



**NEDBANK LIMITED**

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

**ZAR15,000,000,000 CREDIT-LINKED NOTE PROGRAMME**

**issue of ZAR105,000,000 Credit-Linked Notes**

This document constitutes the Applicable Pricing Supplement relating to the issue of the Tranche of Notes described herein.

This Pricing Supplement must be read in conjunction with the Programme Memorandum, dated 26 June 2009, prepared by Nedbank Limited (the “**Issuer**”) in connection with the Nedbank Limited ZAR15,000,000,000 Credit-Linked Note Programme, as amended and/or supplemented from time to time (the “**Programme Memorandum**”).

Any capitalised terms not defined in this Pricing Supplement shall have the meanings ascribed to them in the section of the Programme Memorandum headed “*Terms and Conditions of the Notes*” (the “**Terms and Conditions**”). References to any Condition in this Pricing Supplement are to that Condition of the Terms and Conditions.

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

**A. DESCRIPTION OF THE NOTES**

- |     |  |  |
|-----|--|--|
| 1.  | Issuer   | Nedbank Limited  |
| 2.  | Tranche Number   | 1  |
| 3.  | Series Number  | 43   |
| 4.  | Status of Notes  | Senior Unsecured Notes   |
| 5.  | Form of Notes  | The Notes in this Tranche are issued in certificated form and lodged in the Central Securities Depository under a single Global Certificate                      |
| 6.  | Type of Notes  | Zero Coupon Notes  |
| 7.  | Security   | Unsecured  |
| 8.  | Issue Date   | 28 <sup>th</sup> August 2009   |
| 9.  | Maturity Date  | 28 <sup>th</sup> August 2014   |
| 10. | Issue Price  | 59.7895%   |
| 11. | Interest Basis   | Zero Coupon  |
| 12. | Redemption Amount  | ZAR175,616,019.86, unless the Conditions to Credit Event Redemption are satisfied in which event the Note will be redeemed, on the Credit Event Redemption Date. |
| 13. | Redemption/Payment Basis:  |  |
| (a) | <i>If Condition 9 (Redemption for reasons other than the occurrence of a Credit Event) applicable:</i> | Redemption at par  |
| (b) | <i>If Condition 8 (Redemption following the occurrence of a Credit Event) applicable:</i>              | See Item (I) (Redemption following the occurrence of a Credit Event) below.  |
| 14. | Change of Interest or Redemption/  | Not Applicable   |

## Payment Basis

15. Aggregate Principal Amount of this Tranche ZAR105,000,000
16. Specified Denomination (Principal Amount per Note) ZAR1,000,000
17. Calculation Amount ZAR1,000,000
18. Specified Currency ZAR

**B. PROGRAMME AMOUNT**

1. Programme Amount as at the Issue Date ZAR15,000,000,000
2. Aggregate outstanding Principal Amount of all of the Notes issued under the Programme (including Notes issued under the Programme pursuant to the Previous Programme Memorandum) as at the Issue Date ZAR6,855,800,000.00 excluding the aggregate Principal Amount of this Tranche of Notes.

**C. ZERO COUPON NOTE PROVISIONS**

1. Accrual Yield 10.55% per annum (NACS)
2. Reference Price 59.7895%
3. Any other formula/basis of determining amount payable Not Applicable

**D. REDEMPTION FOLLOWING THE OCCURRENCE OF A CREDIT EVENT**1. **General**

- (a) Reference Entity/ies Telkom South Africa Limited
- (b) Reference Obligation(s) Senior unsecured obligation issued by Reference Entity
- (c) All Guarantees Applicable No
- (d) Reference Price 59.7895%

2. **Fixed and Floating Payments**

Applicability of Condition 8.7 (Calculation of Fixed Amount) Applicable

2.1 **Fixed Payments**

- (a) Fixed Rate Payer The Issuer, being the party obligated to pay the Fixed Amount(s).  
(Note: see Condition 8.4.5.9 ("Fixed Rate Payer"))
- (b) Fixed Rate Payer Calculation Amount (Notional Amount) ZAR105,000,000.00
- (c) Fixed Rate Payer Period End Date 28<sup>th</sup> August 2014
- (d) Fixed Rate Payer Payment Date(s) 28<sup>th</sup> August 2014
- (e) Fixed Rate Payer Calculation Period 5 years
- (f) Fixed Rate 10.55% per annum (NACS)
- (g) Fixed Rate Day Count Fraction Actual/365
- (h) Fixed Amount Not Applicable
- (i) Determination of Fixed Amount if Not Applicable

Condition 8.7.1.2 (*Calculation of Fixed Amount*) is not applicable

- (j) Relating Fixed Rate Payer Payments to Fixed Rate Payer if Condition 8.7.3 (*Relating Fixed Rate Payer Payments to Fixed Rate Payer Calculation Periods*) is not applicable Not Applicable

## 2.2 **Floating Payments**

- (a) Floating Rate Payer The Noteholders of this Tranche of Notes.
- (b) Floating Rate Payer Calculation Amount ZAR105,000,000.00

## 3. **Conditions to Settlement**

- (a) Credit Event Notice Yes
- (b) Terms of Credit Event Notice upon the occurrence of a Restructuring Credit Event if different from Condition 8.5.5 (*Credit Event Notice after Restructuring*) Applicable
- (c) Notice of Physical Settlement No
- (d) Notice of Publicly Available Information Applicable Yes
- (e) Public Sources(s):
- (i) Standard International Public Sources Applicable Yes
- (ii) Standard South Africa Public Sources Applicable Yes
- (iii) Additional Public Sources Not Applicable
- (f) Specified Number 2 Sources

## 4. **Credit Events**

The following Credit Event(s) shall apply to this Tranche of Notes:

- (a) **Bankruptcy** Yes
- (b) **Failure to Pay** Yes
- (i) Grace Period Extension Applicable Yes
- (ii) Grace Period 3 Business Days
- (iii) Payment Requirement USD1,000,000.00 or its equivalent in the relevant Obligation Currency as of the occurrence of the Relevant Failure to Pay, or Potential Failure to Pay, as the case may be.
- (c) **Obligation Default** Yes
- (i) Default Requirement USD10,000,000.00 or its equivalent in the relevant Obligation Currency as of the occurrence of the Relevant Failure to Pay, or Potential Failure to Pay, as the case may be.
- (d) **Obligation Acceleration** Yes
- (i) Default Requirement USD10,000,000.00 or its equivalent in the relevant Obligation Currency as of the occurrence of the Relevant Failure to

- Pay, or Potential Failure to Pay, as the case may be.
- (e) **Repudiation/Moratorium** Yes
- (i) Default Requirement USD10,000,000.00 or its equivalent in the relevant Obligation Currency as of the occurrence of the Relevant Failure to Pay, or Potential Failure to Pay, as the case may be.
- (f) **Restructuring** Yes
- (i) Multiple Holder Obligation Applicable No
- (ii) Default Requirement USD10,000,000.00 or its equivalent in the relevant Obligation Currency as of the occurrence of the Relevant Failure to Pay, or Potential Failure to Pay, as the case may be.
- (iii) Permitted Currency/ies ZAR
5. **Obligations**
- (a) **Obligation Category:** (Note: select only one)
- (i) Payment No
- (ii) Borrowed Money No
- (iii) Reference Obligations Only No
- (iv) Bond No
- (v) Loan No
- (vi) Bond or Loan Yes
- (b) **Obligation Characteristics:** (Note select all that apply)
- (i) Not Subordinated Yes
- (ii) Specified Currency No
- (iii) Not Sovereign Lender Yes
- (iv) Not Domestic Currency No
- (v) Not Domestic Law No
- (vi) Listed Yes
- (vii) Not Domestic Issuance No
- (c) Additional Obligations (Note: see Condition 8.4.5.11 (Obligation)) Not Applicable
- (d) Excluded Obligation(s) (Note: see Condition 8.4.5.11 (Obligation)) Not Applicable
- (e) Specified Currency ZAR
- (f) Domestic Currency ZAR
- (g) Condition 8.4.8 (Interpretation of provisions) applicable Yes
- (h) If any provisions of Condition 8.4.8 (Interpretation of provisions) are not applicable specify applicable terms Not Applicable
6. **Settlement Method**
- (a) Cash Settlement Yes
- (b) Physical Settlement No
- (i) Delivery of Deliverable Not Applicable

## Obligations

- (ii) Partial Cash Settlement Terms Not Applicable

7. **Terms relating to Cash Settlement**

(a) **Valuation Date:**

- (i) Single Valuation Date Within Sixty (60) Business Days after satisfaction of the Conditions to Credit Event Redemption, as agreed by the parties.
- (ii) Multiple Valuation Dates Not Applicable
- (iii) Specify number of Valuation Dates [      ]
- (b) Valuation Time 11:00 a.m. South African Time
- (c) Quotation Method Bid
- (d) Quotation Amount ZAR105,000,000.00
- (e) Minimum Quotation Amount USD1, 000,000, or its equivalent in South African Rand

(f) **Reference Dealer(s):**

- (i) Specify the Reference Dealer(s) 4
- (ii) Capacity of Reference Dealer(s) - specify whether a Reference Dealer may be:
- the Issuer No
  - any Affiliate of the Issuer No
  - the Noteholders No
  - any Affiliates of the Noteholders No

- (g) Settlement Currency ZAR
- (h) Cash Settlement Date 3 Business Days
- (i) Cash Settlement Amount Issue Amount multiplied by Final Price plus Accrued Amount

The "Accrued Amount" is calculated as follows:

$$AccruedAmount = \left( \frac{Y}{DM} \times IP \times D \right)$$

Where:

IP – Purchase Price of this Note

Y – Issue Yield

D – the number of days elapsing between the Issue Date and the Credit Event Note Date of this Note (excluding Issue Date and Credit Event Redemption Date)

DM – number of days elapsing between the Issue Date and Maturity Date of this Note.

- (j) Quotations Exclude Accrued Interest

(k) **Valuation Method:**

- (i) one Reference Obligation and one Valuation Date Market

8. **Partial Cash Settlement**

8.1 **Partial Cash Settlement Terms**



- (a) Partial Cash Settlement of No  
Consent Required Loans  
Applicable
- (b) Partial Cash Settlement of No  
Assignable Loans Applicable
- (c) Partial Cash Settlement of No  
Participations Applicable

#### **E. REDEMPTION FOR OTHER REASONS**

- 1. Prior approval of the Registrar of No  
Banks required for redemption
- 2. Call Option (*Note: see Condition 9.3 (Redemption at the option of the Issuer)*) Not Applicable
- 3. Final Redemption Amount The aggregate outstanding Principal Amount plus interest accrued (if any) to the date fixed for redemption

#### **F. AGENTS AND SPECIFIED OFFICES**

- 1. Calculation Agent Nedbank Capital, a division of Nedbank Limited
- 2. Specified Office of the Calculation Agent 135 Rivonia Road, Sandown, Sandton, 2196, Republic of South Africa
- 3. Paying Agent Nedbank Investor Services, a division of Nedbank Limited
- 4. Specified Office of the Paying Agent Braampark Forum IV, 2<sup>nd</sup> Floor, 33 Hoofd Street, Braamfontein, 2001, Republic of South Africa
- 5. Transfer Agent Computershare Investor Services (Proprietary) Limited
- 6. Specified Office of the Transfer Agent Ground Floor, 70 Marshall Street, Johannesburg, 2001, Republic of South Africa

#### **G. REGISTER CLOSED**

- 1. Last Day to Register Up until 17h00 (South African time) on the sixth day (whether such is a Business Day or not) preceding each Interest Payment Date and 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 5 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 and the Redemption Date.

#### **H. GENERAL**

- 1. Exchange Control Inward Listings Directive Not Applicable
- 2. Additional selling restrictions Not Applicable
- 3. International Securities Numbering (ISIN) ZAG000070855
- 4. Stock Code Number NCLN43
- 5. Financial Exchange BESA
- 6. Dealer(s) Nedbank Limited
- 7. Stabilisation Manager Not Applicable
- 8. Rating assigned to this Tranche of Not Applicable

## Notes as at the Issue Date

- |     |  |  |
|-----|--|--|
| 9.  | Credit rating of the Issuer as at the Issue Date | Not Applicable   |
| 10. | Governing law                                    | South African law  |
| 11. | Other Banking Jurisdiction                       | Not Applicable   |
| 12. | Use of proceeds                                  | The proceeds of the issue of this Tranche of Notes will be used by the Issuer for its general corporate purposes |

Application is hereby made to list Tranche 1 of Series 43 of the Notes on BESA, as from 28 August 2009, pursuant to the Nedbank Limited ZAR15,000,000,000 Credit-Linked Note Programme.

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

**NEDBANK LIMITED**

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

*duly authorised*

Date: \_\_\_\_\_

26/08/2009

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

*duly authorised*

Date: \_\_\_\_\_

26/08/2009