

**MACQUARIE BANK LIMITED**  
(ABN 46 008 583 542)  
*(incorporated with limited liability in the Commonwealth of Australia)*

**STRUCTURED NOTE PROGRAMME**

---

**Issue of ZAR 60,000,000 Credit Linked Notes due 30 September 2016**

The Issuer has established the Macquarie Bank Limited US\$5,000,000,000 Structured Note Programme ("**Programme**") pursuant to the Base Prospectus, dated 11 August 2014, as supplemented by the Supplement, dated 9 December 2014, and as further amended and/or supplemented from time to time ("**Base Prospectus**").

The Inward Listings Supplement, dated 31 March 2015, as amended and/or supplemented from time to time ("**Inward Listings Supplement**") is a supplement to the Base Prospectus and must be read in conjunction with the Base Prospectus and the documents incorporated by reference into the Base Prospectus.

The Inward Listings Supplement as read with the Base Prospectus is a "**Placing Document**" for purposes of the JSE Debt Listings Requirements. The Inward Listings Supplement was approved by the JSE on 27 March 2015.

This document constitutes the applicable Final Terms relating to the issue of the Tranche of SA Notes described herein ("**SA Notes**").

References in these applicable Final Terms to the "**Base Conditions**" are to the Additional Terms and Conditions for Credit Linked Notes (2014 ISDA Credit Derivatives Definitions Version) which are applicable to this Tranche of SA Notes (set out in Annex 7 to the Base Prospectus) as read with the section of the Base Prospectus headed "*Terms and Conditions of the Notes*" ("**Terms and Conditions**").

This Tranche of SA Notes will be issued on and subject to the Base Conditions as read with these applicable Final Terms.

These applicable Final Terms must be read in conjunction with the Inward Listings Supplement. The section of the Inward Listings Supplement headed "*South African Terms and Conditions*" ("**SA Terms and Conditions**") is incorporated by reference into and forms part of these applicable Final Terms.

References in these applicable Final Terms to any "Condition" are to that Condition of the Terms and Conditions. Capitalised terms not defined in these applicable Final Terms shall have the meanings ascribed to them in the SA Terms and Conditions.

If and to the extent that there is any conflict or inconsistency between any of the provisions of these applicable Final Terms (including the SA Terms and Conditions) and any of the provisions of the Base Conditions, the provisions of these applicable Final Terms (including the SA Terms and Conditions) shall prevail.

- |    |  |  |
|----|--|--|
| 1. | Issuer   | The Sydney Branch of Macquarie Bank Limited  |
| 2. | a) Series Number   | MBLSA001   |
|    | b) Tranche Number  | 01   |
| 3. | Specified Currency   | ZAR  |
| 4. | Aggregate Nominal Amount   |  |
|    | a) Series:   | ZAR60,000,000  |
|    | b) Tranche:  | ZAR60,000,000  |
| 5. | Inward Listings Amount:  |  |
|    | a) Inward Listings Amount as at the Issue Date:  | ZAR10,000,000,000  |
|    | b) Aggregate Outstanding Nominal Amount of all of the SA Notes issued under the Programme pursuant to the Placing Document as at the Issue Date: | Nil, excluding the aggregate Nominal Amount of this Tranche of SA Notes and any other Tranche/s of SA Notes issued on the Issue Date specified in item (8)(a) below  |
|    | c) Issuer confirmation as to Inward Listings Amount:   | The Inward Listings Supplement will only apply to SA Notes issued under the Programme, pursuant to the Placing Document, in an aggregate Outstanding Nominal Amount which does not exceed ZAR10,000,000,000 (" <b>Inward Listings Amount</b> "). |

The Issuer confirms that the issue of this Tranche of SA Notes

## APPLICABLE PRICING SUPPLEMENT

		will not cause the Issuer to exceed the Inward Listings Amount.
6.	Issue Price:	100 per cent. of the Aggregate Nominal Amount
7.	a) Specified Denomination:	ZAR10,000,000
	b) Calculation Amount:	ZAR10,000,000
8.	a) Issue Date and Interest Commencement Date:	31 July 2015
	b) Interest Commencement Date (if different from the Issue Date):	Not Applicable
	c) Listing Date:	Issue Date
9.	Maturity Date:	30 September 2016
10.	Type of SA Notes	Credit Linked Notes
11.	Security:	Unsecured SA Notes
12.	Interest Basis:	3-month JIBAR (subject to paragraph 19(g) "Reference Rate" below) + 1.10 per cent. Floating Rate
13.	Redemption/Payment Basis:	Credit Linked Redemption
14.	Change of Interest Basis or Redemption/ Payment Basis:	Not Applicable
15.	Put/Call Options:	Not Applicable
16.	Status of the SA Notes:	Senior
17.	Tax gross-up obligation of the Issuer:	Applicable

## PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

18.	Fixed Rate SA Notes:	Not Applicable
19.	Floating Rate SA Notes:	Applicable
	a) Specified Period(s)/Specified Interest Payment Dates:	Quarterly, on the last Business Day of March, June, September and December in each year, commencing on 30 September 2015 and ending on the Scheduled Maturity Date
	b) Business Day Convention:	Modified Following
	c) Business Day Centre(s):	Johannesburg, London and New York
	d) Manner in which the Rate of Interest and Interest Amount is to be determined:	Screen Rate Determination
	e) Calculation Agent (entity responsible for calculating the Rate of Interest and Interest Amount):	Macquarie Bank Limited
	f) Specified Office of the Calculation Agent:	Level 6, 50 Martin Place, Sydney 2000, New South Wales, Australia
	g) Screen Rate Determination:	Applicable
	<input type="checkbox"/> Reference Rate:	3-month JIBAR, being the average mid-market rate per annum for 3-month deposits denominated in ZAR that appears on the Relevant Screen Page as at the Relevant Time, on the relevant Interest Determination Date, determined by the Calculation Agent; provided that if such average mid-market rate does not appear on the Relevant Screen Page on the relevant Interest Determination Date, the Reference Rate will be determined as if the Issuer and the SA Noteholders had, in respect of the relevant Interest Period, specified JIBAR-Reference Banks as the applicable Reference Rate.

For purposes of the above paragraph:

## APPLICABLE PRICING SUPPLEMENT

	<input type="checkbox"/>	"JIBAR-Reference Banks" means the average mid-market deposit rate per annum for 3-month deposits denominated in ZAR quoted by the Reference Banks at approximately 1 hour after the Relevant Time, on the relevant Interest Determination Date, on the basis that the Calculation Agent will request the principal Johannesburg office of each Reference Bank to provide a quotation at approximately 1 hour after the Relevant Time, on the relevant Interest Determination Date and the Reference Rate will be the arithmetic mean of the rates quoted, unless only one quotation is provided, in which event the Reference Rate will be that rate; and
	<input type="checkbox"/>	"Reference Banks" means three or more major banks in the Johannesburg inter-bank market selected by the Calculation Agent;
	<input type="checkbox"/>	Interest Determination Date(s): The first day of each Interest Period; provided that the first Interest Determination Date shall be the Issue Date
	<input type="checkbox"/>	Relevant Screen Page: Reuters Screen SAFETY page "SF X 3M YIELD" or any successor page
	<input type="checkbox"/>	Relevant Time 11h00 (South African time)
	<input type="checkbox"/>	Rate Multiplier Not Applicable
h)		ISDA Determination: Not Applicable
i)		Other Determination: Not Applicable
j)		Margin: Plus 1.10 per cent. per annum
k)		Minimum Rate of Interest: Not Applicable
l)		Maximum Rate of Interest: Not Applicable
m)		Day Count Fraction: Actual /365 Fixed
n)		Fall back provisions, rounding provisions and any other terms relating to the method of calculating interest on Floating Rate SA Notes, if different from those set out in the Terms and Conditions: Not Applicable
20.		Zero Coupon SA Notes: Not Applicable
21.		Other SA Notes:
		Index Linked Interest Notes: Not Applicable
		FX Linked Interest Notes: Not Applicable
		Commodity Linked Interest Notes: Not Applicable
		Fund Linked Interest Notes: Not Applicable

## PROVISIONS RELATING TO REDEMPTION

22.	Issuer Call:	Not Applicable
23.	Investor Put:	Not Applicable
24.	Automatic Early Redemption:	Not Applicable
25.	Final Redemption Amount of each SA Note:	Not Applicable
26.	Early Redemption Amount(s) of each SA Note payable on redemption for taxation reasons (as set out in Condition 7.2) or on an event of default (as set out in Condition 10) or on an illegality (as set out in Condition 7.9) or following a Currency Event or Cross Border Disruption Event, if applicable (if required or if different from that set out in Condition 7.5) and subject to the	Market Value less Associated Costs per Calculation Amount (see Condition 7.5)

## APPLICABLE PRICING SUPPLEMENT

special conditions set out in paragraph 31(zz) below:

27. Index Linked Redemption Notes: Not Applicable
28. FX Linked Redemption Notes: Not Applicable
29. Commodity Linked Redemption Notes: Not Applicable
30. Fund Linked Redemption Notes: Not Applicable
31. Credit Linked Notes: Applicable. The provisions of Annex 7 (Additional Terms and Conditions for Credit Linked Notes (2014 ISDA Credit Derivatives Definitions Version)) of the Terms and Conditions ("**Credit Linked Conditions**") shall apply.
- References in this paragraph 31 below to any "Credit Linked Condition" are to that Condition of the Credit Linked Conditions.
- a) Final Redemption Amount: ZAR10,000,000 per Calculation Amount
- b) Settlement Method: Auction Settlement
- c) Trade Date: 24 July 2015
- d) Calculation Agent responsible for making calculations and determinations in respect of this Tranche of SA Notes: Macquarie Bank Limited
- e) Reference Entity(ies): Republic of South Africa
- f) Physical Settlement Matrix: Not Applicable
- g) Transaction Type: Not Applicable
- h) Financial Reference Entity: Not Applicable
- i) Subordinated European Insurance Terms: Not Applicable
- j) Reference Entity Notional Amount: USD4,900,000
- k) Reference Obligation(s): Standard Reference Obligation Applicable and prior to such Standard Reference Obligation being published, the obligation identified in paragraph (l) below.
- l) The obligation identified as follows:
- Primary Obligor: Republic of South Africa
- Guarantor: Not Applicable
- Maturity: 09 March 2020
- Coupon: 5.5%
- CUSIP/ISIN: US836205AN45
- SEDOL 1: B618YX5 (LU)
- SEDOL 2: B8F2T87 (US)
- SEDOL 3: B8N9ZF9( DE)
- m) All Guarantees: Applicable
- n) Credit Events: Failure to Pay
- Grace Period Extension: Applicable
- Obligation Acceleration
- Repudiation/Moratorium
- Restructuring
- Multiple Holder Obligation: Not Applicable
- o) Default Requirement: USD 10,000,000 or its equivalent in the relevant Obligation

**APPLICABLE PRICING SUPPLEMENT**

- Currency as of the occurrence of the relevant Credit Event
- p) Payment Requirement: USD 1,000,000 or its equivalent in the relevant Obligation  
Currency as of the occurrence of the relevant Failure to Pay
- q) Sovereign No Asset Package Delivery: Applicable
- r) Credit Event Determination Date: Notice of Publicly Available Information: Applicable  
 Specified Number: 1
- s) Obligation(s):
- Obligation Category: Bond
  - Obligation Characteristics: Not Subordinated  
Not Domestic Currency  
Not Domestic Law  
Not Domestic Issuance
  - Additional Obligation(s): Not Applicable
  - Domestic Currency Notional Amount: Not Applicable
  - Excluded Obligation(s): None
- t) Whether on satisfaction of Conditions to Settlement redemption of this Tranche of SA Notes will be by (a) Cash Settlement, (b) Physical Delivery or (c) Auction Settlement: Conditions to Settlement – Auction Settlement
- u) Accrual of Interest upon Credit Event: Not Applicable
- v) Merger Event: Credit Linked Condition 12: Not Applicable
- w) Unwind Costs: Standard Unwind Costs
- x) Provisions relating to Monoline Insurer as Reference Entity: Credit Linked Condition 15: Not Applicable
- y) Provisions relating to LPN Reference Entities: Credit Linked Condition 16: Not Applicable
- Terms relating to Cash Settlement**
- z) Credit Event Redemption Amount:  $\text{Max } [0, (((\text{Notional Amount} * \text{Final Price}) * \text{FX}) \text{ less Unwind}) * \text{SD} / \text{ANA}] \text{ per Calculation Amount}$   
where:  
“ANA” means Aggregate Nominal Amount;  
“Final Price” means the Final Price or Auction Final Price (as applicable);  
“FX” means the USD/ZAR rate (which is the rate which appears on the Reuters Screen “USDZAR WMCO” on the relevant day). If such rate does not appear on the specified Reuters Screen, the rate shall be determined by the Calculation Agent in good faith and in a commercially reasonable manner;  
“Notional Amount” means the Reference Entity Notional Amount;  
“SD” means Specified Denomination; and  
“Unwind” means Unwind Costs.
- aa) Credit Event Redemption Date: 5 Business Days
- bb) Valuation Date: Single Valuation Date (Within 10 Business Days)
- cc) Valuation Time: 11h00 London time

## APPLICABLE PRICING SUPPLEMENT

dd) Quotation Method:	Bid
ee) Quotation Amount:	Representative Amount not exceeding the Reference Entity Notional Amount
ff) Minimum Quotation Amount:	Zero
gg) Quotation Dealers:	To be selected by the Calculation Agent.
hh) Quotations:	Not Applicable
ii) Valuation Method:	Highest
jj) Other terms or special conditions:	

### ***Additional terms relating to Auction Settlement***

kk) Fallback Settlement Method:	Cash Settlement
ll) Business Day Convention:	Modified Following
mm) Succession Event Backstop Date subject to adjustment in accordance with Business Day Convention:	No
nn) Limitation Dates subject to adjustment in accordance with Business Day Convention:	No

### ***Terms relating to Physical Delivery***

oo) Physical Settlement Period:	Not Applicable
pp) Accrued Interest on Entitlement:	Not Applicable
qq) Settlement Currency:	Not Applicable
rr) Deliverable Obligations:	Not Applicable
<input type="checkbox"/> Deliverable Obligation Category	Not Applicable
<input type="checkbox"/> Deliverable Obligation Characteristics	Not Applicable
ss) Additional Deliverable Obligation(s):	Not Applicable
tt) Excluded Deliverable Obligation(s):	Not Applicable
uu) Indicative Quotations:	Not Applicable
vv) Cut-Off Date:	Not Applicable
ww) Guaranteed Cash Settlement Amount:	Not Applicable
xx) Delivery provisions for Entitlement if different from Physical Delivery Note Conditions:	Not Applicable
yy) Reference Obligation Only Termination Amount:	Not Applicable
zz) Other terms or special conditions:	If at any time prior to the Maturity Date, the Calculation Agent determines that a Trigger Event has occurred, the Issuer, may at its sole discretion, upon notice to the Noteholders in accordance with Condition 7.5, elect to redeem all, but not some only, of this Tranche of SA Notes at the Trigger Early Redemption Amount, regardless of whether the Unwind Value is still below the Trigger Level or not on the date the Trigger Early Redemption Amount is calculated or the date of early redemption of this Tranche of SA Notes.

For purposes of the above paragraph:

- “Trigger Event”** means the occurrence of an event in terms of which the Unwind Value of the SA Notes falls below the Trigger Level at any time prior to redemption (as determined by Calculation Agent);
- “Trigger Level”** means 45% of the Reference Entity

## APPLICABLE PRICING SUPPLEMENT

Notional Amount of the SA Notes;

- "Unwind Value" means an amount as determined by the Calculation Agent in its sole discretion as being equal to the Reference Entity Notional Amount minus the cost to the Issuer in terminating the Underlying Hedges of the SA Notes, expressed U.S. Dollars;
- "Underlying Hedges" means (a) a hypothetical credit default swap in which the Issuer is a seller of protection, referencing the Reference Entity, with a maturity date equal to the Scheduled Maturity Date and a notional amount equal to the Reference Entity Notional Amount entered into on the Trade Date and (b) any instruments entered into by the Issuer or any of its Affiliates to hedge interest rate or currency obligations in this transaction, including but not limited to any cross currency swaps or FX forward hedges; and
- "Trigger Early Redemption Amount" means Market Value less Associated Costs per Calculation Amount.

### *Terms relating to Credit Linked Notes to which Emerging Market Redemption provisions are applicable*

aaa) Currency Event:	Not Applicable
bbb) Reference Obligation Disruption Event:	Not Applicable
ccc) Tax Disruption Event:	Not Applicable
32. Physical Delivery Notes:	Not Applicable

### GENERAL PROVISIONS APPLICABLE TO THE SA NOTES

33. Form of SA Notes:	The SA Notes in this Tranche are issued in registered uncertificated form and will be held in the CSD.
34. Payment Day:	Modified Following
35. Financial Centre(s) or other special provisions relating to Payment Days:	Johannesburg
36. Talons for future Coupons or Receipts to be attached (and dates on which such Talons mature):	Not Applicable
37. Details relating to Partly Paid SA Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences of failure to pay, including any right of the Issuer to forfeit the SA Notes and interest due on late payment:	Not Applicable
38. Details relating to Instalment SA Notes:	
a) Instalment Amount(s):	Not Applicable
b) Instalment Date(s):	Not Applicable
39. SA Paying Agent:	The Standard Bank of South Africa Limited, acting through its Corporate and Investment Banking division
a) Specified Office of the Paying Agent:	25 Sauer Street, Johannesburg 2000, South Africa
41. Redenomination applicable:	Redenomination not applicable
42. Other Final Terms:	Not Applicable

### DISTRIBUTION

43. Method of distribution:	Non-syndicated
44. a) If syndicated, names and addresses of Managers and underwriting commitments:	Not Applicable

## APPLICABLE PRICING SUPPLEMENT

b)	Date of Subscription Agreement:	Not Applicable
c)	Stabilising Manager(s) (if any):	Not Applicable
45.	If non-syndicated, name of relevant Dealer:	Macquarie Securities South Africa Limited
46.	Debt Sponsor:	The Standard Bank of South Africa Limited, acting through its Corporate and Investment Banking division
47.	Exchange Control Approval:	The Issuer has obtained the prior written approval of the Exchange Control Authorities for the issue and listing of this Tranche of SA Notes on the Interest Rate Market of the JSE.
48.	Additional selling restrictions:	Not Applicable
49.	Commercial Paper Regulations:	Not Applicable

## OTHER INFORMATION

50.	a)	Listing and admission to trading	This Tranche of SA Notes will be listed on the Interest Rate Market of the JSE
	b)	International Securities Numbering (ISIN)	ZAG000127481
	c)	Stock Code Number	MBLSA1
51.	a)	Rating of the Issuer as at the Issue Date and the date on which the rating of the Issuer is to be reviewed	Standard & Poor's: Long-term rating A/Stable last reviewed in December 2014 and expected to be reviewed in December of 2015 as annexed here to as Annex 1
	b)	Rating (if any) assigned to this Tranche of SA Notes as at the Issue Date	Not Applicable
45.	a)	Last Day to Register	Up until 17h00 (South African time) on 20 <sup>th</sup> September, 21 <sup>st</sup> December, 21 <sup>st</sup> March and 20 <sup>th</sup> June of each year until the date of redemption of this Tranche of SA Notes (" <b>Redemption Date</b> ") being, in each instance, the last date on which the SA Transfer Agent will accept Transfer Forms and record in the Register the transfer of SA Notes in this Tranche represented by Certificates
	b)	Books Closed Period	The Register will be closed during the 10 (ten) 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, being the period during which the Register is closed for purposes of giving effect to transfers, redemptions or payments in respect of the SA Notes in this Tranche
	c)	Books Closed Date	21 <sup>st</sup> September, 22 <sup>nd</sup> December, 22 <sup>nd</sup> March, and 21 <sup>st</sup> June of each year until the Redemption Date
46.		SA Transfer Agent	The Standard Bank of South Africa Limited, acting through its Corporate and Investment Banking division
	a)	Specified Office of the SA Transfer Agent	25 Sauer Street, Johannesburg 2000, South Africa
48.		Use of Proceeds:	The proceeds from the issue of this Tranche of SA Notes will be applied by the Issuer for its general corporate purposes

The Issuer accepts full responsibility for the accuracy of the information contained in the Placing Document, these Final Terms, the annual financial reports of the Issuer and any amendments to such annual financial reports, and each supplement to the Inward Listings Supplement and/or the Base Prospectus published by the Issuer from time to time (except as otherwise stated therein).

The Issuer certifies that, to the best of its knowledge and belief, there are no facts the omission of which would make the Placing Document or any statement contained in the Placing Document false or misleading, that all reasonable enquiries to ascertain such facts have been made, and that the Placing Document contains or incorporates by reference (see the section of the Base Prospectus headed "*Documents Incorporated by Reference*" and the section of the Inward Listings Supplement headed



**APPLICABLE PRICING SUPPLEMENT**

"Documents Incorporated by Reference") all information required by the JSE Debt Listings Requirements and all other Applicable Laws.


Application is hereby made to list Tranche 1 of Series 1 of the SA Notes on the Interest Rate Market of the JSE, as from 31 July 2015, under the Macquarie Bank Limited Structured Note Programme pursuant to the Placing Document.

Martin Mays  
Division Director

Stephen Valley  
Division Director  
Legal Risk Management

**APPLICABLE PRICING SUPPLEMENT**

For: Macquarie Bank Limited

By:   
Name: **Stephen Vallely**  
Division Director  
Legal Risk Management

*Duly authorised*

Date: 28 July 2015

By:   
Name: **Martin Mayne**  
Division Director

*Duly authorised*

Date: 28 July 2015

APPLICABLE PRICING SUPPLEMENT

Annex 1

<HELP> for explanation, <MENU> for similar functions.

MBL CDS USD SR 1Y D Company Tree Rating 92 Alert Page 1/2 Credit Rating Profile  
 Macquarie Bank Ltd

Moody's		15) Standard & Poor's	SP ⓘ
1) Outlook	STABLE	16) Outlook	STABLE
2) Long Term Rating	A2	17) LT Foreign Issuer Credit	A
3) LC Curr Issuer Rating	A2	18) LT Local Issuer Credit	A
4) FC Curr Issuer Rating	A2	19) ST Foreign Issuer Credit	A-1
5) Foreign LT Bank Deposits	A2	20) ST Local Issuer Credit	A-1
6) Local LT Bank Deposits	A2		
7) Senior Unsecured Debt	A2	Fitch	
8) Subordinated Debt	Baa2	21) Outlook	STABLE
9) Bank Financial Strength	WR	22) LT Issuer Default Rating	A
10) Short Term	P-1	23) Senior Unsecured Debt	A
11) ST Bank Deposits (Foreign)	P-1	24) Subordinated Debt	A-
12) ST Bank Deposits (Domestic)	P-1	25) Preferred Stock	BB+
13) Baseline Credit Assessment	baa1	26) Short Term	F1
14) Adjusted Baseline Credit Assessment	baa1	27) ST Issuer Default Rating	F1
		28) Individual Rating	WD
		29) Support Rating	3
		30) Viability	a

