
12. Interest Commencement Date	25 October 2010
13. Automatic/Optional Conversion: from one Interest/Redemption/Payment Basis to another	N/A
14. Issue Date	25 October 2010
15. Issue Price	ZAR240,639,000
16. Specified Denomination	ZAR 1,000,000
17. Specified Currency	ZAR
18. Business Centre	Johannesburg, London and New York City
19. Additional Business Centre	N/A
20. Applicable Business Day Convention	Modified Following Business Day
21. Scheduled Termination Date	25 October 2013
22. Final Redemption Amount	Aggregate Principal Amount
23. Last Date to Register	19 January, 19 April, 19 July and 19 October of every year until the Scheduled Termination Date
24. Books Closed Period(s)	From - 20 January to 24 January; 20 April to 24 April; 20 July to 24 July; and 20 October to 24 October of every year until the Scheduled Termination Date

CREDIT LINKED NOTES

25. Payment Conditional

If:

- a) a Credit Event occurs on or after the Issue Date and prior to the Scheduled Termination Date (or a Potential Failure to Pay occurs before the Scheduled Termination Date and a Credit Event in relation thereto occurs before the Grace Period Extension Date); and
- b) the Issuer has provided Publicly Available Information in respect thereof and a Credit Event Notice to the Noteholder;

the obligation of the Issuer to pay any further amounts in terms of this Note will lapse and be replaced with an obligation on the Issuer to give effect to the provisions as contemplated in Line 33.

26. Reference Entity(ies)

African Bank Limited

27. Reference Obligation

Senior unsecured indebtedness of the Reference Entity

28. Obligation Characteristics

Obligation Category:
Borrowed Money

Obligation Characteristics:
Not Subordinated

29. Credit Event

The following Credit Events shall apply:

Bankruptcy

Failure to Pay

Grace Period Extension:

Applicable

Restructuring:

Modified Restructuring Maturity Limitation and

Conditionally Transferable Obligation:

Applicable

30. Payment Requirement

ZAR1,000,000 or its equivalent in the relevant Obligation Currency as of the occurrence of the relevant Failure to Pay

31. Default Requirement

ZAR10,000,000 or its equivalent in the relevant Obligation Currency as of the occurrence of the relevant Credit Event

32. Settlement

Cash

a. Redemption Amount

Cash Settlement Amount

b. Valuation Date

Single Valuation Date 5 Business Days after the determination of a Credit Event

c. Settlement Currency

ZAR

- d. Cash Settlement Date 3 (three) Business Days following the Valuation Date
- e. Cash Settlement Amount means the amount calculated 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 be the sum of the following items in South African Rands
 - a) the proceeds of selling the Reference Bond;
 - b) the amount required (positive or negative) to settle the Cross Currency Swap (which will be terminated early by the Issuer); and
 - c) the sum of all Additional Amounts which have been paid by the Noteholder to the Issuer

33. Interpretation

Capitalised terms used herein and not otherwise defined herein or in the Terms and Conditions shall have the meaning set out in the 2003 ISDA Credit Derivatives Definitions as supplemented by the May 2003 Supplement to such Definitions, published by the International Swaps and Derivatives Association, Inc. and the 2009 ISDA Credit Derivatives Determinations Committees, Auction Settlement and Restructuring Supplement to the 2003 ISDA Credit Derivative Definition (published on July 14, 2009) (the “Credit Derivative Definitions”) (and, if applicable, supplemented or amended in this Pricing Supplement). The Definitions are hereby incorporated by reference herein, and shall apply *mutatis mutandis* to the Notes. In the event of inconsistency between the Credit Derivatives Definitions and this Note, this Note will govern. The following words and expressions shall bear the following meaning in this Note:

"Additional Amount"	means each amount payable under each Additional Payment Valuation Event Notice
"Additional Amount Payment Date"	means 2 Business Days following the date on which the Issuer sends an Additional Payment Valuation Event Notice to the Noteholder in relation to the payment of the Additional Amount;
"Additional Payment Valuation Event Notice"	means a notice sent by the Issuer to the Noteholder stating that in the Calculation Agent's then estimation, the Cash Settlement Amount is less than 50% of the Principal Amount. The Issuer will specify an Additional Payment Amount applicable to this Additional Payment Valuation Event Notice which amount will be equal to: <ul style="list-style-type: none"> a) 55% of the Principal Amount, minus b) the Cash Settlement Amount
"Aggregate Principal Amount"	Means at any time the sum of the Principal Amount and all Additional Amounts which have been paid by the Noteholder to the Issuer
"Calculation Agent"	means FirstRand Bank Limited.
"Cross Currency Swap"	means a cross currency swap transaction entered in to by FirstRand Bank Limited whereby FirstRand Bank Limited as the – <ul style="list-style-type: none"> a) interest receiving party will be entitled to interest in ZAR on the Principal Amount on each Interest Payment Date and a payment amount of the Principal Amount on the Scheduled Termination Date; and b) interest paying party be obliged to pay interest in USD on the USD Equivalent Amount on each Interest Payment Date and a payment amount of the USD Equivalent Amount on the Scheduled Termination Date
"Grace Period"	means 30 days.
"Public Source"	has the meaning in the Credit Derivative Definitions and includes the South African publication in <i>The Star</i> and the <i>Business Day</i> , and in relation thereto, the Specified Number of Public Sources is 1 (one).
"Publicly Available Information"	has the meaning in the Credit Derivative Definitions and in addition, a certificate signed by a director of the Issuer stating that a Credit Event has occurred in relation to the Reference Entity and will be adequate proof of the occurrence of a Credit Event.

"Reference Bond"

Means a bond with the following characteristics:

- a) Issuer : African Bank Limited
- b) ISIN : XS0552908575
- c) Nominal : USD Equivalent Amount

"Reference Banks"

means the four major banks in the Johannesburg interbank market.

"USD Equivalent Amount"

means USD35,000,000

"ZAR-JIBAR-Reference Banks"

Means the midmarket deposit rate for ZAR for a period equal to the Interest Period quoted by the Reference Banks at approximately 11:00am, Johannesburg time, on the relevant date. The Calculation Agent will request the principal Johannesburg office of each of the Reference Banks to provide a quotation of its rate. If at least two quotations are provided, the rate for that date will be the arithmetic mean of the quotations. If fewer than two quotations are provided, the rate for that date will be determined by the Calculation Agent, acting in a commercially reasonable manner, using a representative rate.

"ZAR-JIBAR-SAFEX"

means on the first date of each period specified in line 7 of this Note, the rate for the relevant interest period which appears on the Reuters Screen SAFEX Page as of 11:00am, Johannesburg time on that date. If such rate does not appear on the Reuters Screen SAFEX Page, the rate for that date will be determined as if the parties had specified "ZAR-JIBAR-Reference Banks".

35. Other provisions

(a) Change of law and costs

Should:

(a) there be any change in legislation or regulatory practice (as evidenced in circulars published by the Registrar of Banks) (in particular, without limiting the generality of the foregoing, any change in the Banks Act, or regulations promulgated in terms thereof) or interpretation or application of any such legislation or regulatory practice by any court or competent official;

(b) there be any change in banking practice as it affects banks registered in terms of the Banks Act, generally; or

(c) the Issuer and/or the banking group of which the Issuer is a member be required by any statutory or monetary authority to maintain special deposits or reserve assets, in addition to those currently paid or maintained or reserved

with the result that the cost to the Issuer of maintaining the transaction contemplated in this Note is increased whether directly or indirectly then on the last day of any Interest Period upon giving not more than 30 days nor less than 20 days notice to the Noteholder, the Issuer may, subject to (d) below, redeem this Note in whole but not in part at the Aggregate Principal Amount. The redemption amount payable by the Issuer to the Noteholder will be paid on the date stipulated in the notice and be equal to either (at the election of the Issuer) (i) the amount arising on the termination of the constituents of the Cash Settlement Amount (as set out in paragraph 33(e) hereof) or (ii) the mark to market value of the said constituents, as determined by the Issuer. Such termination amount or mark to market valuation will be on the date or dates and on terms reasonably determined by the Issuer. For the avoidance of doubt, any guarantee which may have been provided with regard to the value of the Final Redemption Amount will no longer apply.

(d) The Issuer and Noteholder shall on a best effort basis negotiate with the Noteholder to i) restructure the Note or ii) replace the Note with a similar instrument that would compensate the Issuer with the increased cost in maintaining the transaction as a result of a change of law and cost as contemplated in paragraphs (a) to (c) above. Should the Issuer and Noteholder fail to reach agreement to restructure or replace the Note within 10 days following notice to the Noteholder, the Issuer may redeem the note in whole or in part, as contemplated above.

(b) Non reliance

In connection with this Note both the Issuer and the Noteholder hereby make the following reciprocal representations:

(i) It is acting for its own account, and has made its own independent

decision to enter into this transaction and as to whether the transaction is appropriate or proper for it based upon its own judgement and upon advice from such advisers as it has deemed necessary. It is not relying on any communication (written or oral) from the other Party or any of its Affiliates in regard to accounting, tax, legal or investment advice or as a recommendation to enter into the transaction; it being understood that information and explanations relating to the terms and conditions of this transaction will not be considered accounting, tax, legal or investment advice or a recommendation to enter into this transaction. No communication (written or oral) received from either Party shall be deemed to be an assurance or guarantee as to the expected results of this transaction.

- (ii) It is capable of assessing the merits of and understanding (on its own behalf or through independent professional advice), and does understand and accept the terms, conditions and risks of the transaction. In particular, but without limitation, it has understood, evaluated and is willing to accept – (i) credit risk of the other Party and (ii) regulatory treatment of the transaction.

(c) Early Redemption Option

Upon the receipt of an Additional Payment Valuation Event Notice, the Noteholder will be required to pay the Additional Payment amount applicable to that event within 2 Business Days of receipt of the Additional Payment Valuation Event Notice. Should such payment not occur within 2 Business Days, the Issuer shall have the right to redeem the Note at the Cash Settlement Amount. The Early Redemption Option will be applicable to each Additional Payment Valuation Event Notice which is sent by the Issuer to the Noteholder.

Should an Additional Payment amount have been paid, and thereafter, the Cash Settlement Amount increases to an amount in excess of 55 percent of the Principal Amount, the Noteholder will be entitled to require the Issuer to repay, on the next Interest Payment Date, such portion of the Additional Amount as it requires repaid, but so at all times the Cash Settlement Amount does not reduce below 55 percent of the Principal Amount.

36. Dispute Resolutions

In the event that Noteholder does not agree with any determination made by the Calculation Agent, it shall have the right to require that the Calculation Agent have such determination made by an independent dealer in such instruments or obligations. The Calculation Agent in its reasonable discretion shall elect such dealer after consultation with Noteholder.

Any exercise by the Noteholder of its rights hereunder must be in writing and shall be delivered to the Calculation Agent as soon as possible, but no later than the Business Day following the Business Day on which the Calculation Agent notified it of the calculation made.

Any determination by the independent dealer shall be binding in the

absence of manifest error and shall be made as soon as possible, but no later than five (5) Business Days of the Noteholder's exercise of its rights hereunder.

The costs of such independent dealer shall be borne by (a) the Noteholder if the independent dealer substantially agrees with the Calculation Agent or (b) the Issuer if the independent dealer does not substantially agree with the Calculation Agent.

For purpose of this provision an "independent dealer" shall include, but not limited to, a dealer employed by any of the four major banks (which is not a party to this Note) dealing in the Johannesburg interbank market.

Should any dispute between the Parties arise which is not a dispute envisaged above, such dispute shall be referred to arbitration in terms of the rules of the Arbitration Foundation of South Africa.

GENERAL

37.	(a) International Securities Numbering (ISIN)	ZAG000081670
	(b) Stock Code	FRC41
38.	Method of Distribution	Private Placement
39.	Stabilising manager	N/A
40.	Provisions relating to Stabilisation	N/A
41.	Exchange	The Bond Market of the JSE
42.	If syndicated, names of managers	N/A
43.	If non-syndicated, name of Dealer	FirstRand Bank Limited (acting through its Rand Merchant Bank division)
44.	Receipts attached?	No
45.	Coupons attached?	No
46.	Talons attached?	No
47.	Stripping of Receipts and/or Coupons prohibited as provided	No

in Condition 17.4

48.	Applicable Rating Agency/ies	N/A
49.	Credit Rating assigned to Notes, the Issuer as at the Issue Date (if any)	N/A
50.	Governing law (if the laws of South Africa are not applicable)	N/A
51.	Other Banking Jurisdiction	N/A
52.	Use of proceeds	N/A
53.	Other provisions	N/A

This Credit Linked Note will be issued on 25 October 2010.

For and on behalf of

FIRSTRAND BANK LIMITED



Name:

Capacity:

Who warrants his authority hereto

For and on behalf of

FIRSTRAND BANK LIMITED



Name:

Capacity:

Who warrants his authority hereto