

## APPLICABLE PRICING SUPPLEMENT



### ABSA BANK LIMITED

*(Incorporated in the Republic of South Africa with limited liability with company registration number 1986/004794/06)*

**Issue of ZAR 25,000,000.00 Series [2018-01] Floating Rate Portfolio Credit Linked Notes - iTraxx® Europe Crossover due June 2023**

**under its ZAR 40,000,000,000 Master Structured Note Programme approved by the JSE Limited and the Stock Exchange of Mauritius Limited**

This Applicable Pricing Supplement must be read in conjunction with the Master Programme Memorandum and the Applicable Product Supplement for 2014 Credit Linked Notes, all dated on or about 27 October 2015 and approved by the JSE on 9 October 2015, prepared by Absa Bank Limited in connection with the Absa Bank Limited ZAR40,000,000,000 Master Structured Note Programme, as amended and/or supplemented from time to time (the “Master Programme Memorandum”) and the Applicable Product Supplement, dated on or about 27 October 2015, as amended and/or supplemented from time to time (the “Applicable Product Supplement”).

Any capitalised terms not defined in this Applicable Pricing Supplement have the meanings ascribed to them in Section II-A of the Master Programme Memorandum headed “Terms and Conditions of the Notes”, as amended by the Applicable Product Supplement.

This document constitutes the Applicable Pricing Supplement relating to the issue of Notes described herein. The Notes described herein are issued on and subject to the Terms and Conditions as replaced, amended and/or supplemented by the Applicable Product Supplement and/or this Applicable Pricing Supplement. To the extent that there is any conflict or inconsistency between the provisions of this Applicable Pricing

Supplement and the provisions of the Master Programme Memorandum and/or the Applicable Product Supplement, the provisions of this Applicable Pricing Supplement will prevail.

This Applicable Pricing Supplement supersedes any previous pricing supplement, confirmation, term sheet or other communication with respect to the Notes referred to below.

DESCRIPTION OF THE NOTES	
1. Issuer	Absa Bank Limited (“Absa”)
2. Applicable Product Supplement	2014 Credit Linked Note Applicable Product Supplement contained in Section IV-B of the Master Programme Memorandum.
3. Status of Notes	Unsubordinated and Unsecured  The default status of the Notes under the Master Structured Note Programme is ‘unsubordinated and unsecured’ per Condition 5 (Status of Notes) of the Master Programme Memorandum.
4. Listing	Listed Notes
5. Issuance Currency	ZAR (South African Rand)
6. Series Number	2018-27
7. Tranche Number	01
8. Aggregate Nominal Amount:	
(a) Series	ZAR25,000,000.00, (“ <b>Original Aggregate Nominal Amount</b> ”) subject to the occurrence of one or more <del>Relevant Event Determination Dates</del> in respect of any of the Reference Entities during the Notice Delivery Period, whereupon the Aggregate Nominal Amount outstanding will be determined by the Calculation Agent as follows:  The Original Aggregate Nominal Amount reduced to reflect the redemption and delisting (as described

	paragraph 27 ( <i>Effect of a Credit Event</i> ) of such Nominal Amount of the Notes equal to the Reference Entity Nominal Amount, as determined by the Calculation Agent in its sole and absolute discretion.
(b) Tranche	As per 8(a) ( <i>Series</i> ) above
9. Reference Entity Nominal Amount	Means an amount of the Notes expressed in ZAR related to a Reference Entity in respect of which a Relevant Event Determination Date has occurred, calculated as follows:  Reference Entity Weighting of the relevant Reference Entity multiplied by the Original Aggregate Nominal Amount
10. Interest	Interest-bearing
11. Interest Payment Basis	Floating Rate
12. Automatic/Optional Conversion from one Interest/Redemption/Payment Basis to another	Not Applicable
13. Form of Notes	Registered Listed Notes: The Notes in this Tranche will be in uncertificated form and held by the CSD.
14. Issue Date	29 June 2018
15. Trade Date	22 June 2018
16. Specified Denomination	ZAR1,000,000.00  Notes are subject to a minimum denomination of ZAR1,000,000.00
17. Issue Price	100%
18. Interest Commencement Date	Issue Date
19. Maturity Date	20 June 2023
20. Applicable Business Day Convention	Following Business Day Convention
21. Definition of Business Day (if different from that set out in Condition 1)	N/A
22. Final Redemption Amount	Means:  (a) Subject to (b) below, the amount determined

	<p>by the Calculation Agent in its sole discretion as the Aggregate Nominal Amount of the Notes outstanding (if any) at the Maturity Date; and</p> <p>(b) The Notes will be redeemed on the Maturity Date at the Final Redemption Amount determined by the Calculation Agent in accordance with (a) above unless the Notes have been previously redeemed in whole and cancelled or are redeemable due to any taxation reasons, due to Change in Law, on an Event of Default (if required) or optional early redemption (however described) occurring on or before the Maturity Date.</p>
23. Last Date to Register	11 calendar days before each Floating Interest Payment Date, i.e. the 9th of March, 9th of June, 9th of September and 9th of December in each year until the Maturity Date
24. Books Closed Period(s)	The Register will be closed from 10 calendar days before each Floating Interest Payment Date i.e. the 10th of March, 10th of June, 10th of September and 10th of December in each year until the Maturity
25. Value of aggregate Nominal Amount of all Notes issued under the Structured Note Programme as at the Issue Date	ZAR 14,270,760,355.66
26. Reference CDS	<p>Means a notional credit default swap deemed to be entered into in the form set out in Annex I hereto between the Issuer and a notional financial institution entered into pursuant to a 2002 ISDA Master Agreement (Multicurrency-Cross Border) between the Issuer and the notional counterparty governed by English law and with ZAR as the Termination Currency and in respect of which, such Reference CDS is the sole transaction under such ISDA Master Agreement (the "Reference Master Agreement").</p> <p>For the purposes of the Notes, notwithstanding</p>

	<p>anything to the contrary contained within the Programme Memorandum and the 2014 Credit Linked Conditions, calculations or determinations required to be made by the Calculation Agent in respect of the Notes shall be calculated or determined by the Calculation Agent in its sole and absolute discretion by reference to the Reference CDS and shall be conclusive absent manifest error.</p>
<p>27. Effect of a Credit Event</p>	<p>If a Relevant Event Determination Date occurs in respect of one or more of the Reference Entities specified as per the Reference CDS, the Issuer's obligation will be (subject to paragraph 29 (<i>Swaps Costs Difference</i>) below), in each case to (i) make payment of the relevant Auction Settlement Amount or Cash Settlement Amount (as applicable) determined in respect of the Reference CDS minus Swap Costs (if any) and (ii) to redeem and delist an amount of the Notes equal to the Reference Entity Nominal Amount of the Notes. As such, the Auction Settlement Amounts or Cash Settlement Amounts (as applicable) determined under the Reference CDS will become payable to the Noteholders upon its determination after the Issuer has deducted Swap Costs from such amounts.</p> <p>At the Maturity Date, the Issuer shall redeem the Notes remaining (if any) by payment of the Final Redemption Amount on the basis of the remaining outstanding Aggregate Nominal Amount (if any) on the Maturity Date.</p> <p>Notwithstanding anything to the contrary contained within the Programme Memorandum, all calculations or determinations required to be made by the Issuer or Calculation Agent in respect of the Notes shall be calculated or determined by the Issuer or Calculation Agent in their sole and absolute discretion by reference to the Reference CDS. Any Auction Settlement Amounts and/or Cash Settlement Amounts determined by reference to the Reference CDS will be used to determine the Aggregate Nominal Amount of the Notes outstanding at any time and to</p>

	<p>determine any interest or redemption amounts due under the Notes.</p> <p>For the purposes of the Notes, notwithstanding anything to the contrary contained within the Reference CDS, calculations or determinations required to be made by the Calculation Agent in respect of the Reference CDS shall be calculated or determined by the Calculation Agent in its sole and absolute discretion, effective as of such determination, and shall be conclusive absent manifest error.</p>
28. Swap Costs	<p>The definition of “Swap Costs” in Condition 15.47 of the 2014 Credit Linked Conditions shall be deleted and replaced with the following definition for the purposes of the Notes:</p> <p>“<b>Swap Costs</b>” means, in respect of the Notes, an amount determined by the Calculation Agent in a commercially reasonable manner equal to any expense, loss or costs (in which case expressed as a positive number) or gain (in which case expressed as a negative number) incurred (or expected to be incurred) by or on behalf of the Issuer as a result of its terminating, liquidating, modifying, obtaining or re-establishing any hedge term deposit, or funding arrangements entered into by it (including with its internal treasury function) specifically in connection with the Notes.</p>
29. Swap Costs Difference	<p>In the event that the Calculation Agent determines following the occurrence of a Relevant Event Determination Date in respect of one or more of the <del>Reference Entities, that the Swap Costs in respect of</del> any Relevant Event Determination Date are greater than the relevant Auction Settlement Amount or Cash Settlement Amount (as applicable) determined in respect of the Reference CDS, no such Auction Settlement Amount or Cash Settlement Amount (as applicable) will be required to be paid by the Issuer to the Noteholder in respect of that Relevant Event Determination Date and the Auction Settlement</p>

	<p>Amount or Cash Settlement Amount (as applicable) will be deemed to be zero. Instead, the Noteholder will be required to pay to the Issuer on the relevant Auction Settlement Date or Cash Settlement Date (as specified in the Reference CDS and as applicable), an amount in ZAR equal to the difference between the relevant Auction Settlement Amount or Cash Settlement Amount (as applicable) and the Swaps Costs in respect of the Relevant Event Determination Date in question (the “<b>Swap Costs Difference</b>”, and each such payment owing by the Noteholder, a “<b>Swap Costs Difference Payment</b>”), provided that the Noteholders obligation to make any Swaps Costs Difference Payment in accordance with this paragraph shall never, when aggregated with other Swaps Costs Difference Payments, exceed the Original Aggregate Nominal Amount of the Notes.</p>
<p><b>FLOATING RATE NOTES</b></p>	
<p>30. (a) Floating Interest Payment Date(s)</p>	<p>The 20<sup>th</sup> of March, June, September and December in each year, commencing on the 20<sup>th</sup> of September 2018 and ending on the Maturity Date.</p>
<p>1(d) Other terms relating to the method of calculating interest (e.g.: Day Count Fraction, rounding up provision)</p>	<p>Day Count Fraction is Act /365 (Fixed).</p> <p>The Calculation Agent will calculate and determine the Interest Amount payable in respect of the Notes on each Interest Payment Date by multiplying the Interest Rate (Reference Rate plus Margin) by the outstanding Aggregate Nominal Amount of the Notes on the relevant Interest Payment Date and multiplying such amount by the Day Count Fraction and rounding the resultant figure to the nearest cent, half a cent being rounded downwards.</p>
	<p>Provided that, if a Potential Failure to Pay has occurred in respect of one or more of the Reference Entities on or before an Interest Payment Date, the outstanding Aggregate Nominal Amount of the Notes on such Interest Payment Date will be determined by the Calculation Agent without regard to the Reference</p>

		Entity Weighting of the Reference Entity in respect of which the Potential Failure to Pay has occurred. If no subsequent Failure to Pay Credit Event occurs in respect of any such Reference Entity prior to the next following Interest Payment Date, the Calculation Agent will increase the Interest Amount on such Interest Payment Date by the amount withheld on the previous Interest Payment Date.
2	(e) Manner in which the Interest Rate is to be determined	Screen Rate Determination
3	(f) Margin	310 basis points to be added to the relevant Reference Rate
4	(h) If Screen Determination:	
	(i) Reference Rate (including relevant period by reference to which the Interest Rate is to be calculated)	ZAR-JIBAR-SAFEX (3 months)
	(ii) Interest Rate Determination Date(s)	(i) The Issue Date, followed by; (ii) Each 20 <sup>th</sup> of March, June, September and December in each year, commencing on Issue Date, 29 <sup>th</sup> of June 2018, and ending on 20 <sup>th</sup> of March 2023.
	(iii) Relevant Screen Page and Reference Code	Reuters RIC <SFX1MYLD> on Reuters Page "SAFEY" (Page number ZA01209)
5	(i) If Interest Rate to be calculated otherwise than by ISDA Determination or Screen Determination, insert basis for determining Interest Rate/Margin/Fallback provisions	Not Applicable
6	(j) Interest Expiration Date	If a Relevant Event Determination Date occurs in respect of any of the Reference Entities during the Notice Delivery Period, interest will cease to accrue in respect of the Reference Entity Nominal Amount of the Notes related to that Reference Entity as of the Relevant Event Determination Date relating to that Reference Entity, as of the earlier to occur of the day prior to (a) the Interest Payment Date occurring on or



		immediately preceding the Relevant Event Determination Date and (b) the Maturity Date or, if no Interest Payment Date has occurred, the Issue Date, as applicable, such date being the Interest Expiration Date.
7	(k) Calculation Agent responsible for calculating amount of principal and interest	Absa Corporate and Investment Banking (a division of Absa Bank Limited) or an affiliate thereof.
<b>CREDIT EVENT REDEMPTION</b>		
31.	Type of Credit Linked Note	Portfolio CLN
	(a) Redemption at Maturity	Final Redemption Amount
	(b) Redemption following the occurrence of Credit Events	Applicable. Partial redemption as described in this Applicable Pricing Supplement.
	(c) Extension interest	Not applicable
<i>Credit Provisions</i>		
	(d) Relevant Credit Event	Means the each Credit Event to occur with respect to a Reference Entity in the Reference Portfolio.
	(e) Reference Entities	The Reference Entities as per the Reference CDS.
	(f) Reference Entity Weightings	The Weighting allocated to each Reference Entity as per the Reference CDS.
	(g) Reference Obligation(s)	The Reference Obligations as per the Reference CDS.
	(h) Event Determination Date	Means as per the Reference CDS
	(i) Credit Event Backstop Date	Means as per the Reference CDS
	(j) Transaction Type	Means as per the Reference CDS
	(k) All Guarantees	As specified in the Reference CDS.
	(l) Notice of Publicly Available Information	As specified in the Reference CDS.
	(m) Credit Events	As specified in the Reference CDS.
	(n) Credit Event Accrued Interest:	Not applicable
	(o) Obligation(s) and Obligation	As specified in the Reference CDS.

Characteristics	
(p) Excluded Obligations (if any)	As specified in the Reference CDS.
(q) Issuer CLN Settlement Option	Not applicable
(r) CLN Settlement Method	Auction Settlement, as determined by the Calculation Agent in its sole discretion by reference to the Reference CDS and in accordance with paragraph 27 ( <i>Effect of a Credit Event</i> ) above.
(s) Fallback CLN Settlement Method	Cash Settlement, as determined by the Calculation Agent in its sole discretion by reference to the Reference CDS and in accordance with paragraph 27 ( <i>Effect of a Credit Event</i> ) above.
(t) Terms Relating to Cash Settlement:	All terms relating to Cash Settlement to be determined by the Calculation Agent in its sole discretion by reference to the Reference CDS and in accordance with paragraph 27 ( <i>Effect of a Credit Event</i> ) above.
(u) Credit Event Redemption Amount	As per paragraph 27 ( <i>Effect of a Credit Event</i> ) above and the Reference CDS.
(v) Additional Business Centre Delivery Method	Not Applicable
(w) Other Provisions	None
<b>PROVISIONS REGARDING REDEMPTION/MATURITY</b>	
32. Redemption at the option of the Issuer:	No
(a) Redemption at the option of Noteholders:	No
(b) Early Redemption Amount(s) payable on redemption for taxation reasons, Change in Law or on Event of Default (if required).	Yes
(c) If yes:	
(d) Amount payable; or	The Early Redemption Amount determined and calculated by the Calculation Agent in accordance with Condition 8.5 of the Terms and Conditions of the Notes.

(e)	Method of calculation of amount payable	Not applicable
<b>GENERAL</b>		
33.	Financial Exchange	JSE Limited t/a The Johannesburg Stock Exchange
34.	Calculation Agent	Absa Corporate and Investment Banking (a division of Absa Bank Limited) or an affiliate thereof.
35.	Calculation Agent City	Johannesburg
36.	Paying Agent	Absa Corporate and Investment Banking (a division of Absa Bank Limited) or an affiliate thereof.
37.	Specified office of the Paying Agent	15 Alice Lane Sandton 2196 Gauteng South Africa
38.	Transfer Agent	Absa Corporate and Investment Banking (a division of Absa Bank Limited) or an affiliate thereof.
39.	Provisions relating to stabilisation	Not Applicable
40.	Stabilising manager	Not Applicable
41.	Additional selling restrictions	Not Applicable
42.	ISIN No.	ZAG000152356
43.	Stock Code	ASN264
44.	Method of distribution	Private Placement
45.	If syndicated, names of Managers	Not Applicable
46.	If non-syndicated, name of Dealer	Absa Corporate and Investment Banking (a division of Absa Bank Limited) or an affiliate thereof
47.	Governing law	The laws of the Republic of South Africa
48.	Other provisions	Condition 9 titled " <i>Taxation</i> " in the section II-A of the Master Programme Memorandum titled " <i>Terms and Conditions of the Notes</i> " is amended in relation to this Tranche of Notes by (i) the replacement of the words after the dash in Condition 9.3 with the words

*“provided that this exception shall only apply to that portion of the withholding or deduction which could lawfully have been so reduced”, (ii) the deletion of Condition 9.8 and (iii) the insertion of the the following additional paragraphs immediately after Condition 9.7:*

“9.8 where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC (or any other directive implementing the conclusions of the 2312<sup>th</sup> Economic and Financial Affairs Council (ECOFIN) meeting of 26 and 27 November 2000) on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such directive; or

9.9 held by or on behalf of a Noteholder in circumstances where such party could lawfully reduce the amount of taxation otherwise levied or leviable upon the principal or interest by virtue of any tax treaty or non-South African tax laws applicable to such Noteholder, whether by way of a tax credit, rebate deduction or reduction equal to all or part of the amount withheld or otherwise, and whether or not it is actually claimed and/or granted and/or allowed; or

9.10 in respect of any present or future taxes, duties, assessments or governmental charges of whatever nature which are payable otherwise than by withholding from payment of principal or interest, if any, with respect to such Note; or

9.11 where any combination of the scenarios or occurrences contemplated in Conditions 9.1 to 9.10 above occurs.

The Issuer is not liable for or otherwise obliged to pay any taxes that may arise as a result of the ownership, transfer or redemption of any Note.

	If the Issuer becomes subject generally at any time to any taxing jurisdiction, authority or agency other than or in addition to South Africa, references in Conditions 8.2 ( <i>Redemption for Tax Reasons or due to a Change in Law</i> ) and 9 ( <i>Taxation</i> ) to South Africa shall be read and construed as references to South Africa and/or to such other jurisdiction, authority or agency.”
49. Inward listing	The Notes will be inward listed securities listed on the JSE in terms of the authority granted by the Financial Surveillance Department of the South African Reserve Bank.
50. Material Change in Financial or Trading Position	The Issuer confirms that 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 audited financial statements for the twelve months ended 31 December 2017. This statement has not been confirmed nor verified by the auditors of the Issuer.

#### Responsibility:

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 false or misleading and that all reasonable enquiries to ascertain such facts have been made as well as that this Applicable Pricing Supplement contains all information required by law and the JSE Listing Requirements. The Issuer accepts full responsibility for the accuracy of the information contained in this Applicable Pricing Supplement and the annual financial report, the amendments to the annual financial report or any supplements from time to time, except as otherwise stated therein.

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

SIGNED at ABSA CAPITAL on this 28<sup>th</sup> day of JUNE 2018

for and on behalf of

**ABSA BANK LIMITED**



Name: L. INCE  
Capacity: PRINCIPAL



Name: **Tebogo Molefe**  
Capacity: **Principal**

**ANNEX 1****Form of Reference CDS**

**From:** Absa Bank Limited

**Subject:** iTraxx® Europe Crossover Series 29 Version 1 Master Transaction

The purpose of this communication (this Confirmation) is to set forth the terms and conditions of the Credit Derivative Transaction entered into on the Trade Date specified below (the “iTraxx® Master Transaction”) between Absa Bank Limited (“Party A”) and a notional counterparty (“Party B”). This Confirmation constitutes a "Confirmation" as referred to in the ISDA Master Agreement specified below.

The definitions and provisions contained in the 2014 ISDA Credit Derivatives Definitions as published by the International Swaps and Derivatives Association, Inc. (ISDA) (the 2014 Credit Derivatives Definitions) and the iTraxx® Europe Untranchéd Standard Terms Supplement, as published by Markit Group Limited on September 20, 2014 (the “Standard Terms Supplement”), are incorporated into this Confirmation. In the event of any inconsistency between the 2014 Credit Derivatives Definitions or the Standard Terms Supplement and this Confirmation, this Confirmation will govern. In the event of any inconsistency between the Standard Terms Supplement and the 2014 Credit Derivatives Definitions, the Standard Terms Supplement will govern.

Party A and Party B agree that each time they enter into an iTraxx® Master Transaction they enter into a separate and independent Credit Derivative Transaction in respect of each Reference Entity (each, a “Component Transaction”). Each Component Transaction will have the terms specified in the Standard Terms Supplement, as modified hereby, and, subject to Paragraph 5.2 of the Standard Terms Supplement, will not be affected by any other Credit Derivative Transaction between Party A and Party B and will operate independently of each other Component Transaction in all respects.

This Confirmation supplements, forms a part of, and is subject to, the Reference Master Agreement, between Party A and Party B (the “Agreement”). All provisions contained in, or incorporated by reference in, the Agreement will govern this Confirmation except as expressly modified below.

The terms of the iTraxx® Master Transaction to which this Confirmation relates are as follows:

**Index:** iTraxx® Europe Crossover Series 29 Version 1 (BBID : ITXEX529)

~~**Trade Date:** The Trade Date of the Notes~~

**Scheduled Termination Date:** The Scheduled Termination Date of the Notes

**Calculation Agent:** Party A

<b>Original Notional Amount:</b>	The Aggregate Nominal Amount of the Notes on the Trade Date.
<b>Floating Rate Payer:</b>	Party B (the “Seller”)
<b>Fixed Rate Payer:</b>	Party A (the “Buyer”)
<b>Annex Date:</b>	22 <sup>nd</sup> June 2018
<b>Initial Payment Payer:</b>	Not applicable
<b>Initial Payment Amount:</b>	Not applicable
<b>Fixed Payments:</b>	The Buyer shall be deemed to have paid the Seller the aggregate Issue Price of all the Notes on the Trade Date. No payments shall be payable pursuant to Paragraph 3 (Fixed Amounts) of the Standard Terms Supplement.

**Additional terms, if any, (including any specific provisions relating to collateral):**

- (a) Section 5.4 of the Standard Terms Supplement shall not apply.
- (b) Section 5.5 of the Standard Terms Supplement shall not apply.
- (c) Section 5.6 of the Standard Terms Supplement shall not apply.
- (d) The Fallback Settlement Method set out in the Index Annex for each Reference Entity shall be ~~amended from Physical Settlement to Cash Settlement (as modified as follows):~~

Valuation Date:	Single Valuation Date: A Business Day, as selected by Party A that is not less than 52 Business Days following the Event Determination Date (or if the Event Determination Date occurs pursuant to Section 1.16(a)(ii) of the 2014 Credit Derivatives Definitions, the day on which the DC Credit Event Announcement occurs).
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Quotation Method:	Bid
Quotation Amount	Representative Amount
Quotations	Exclude Interest
Dealers	A dealer in obligations of the type of Reference Obligation or Asset Package for which Quotations are to be obtained as selected by the Calculation Agent (or, in the case of Section 7.7(b) of the 2014 Credit Derivatives Definitions, the relevant party) in good faith and in a commercially reasonable manner (without the requirement of consultation with the parties or the other party, as the case may be).
Valuation Method	Highest
Reference Obligation	An obligation of the Reference Entity selected by Party A, that is capable of constituting a Deliverable Obligation as at the Valuation Date.
Final Price	With respect to each Reference Obligation, the price of such Reference Obligation, expressed as a percentage, determined in accordance with the applicable Valuation Method.

Please confirm your agreement to be bound by the terms of the foregoing by executing a copy of this Confirmation and returning it to us at the contact information listed above.

[PARTY A]



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

Name L. INCE

:

Title: PRINCIPAL

[PARTY B]

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

Name:

Title:

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## ANNEX 2

### Reference Portfolio

Company Name	Wgt (%)	ISIN	RED Pair	Corp Tkr	5 Yr CDS Tkr
ADLER Real Estate AG	1.334	XS1731858392	DD1A9JAA2	ADLERR	CY370383
Air France-KLM	1.334	FR0011965177	009A2AAA2	AFFP	CX358019
Algeco Global Finance Plc	1.334	XS1767052050	GLDA8PAA5	ALGSCO	CY370473
Altice Finco SA	1.334	XS0946155693	LL18G0AA3	ALTICE	CY188846
Altice France SA/France	1.333	XS1028956222	FNB7BBAA8	SFRFP	CY191121
ArcelorMittal	1.334	US03938LAF13	LL332JAB4	MTNA	CX375736
Ardagh Packaging Finance PLC	1.334	XS1406669983	GG49CQAB0	ARGID	CY088950
Astaldi SpA	1.334	XS1000393899	TT58BNAA9	ASTIM	CY188480
Bevco Lux Sarl	1.334	XS1767050351	LL9IBUAA2	BEVLUX	CY370563
Boparan Finance PLC	1.334	XS1082473395	GH376GAA4	BOPRLN	CY283207
Cable & Wireless Ltd	1.334	XS0050504306	GJ476RAA5		CY068257
Care UK Health & Social Care PLC	1.334	XS1084823548	GHAHEHAA3	CAREUK	CY284211
Casino Guichard Perrachon SA	1.334	FR0011301480	FG554OAE6	COFP	CCASG1E5
Cellnex Telecom SA	1.334	XS1265778933	EG8EAYAA4	CLNXSM	CY340886
CMA CGM SA	1.334	XS1244815111	FH222UAB8	CMACG	CX760539

Constellium NV	1.334	XS1064882316	NP4238AA9	CSTM	CY340802
Crown European Holdings SA	1.334	XS1227287221	FH5CHZAB6	CCK	CY023020
Dufry One BV	1.334	XS1699848914	NPAFBJAA0	DUFNSW	CY370689
Elis SA	1.334	XS1225112272	FHBGDLAB5	ELISGP	CY325452
Europcar Groupe SA	1.334	XS1241053666	FI9677AA8	EUROCA	CT701730
FCC Aqualia SA	1.334	XS1627337881	EICHGJAA5	AQUASM	CY351533
Fiat Chrysler Automobiles NV	1.334	US31562QAC15	NQ48ABAC5	FCAIM	CFIAT1E5
Galapagos Holding SA	1.334	XS1071420027	LP533UAA9	GALAPG	CY284582
Garfunkelux Holdco 2 SA	1.334	XS1308316568	LP56APAA5	GFKLDE	CY325530
Grifols SA	1.334	XS1598757760	EJC763AA1	GRFSM	CY351353
Hapag-Lloyd AG	1.334	XS1555576641	DG37B4AA0	HPLGR	CY088728
Hellenic Telecommunications Organization SA	1.333	XS1086785182	4G5657AE2	HTOGA	COTE1E5
Hema Bondco I BV	1.333	XS1075833860	NQCFAWAA8	HEMABV	CY283447
Iceland Bondco PLC	1.333	XS1087777295	GKBAC5AA8	ICELTD	CY284023
INEOS Group Holdings SA	1.333	XS1405769990	LQ57AUAD4	INEGRP	CY185193
International Game Technology PLC	1.333	XS1204434028	GKCE9DAA6	IGT	CY316358
Intrum AB	1.333	XS1634532748	W0AC8TAA4	INTRUM	CY351443
J Sainsbury PLC	1.333	XS1139087933	4AC86DAE9	SBRYLN	CSBRY1E5
Jaguar Land Rover Automotive PLC	1.333	XS1025866119	GL501UAB0	TTMTIN	CY101209
Ladbrokes Coral Group PLC	1.333	XS1066478014	GL8690AB2	LADLN	CHGLN1E5
Leonardo SpA	1.333	XS0182242247	TA700FAA4	LDOIM	CFMEC1E5
Louis Dreyfus Co BV	1.333	XS1000918018	NS9CH2AA4	LOUDRE	CY189038
Loxam SAS	1.333	XS1089828880	FKDBAWAB6	LOXAM	CY284823
Matalan Finance PLC	1.333	XS1070709313	5CDB9GAA4	MTNLN	CY283687
Matterhorn Telecom Holding SA	1.333	XS1219475792	LR87EOAA5	MATTER	CY315986
Monitchem HoldCo 3 SA	1.333	XS1074935229	LRACEIAA4	CABBCO	CY283735
Nidda Healthcare Holding GmbH	1.333	XS1690644668	DIBB6NAA2	STADAH	CY370779

Nokia OYJ	1.333	XS0411735482	XD79FAAA9	NOKIA	CNOKI1E5
Novafives SAS	1.333	XS1028950886	FLC8BWAA3	NVSVES	CY283783
OI European Group BV	1.333	XS1405765907	NTD74VAA8	OI	CY351713
Peugeot SA	1.333	FR0013153707	6FC9LGAF7	PEUGOT	CPEUG1E5
Picard Bondco SA	1.333	XS1713474754	LSCCCMAA3	PICSUR	CY370869
Pizzaexpress Financing 1 PLC	1.333	XS1028948047	GN8230AA5	PIZEXP	CY284727
Premier Foods Finance PLC	1.333	XS1043621090	GN93B0AA3	PFDLN	CY283831
Public Power Corp Finance PLC	1.333	XS1063837741	GN9BGQAA3	PPCGA	CY284631
Rexel SA	1.333	XS1409506885	FMEFALAC4	RXLFP	CY189134
Saipem Finance International BV	1.333	XS1487495316	NQ964AAA7	SPMIM	CY340970
Selecta Group BV	1.333	XS1078234330	NUFF79AA1	SELNSW	CY283879
Steinhoff Europe AG	1.333	XS1650590349	AIC6ANAA0	SHFSJ	CY370959
Stena AB	1.333	USW8758PAK22	W4FCDXAC2	STENA	CT761604
Stonegate Pub Co Financing PLC	1.333	XS1575503146	GOD56NAB5	STGATE	CY284679
Sunrise Communications Holdings SA	1.333	XS1189795591	LTH98GAB9	SUNCOM	CY088862
Syngenta AG	1.333	XS1050454682	8F876AAC1	SYNNVX	CSYN1E5
Synlab Unsecured Bondco PLC	1.333	XS1268471494	GOEABLAA3	LABFP	CY315920
TDC A/S	1.333	XS0752467497	KTD999AF0	TDCDC	CTDC1E5
Telecom Italia SpA/Milano	1.333	XS0184373925	T2B9EFAE5	TITIM	CTIIM1E5
Telefonaktiebolaget LM Ericsson	1.333	US294829AA48	WY7EJAE0	ERICB	CERIC1E5
Tesco PLC	1.333	XS0105244585	8G96CCAC9	TSCOLN	CTSCO1E5
Thomas Cook Group PLC	1.333	XS1531306717	GOGCB8AA6	TCGLN	CY084397
thyssenkrupp AG	1.333	DE000A1R08U3	DLBCG0AH7	TKAGR	CTHYS1E5
TUI AG	1.333	XS1504103984	DLCCCOAF2	TUIGR	CTUI1E5
Unilabs Subholding AB	1.333	XS1602515733	W5GGCBAB0	UNILAB	CY183482
United Group BV	1.333	XS1647814968	NW9160AA5	ADRBID	CY351623
Unitymedia GmbH	1.333	USD85456AB30	DLD98XAA4	UNITY	CT355114

UPC Holding BV	1.333	XS0909769407	NW945HAD7	UPCB	CT352145
Verisure Midholding AB	1.333	XS1720016531	W5HA3KAA4	VERISR	CY371049
Virgin Media Finance PLC	1.333	XS0889942990	GPCA8FAH4	VMED	CNTL1E5
Vue International Bidco PLC	1.333	XS0953085114	GPCCBZAA7	VUECIN	CY189182
Wind Tre SpA	1.333	XS1708450561	9GA45BAA5	WINTRE	CY357270
Ziggo Bond Finance BV	1.333	XS1170079443	NWHBA0AA9	ZIGGO	CY077803

### Links to Financials Below:

Company Name	Link to Financials
ADLER Real Estate AG	<a href="https://adler-ag.com/en/investor-relations/publications/financial-reports/">https://adler-ag.com/en/investor-relations/publications/financial-reports/</a>
Air France-KLM	<a href="http://www.airfranceklm.com/en/finance/publications">http://www.airfranceklm.com/en/finance/publications</a>
Algeco Global Finance Plc	<a href="https://www.algecoscotsman.com/en/investor-documents.html">https://www.algecoscotsman.com/en/investor-documents.html</a>
Altice Finco SA	Guaranteed by Altice International and guarantors financials available <a href="http://altice.net/investor-relations">http://altice.net/investor-relations</a>
Altice France SA/France	<a href="http://altice.net/investor-relations">http://altice.net/investor-relations</a>
ArcelorMittal	<a href="http://corporate.arcelormittal.com/investors/results/previous-results/2018">http://corporate.arcelormittal.com/investors/results/previous-results/2018</a>
Ardagh Packaging Finance PLC	Guaranteed by Ardagh Group SA and guarantors financials available: <a href="https://www.ardaghgroup.com/corporate/investors#!investors-financials">https://www.ardaghgroup.com/corporate/investors#!investors-financials</a>
Astaldi SpA	Separate financials included in group financials: <a href="http://www.astaldi.com/en/documents/2017-annual-financial-report">http://www.astaldi.com/en/documents/2017-annual-financial-report</a>
Bevco Lux Sarl	<a href="https://www.bourse.lu/issuer/Bevco/87902">https://www.bourse.lu/issuer/Bevco/87902</a>
Boparan Finance PLC	<a href="https://www.2sfg.com/investor-relations/">https://www.2sfg.com/investor-relations/</a>
Cable & Wireless Ltd	<a href="https://www.cwc.com/live/investor-relations/financial-information/financial-information-cable-and-wireless-finance-bv.html">https://www.cwc.com/live/investor-relations/financial-information/financial-information-cable-and-wireless-finance-bv.html</a>
Care UK Health & Social Care PLC	Guaranteed by Care UK Limited and guarantor's results available: <a href="http://www.careukgroup.com/about-us/financial-information">http://www.careukgroup.com/about-us/financial-information</a>
Casino Guichard Perrachon SA	<a href="https://www.groupe-casino.fr/en/">https://www.groupe-casino.fr/en/</a>
Cellnex Telecom SA	<a href="https://www.cellnextelecom.com/en/investor-relations/annual-report/">https://www.cellnextelecom.com/en/investor-relations/annual-report/</a>
CMA CGM SA	<a href="http://www.cma-cgm.com/finance">http://www.cma-cgm.com/finance</a>
Constellium NV	<a href="https://www.constellium.com/investors">https://www.constellium.com/investors</a>
Crown European Holdings SA	Guaranteed by Crown Holdings and guarantors AFS available: <a href="https://www.crowncork.com/investors">https://www.crowncork.com/investors</a>
Dufry One BV	Guaranteed by Dufry AG and guarantor AFS available: <a href="https://www.dufry.com/en/investors/ir-reports-presentations-and-publications">https://www.dufry.com/en/investors/ir-reports-presentations-and-publications</a>
Elis SA	<a href="http://www.corporate-elis.com/en/investor-relations">http://www.corporate-elis.com/en/investor-relations</a>

Europcar Groupe SA	<a href="https://investors.europcar-group.com/results-center">https://investors.europcar-group.com/results-center</a>
FCC Aqualia SA	<a href="http://www.aqualia.com/en/web/aqualia-en/financial-information/annual-accounts">http://www.aqualia.com/en/web/aqualia-en/financial-information/annual-accounts</a>
Fiat Chrysler Automobiles NV	<a href="https://www.fcagroup.com/en-US/investors/financial_regulatory/financial_reports/Pages/2018.aspx">https://www.fcagroup.com/en-US/investors/financial_regulatory/financial_reports/Pages/2018.aspx</a>
Galapagos Holding SA	<a href="https://www.kelvion.com/company/investor-relations/">https://www.kelvion.com/company/investor-relations/</a>
Garfunkelux Holdco 2 SA	<a href="https://www.lowell.com/investors/results/">https://www.lowell.com/investors/results/</a>
Grifols SA	<a href="https://www.grifols.com/en/web/international/additional-corporate-information">https://www.grifols.com/en/web/international/additional-corporate-information</a>
Hapag-Lloyd AG	<a href="https://www.hapag-lloyd.com/en/ir/publications/financial-report.html">https://www.hapag-lloyd.com/en/ir/publications/financial-report.html</a>
Hellenic Telecommunications Organization SA	Also known as OTE S.A: <a href="https://www.cosmote.gr/fixed/en/corporate/ir/financial-results/financial-statements-of-ote-group-and-ote-sa">https://www.cosmote.gr/fixed/en/corporate/ir/financial-results/financial-statements-of-ote-group-and-ote-sa</a>
Hema Bondco I BV	Guaranteed by Hema B.V and guarantor AFS available: <a href="https://www.hema.net/investors">https://www.hema.net/investors</a>
Iceland Bondco PLC	<a href="https://investors.iceland.co.uk/auth/login">https://investors.iceland.co.uk/auth/login</a>
INEOS Group Holdings SA	<a href="https://www.ineos.com/investor-relations/">https://www.ineos.com/investor-relations/</a>
International Game Technology PLC	<a href="http://phx.corporate-ir.net/phoenix.zhtml?c=119000&amp;p=irol-reportsAnnual">http://phx.corporate-ir.net/phoenix.zhtml?c=119000&amp;p=irol-reportsAnnual</a>
Intrum AB	<a href="https://www.intrum.com/investors/reports-presentations/annual-report/">https://www.intrum.com/investors/reports-presentations/annual-report/</a>
J Sainsbury PLC	<a href="http://www.j-sainsbury.co.uk/investors/annual-report-2018">http://www.j-sainsbury.co.uk/investors/annual-report-2018</a>
Jaguar Land Rover Automotive PLC	<a href="https://www.jaguarlandrover.com/2016/reports-and-financial-downloads">https://www.jaguarlandrover.com/2016/reports-and-financial-downloads</a>
Ladbroskes Coral Group PLC	<a href="https://gvc-plc.com/investor-relations/bond-prospectuses/">https://gvc-plc.com/investor-relations/bond-prospectuses/</a>
Leonardo SpA	<a href="http://www.leonardocompany.com/en/investitori-investors/risultati-annuali-2014-full-year">http://www.leonardocompany.com/en/investitori-investors/risultati-annuali-2014-full-year</a>
Louis Dreyfus Co BV	<a href="http://www.ldc.com/global/en/investors-media/reports-publications/">http://www.ldc.com/global/en/investors-media/reports-publications/</a>
Loxam SAS	<a href="https://www.loxamgroup.com/financial-reports/">https://www.loxamgroup.com/financial-reports/</a>
Matalan Finance PLC	Guaranteed by Missouri TopCo and guarantor AFS: <a href="https://www.matalan.co.uk/corporate/corporate-publications">https://www.matalan.co.uk/corporate/corporate-publications</a>
Matterhorn Telecom Holding SA	Guaranteed by Salt Mobile and have to register
Monitchem HoldCo 3 SA	<a href="http://cabb-chemicals.com/en/financial-reports-login.html">http://cabb-chemicals.com/en/financial-reports-login.html</a>
Nidda Healthcare Holding GmbH	<a href="http://www.niddahealthcare-offer.com/websites/1006_ma2/English/2/investor-relations.html">http://www.niddahealthcare-offer.com/websites/1006_ma2/English/2/investor-relations.html</a>
Nokia OYJ	<a href="https://www.nokia.com/en_int/about-nokia/investors">https://www.nokia.com/en_int/about-nokia/investors</a>
Novafives SAS	<a href="https://investors.fivesgroup.com/login.php">https://investors.fivesgroup.com/login.php</a>
OI European Group BV	Guaranteed by Owens-Illinois, Inc and guarantor AFS: <a href="http://investors.o-i.com/phoenix.zhtml?c=88324&amp;p=irol-reportsAnnual">http://investors.o-i.com/phoenix.zhtml?c=88324&amp;p=irol-reportsAnnual</a>
Peugeot SA	<a href="https://www.groupe-psa.com/en/finance/regulated-information/">https://www.groupe-psa.com/en/finance/regulated-information/</a>
Picard Bondco SA	Guaranteed by Picard SAS: <a href="https://www.picard.fr/on/demandware.store/Sites-picard-Site/default/Search-Show?fdid=informationsFinancieres">https://www.picard.fr/on/demandware.store/Sites-picard-Site/default/Search-Show?fdid=informationsFinancieres</a>
Pizzaexpress Financing 1 PLC	Guaranteed by the assets of the group. Group AFS: <a href="http://corporate.pizzaexpress.com/annual-report/2017.aspx">http://corporate.pizzaexpress.com/annual-report/2017.aspx</a>
Premier Foods Finance PLC	Guaranteed by Premier Foods Plc: <a href="http://www.premierfoods.co.uk/investors/results-centre">http://www.premierfoods.co.uk/investors/results-centre</a>

Public Power Corp Finance PLC	Guaranteed by PPC S.A: <a href="https://www.dei.gr/en/i-dei/enimerwsi-ependutwn/etisies-endiameses-oikonomikes-katastaseis-dpxp/2017-annual-financial-results">https://www.dei.gr/en/i-dei/enimerwsi-ependutwn/etisies-endiameses-oikonomikes-katastaseis-dpxp/2017-annual-financial-results</a>
Rxel SA	<a href="http://www.rexel.com/en/finance/documentation/">http://www.rexel.com/en/finance/documentation/</a>
Saipem Finance International BV	Guaranteed by Saipem SPA: <a href="http://www.saipem.com/sites/SAIPEM_en_IT/area/INVESTOR-saipem-investor2.page">http://www.saipem.com/sites/SAIPEM_en_IT/area/INVESTOR-saipem-investor2.page</a>
Selecta Group BV	<a href="https://www.selecta.com/investors/">https://www.selecta.com/investors/</a>
Steinhoff Europe AG	Guaranteed by Steinhoff International: <a href="http://www.steinhoffinternational.com/annual-reports.php">http://www.steinhoffinternational.com/annual-reports.php</a>
Stena AB	<a href="https://www.stena.com/investor-relations/">https://www.stena.com/investor-relations/</a>
Stonegate Pub Co Financing PLC	<a href="https://www.stonegatepubs.com/financial-statement/">https://www.stonegatepubs.com/financial-statement/</a>
Sunrise Communications Holdings SA	Guaranteed by Sunrise Communications AG: <a href="https://www.sunrise.ch/en/corporate-communications/investor-relations/reports-presentations.html">https://www.sunrise.ch/en/corporate-communications/investor-relations/reports-presentations.html</a>
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Telecom Italia SpA/Milano	<a href="http://www.telecomitalia.com/tit/en/investors/financials/consolidated-operating-financial-data.html">http://www.telecomitalia.com/tit/en/investors/financials/consolidated-operating-financial-data.html</a>
Telefonaktiebolaget LM Ericsson	<a href="https://www.ericsson.com/en/investors/financial-reports">https://www.ericsson.com/en/investors/financial-reports</a>
Tesco PLC	<a href="https://www.tescopl.com/investors/reports-results-and-presentations/results-and-presentations/">https://www.tescopl.com/investors/reports-results-and-presentations/results-and-presentations/</a>
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TUI AG	<a href="https://www.tuigroup.com/en-en/investors/reports-and-presentations">https://www.tuigroup.com/en-en/investors/reports-and-presentations</a>
Unilabs Subholding AB	<a href="https://www.unilabs.com/our-company/investors-signup">https://www.unilabs.com/our-company/investors-signup</a>
United Group BV	<a href="http://investors.the-united-group.com/preview-protection.aspx">http://investors.the-united-group.com/preview-protection.aspx</a>
Unitymedia GmbH	<a href="https://www.libertyglobal.com/investors/fixed-income-filings/unitymedia/">https://www.libertyglobal.com/investors/fixed-income-filings/unitymedia/</a>
UPC Holding BV	<a href="https://www.libertyglobal.com/investors/fixed-income-filings/upc-holding/">https://www.libertyglobal.com/investors/fixed-income-filings/upc-holding/</a>
Verisure Midholding AB	<a href="https://www.verisure.com/investors.html">https://www.verisure.com/investors.html</a>
Virgin Media Finance PLC	Guarantee by Virgin Media Inc: <a href="https://www.libertyglobal.com/investors/fixed-income-filings/virgin-media/">https://www.libertyglobal.com/investors/fixed-income-filings/virgin-media/</a>
Vue International Bidco PLC	<a href="http://vue-international.com/index.php/investor-relations/reports-presentations">http://vue-international.com/index.php/investor-relations/reports-presentations</a>
Wind Tre SpA	<a href="http://www.windtre.it/en/investors/financial-reports">http://www.windtre.it/en/investors/financial-reports</a>
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