



## SANTAM LIMITED

*(Incorporated in the Republic of South Africa with limited liability under registration number 1918/001680/06)*

**Issue of ZAR500,000,000 11.77% Unsecured Subordinated Callable Fixed Rate Notes  
due 12 April 2028  
Under its ZAR4,000,000,000 Unsecured Subordinated Callable Note Programme**

This Applicable Pricing Supplement must be read in conjunction with the Programme Memorandum, dated 8 March 2016, prepared by Santam Limited in connection with the Santam Limited ZAR4,000,000,000 Unsecured Subordinated Callable Note Programme, as amended and/or supplemented from time to time (the **Programme Memorandum**).

Any capitalised terms not defined in this Applicable Pricing Supplement shall have the meanings ascribed to them in the section of the Programme Memorandum headed "Terms and Conditions of the Notes".

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 amended and/or supplemented by the Terms and Conditions contained in this Applicable Pricing Supplement. To the extent that there is any conflict or inconsistency between the contents of this Applicable Pricing Supplement and the Programme Memorandum, the provisions of this Applicable Pricing Supplement shall prevail.

### PARTIES

1.	Issuer	Santam Limited
2.	Dealer(s)	N/A
3.	Manager	FirstRand Bank Limited, acting through its Rand Merchant Bank division
4.	Debt Sponsor	FirstRand Bank Limited, acting through its Rand Merchant Bank division
5.	Paying Agent	FirstRand Bank Limited, acting through its Rand Merchant Bank division
	Specified Office	1 Merchant Place Cnr Fredman Drive and Rivonia Road Sandton Johannesburg, 2196 South Africa
6.	Calculation Agent	FirstRand Bank Limited, acting through its Rand Merchant Bank division
	Specified Address	1 Merchant Place Cnr Fredman Drive and Rivonia Road Sandton Johannesburg, 2196 South Africa
7.	Transfer Agent	FirstRand Bank Limited, acting through its Rand Merchant Bank division
	Specified Office	1 Merchant Place Cnr Fredman Drive and Rivonia Road Sandton

Johannesburg, 2196  
South Africa

**PROVISIONS RELATING TO THE NOTES**

8.	Status of Notes	Unsecured Subordinated
9.	Form of Notes	The notes in this Tranche are issued in uncertificated form and are held by the CSD
10.	Series Number	3
11.	Tranche Number	1
12.	Aggregate Nominal Amount:	
	(a) Series	ZAR500,000,000
	(b) Tranche	ZAR500,000,000
13.	Interest	Interest-bearing
14.	Interest Payment Basis	Fixed Rate
15.	Automatic/Optional Conversion from one Interest/Redemption/Payment Basis to another	<p>The Notes are callable, at the option of the Issuer, on the Call Date, which will constitute an early redemption at the option of the Issuer pursuant to Condition 9.3 (<i>Redemption at the Option of the Issuer</i>). If the Issuer does not exercise its option to call the Notes on the Call Date, interest shall accrue on the Nominal Amount at the Issue Spread plus the higher of an additional 100 basis points or 50 percent of the Issue Spread (the <b>Call Date Spread</b>), plus the relevant Government of South Africa benchmark rate (which is the yield on the relevant Government of South Africa bond with the closest matching maturity date measured from the Call Date to the Maturity Date (<b>Post Call Date Government Benchmark Bond</b>)).</p> <p>For the purposes of this paragraph 15:</p> <p><b>Call Date</b> means 12 April 2023; and</p> <p><b>Issue Spread</b> means the spread at Issue Date over the Republic of South Africa Internal Registered Bond R2023 (7.75 percent Coupon) issued on 11 June 2012 and redeemable on 28 February 2023 (R2023 <b>Bond</b>) being 270 basis points.</p>
16.	Issue Date	12 April 2016
17.	Nominal Amount per Note	ZAR1,000,000
18.	Specified Denomination	ZAR1,000,000
19.	Specified Currency	ZAR
20.	Issue Price	100 percent
21.	Interest Commencement Date	12 April 2016
22.	Maturity Date	12 April 2028
23.	Applicable Business Day Convention	Following Business Day
24.	Final Redemption Amount	100 percent of Nominal Amount subject to paragraph 32 below

25.	Last Day to Register	By 17h00 on 1 April and 1 October of each year until the Maturity Date
26.	Books Closed Period(s)	The Register will be closed from 2 April to 12 April and 2 October to 12 October (all dates inclusive) in each year until the Maturity Date
27.	Default Rate	Fixed Rate Interest will continue to apply until the Optional Redemption Date, thereafter the rate will be subject to the provisions of paragraph 15 above.

#### **FIXED RATE NOTES**

28.	(a) Fixed Rate of Interest	11.77 percent per annum payable semi-annually in arrear
	(b) Fixed Interest Payment Date(s)	12 April and 12 October in each year up to and including the Maturity Date, with the first Interest Payment Date being 12 October 2016
	(c) Fixed Coupon Amount(s)	ZAR58,850 per ZAR1,000,000 in Nominal Amount
	(d) Initial Broken Amount	N/A
	(e) Final Broken Amount	N/A
	(f) Interest Rate Determination Date(s)	12 April and 12 October in each year until the Maturity Date with the first Interest Rate Determination Date being 7 April 2016
	(g) Day Count Fraction	Actual/365
	(h) Any other terms relating to the particular method of calculating interest	N/A

**FLOATING RATE NOTES** N/A

**ZERO COUPON NOTES** N/A

**PARTLY PAID NOTES** N/A

**INSTALMENT NOTES** N/A

**MIXED RATE NOTES** N/A

**INDEX-LINKED NOTES** N/A

**DUAL CURRENCY NOTES** N/A

**EXCHANGEABLE NOTES** N/A

**OTHER NOTES** N/A

#### **PROVISIONS REGARDING REDEMPTION/MATURITY**

29.	Prior consent of Registrar required for any redemption prior to Maturity Date	Yes
30.	Redemption at the option of the Issuer:	Yes
	If yes:	
	(a) Optional Redemption Date(s)	Call Date (as defined in paragraph 15 above)
	(b) Optional Redemption Amount(s) and method, if any, of calculation of such	100 percent of Nominal Amount plus any accrued interest

	amount(s)	
	(c) Minimum period of notice (if different from Condition 9.3 ( <i>Redemption at the Option of the Issuer</i> ))	N/A
	(d) If redeemable in part:	N/A
	Minimum Redemption Amount(s)	N/A
	Higher Redemption Amount(s)	N/A
	(e) Other terms applicable on Redemption	N/A
31.	Redemption/substitution at the option of the Issuer on the occurrence of a Capital Disqualification Event:	Yes
32.	Early Redemption Amount(s) payable on redemption for taxation reasons in terms of Condition 9.2 ( <i>Redemption for Tax Reasons</i> ), at the option of the Issuer on the occurrence of a Capital Disqualification Event in terms of Condition 9.4 ( <i>Early Redemption following the occurrence of a Capital Disqualification Event</i> ) or on Event of Default (as defined in Condition 15 ( <i>Events of Default</i> )) (if required or if different from that set out in Conditions 9.5 ( <i>Early Redemption Amount</i> )).	Yes  In the event of a redemption of the Notes in accordance with Condition 9.2 ( <i>Redemption for Tax Reasons</i> ) and Condition 9.4 ( <i>Redemption/Substitution following the occurrence of a Capital Disqualification Event</i> ), as the case may be, the Notes will be redeemed at an amount determined on the date specified by the Issuer for redemption of the Notes pursuant to Condition 9.2 ( <i>Redemption for Tax Reasons</i> ) and Condition 9.4 ( <i>Redemption/Substitution following the occurrence of a Capital Disqualification Event</i> ), as the case may be, (the <b>Early Redemption Date</b> ) in the following manner:  (a) If the Early Redemption Date occurs prior to the Call Date, the higher of: (i) the Outstanding Nominal Amount plus all accrued interest; and (ii) the Pre Call Date Discounted Value, (b) if the Early Redemption Date occurs after the Call Date, at the higher of: (i) the Outstanding Nominal Amount plus all accrued interest; and (ii) the Post Call Date Discounted Value.  For the purposes of this paragraph 32:  <b>Pre Call Date Discounted Value</b> means the value derived by discounting the sum of the Outstanding Nominal Amount (assuming this amount is repaid on the Call Date) plus all amounts of interest to become due and payable between the Early Redemption Date and the Call Date, both days inclusive, at the discount rate. The “ <i>discount rate</i> ” is the rate calculated as the sum of the R2023 Bond (as defined in paragraph 15 above) yield at the Early Redemption Date

plus the Issue Spread (as defined in paragraph 15 above).

**Post Call Date Discounted Value** means the value derived by discounting the sum of the Outstanding Nominal Amount (assuming this amount is repaid on the Maturity Date) plus all amounts of interest to become due and payable between the Early Redemption Date and the Maturity Date, both days inclusive, at the discount rate. The “*discount rate*” is the rate calculated as the sum of the Post Call Date Government Benchmark Bond rate (as defined in paragraph 15 above) as at the Early Redemption Date, or in the case were the Post Call Date Government Benchmark Bond is no longer available, the relevant Government of South Africa benchmark rate (which is the yield of the relevant Government of South Africa bond with the closest matching maturity date measured from the Early Redemption Date to the Maturity Date) plus the Call Date Spread (as defined in paragraph 15 above).

If yes:

- |     |   |                        |
|-----|---|------------------------|
| (a) | Amount payable; or                      | See paragraph 32 above |
| (b) | Method of calculation of amount payable | See paragraph 32 above |

### 33. DEFERRAL OF PAYMENT

- |     |  |     |
|-----|--|-----|
| 34. | Deferral of principal pursuant to Condition 8.3.1 ( <i>Deferral of Principal</i> ) and deferral of interest pursuant to Condition 8.3.2 ( <i>Deferral of Interest</i> ). | Yes |
|-----|--|-----|

### GENERAL

- |     |   |  |
|-----|---|--|
| 35. | Prior written approval of the Registrar required for the issue of the Notes | The Registrar, in terms of section 23(1)(a) read together with paragraph 7(2) of Schedule 2 of the Short-Term Insurance Act, provided in-principal approval of the issue of the Notes, dated 16 February 2016, which is subject to final approval following the Issue Date |
| 36. | Financial Exchange  | Interest Rate Market of the JSE  |
| 37. | Additional selling restrictions   | N/A  |
| 38. | ISIN No.  | ZAG000135138   |
| 39. | Stock Code  | SNT03  |
| 40. | Stabilising manager   | N/A  |
| 41. | Provisions relating to stabilisation  | N/A  |
| 42. | Method of distribution  | Auction  |
| 43. | Credit Rating assigned to the Notes   | “zaAA+” by Standard & Poor’s Ratings Services, to be renewed from time to time   |
| 44. | Applicable Rating Agency  | Standard & Poor’s Ratings Services   |
| 45. | Governing law (if the laws of South Africa are not applicable)              | N/A  |

46. Other provisions See paragraphs 15 and 32 above

**DISCLOSURE REQUIREMENTS IN TERMS OF PARAGRAPH 3(5) OF THE COMMERCIAL PAPER REGULATIONS IN RELATION TO THIS ISSUE OF NOTES**

47. (a) Paragraph 3(5)(a)

The “*ultimate borrower*” (as defined in the Commercial Paper Regulations) is the Issuer.

48. (b) Paragraph 3(5)(b)

The Issuer is a going concern and can in all circumstances be reasonably expected to meet its commitments under the Notes.

49. (c) Paragraph 3(5)(c)

The auditor of the Issuer is PricewaterhouseCoopers Inc.

50. (d) Paragraph 3(5)(d)

As at the date of this issue:

- (i) the Issuer has issued ZAR1,000,000,000 Notes constituting Commercial Paper (as defined in the Commercial Paper Regulations), excluding this Notes issuance; and
- (ii) the Issuer estimates that it may issue ZAR1,000,000,000 of Commercial Paper during the current financial year, ending 31 December 2016.

51. (e) Paragraph 3(5)(e)

All information that may reasonably be necessary to enable the investor to ascertain the nature of the financial and commercial risk of its investment in the Notes is contained in the Programme Memorandum and the Applicable Pricing Supplement.

52. (f) Paragraph 3(5)(f)

There has been no material adverse change in the Issuer’s financial position since the date of its last audited financial statements.

53. (g) Paragraph 3(5)(g)

The Notes issued will be listed.

54. (h) Paragraph 3(5)(h)

The funds to be raised through the issue of the Notes are to be used by the Issuer for its general corporate purposes.

55. (i) Paragraph 3(5)(i)

The obligations of the Issuer in respect of the Notes are unsecured.

56. (j) Paragraph 3(5)(j)

PricewaterhouseCoopers Inc., the statutory auditors of the Issuer, have confirmed that nothing has come to their attention to indicate that this issue of Notes issued under the Programme will not comply in all respects with the relevant provisions of the Commercial Paper Regulations.

**Responsibility:**

The Issuer certifies that to the best of its knowledge and belief there are no facts which have been omitted which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made and this Applicable Pricing Supplement and the Programme Memorandum contains all information required by law and the debt listings requirements of the JSE. The Issuer accepts full responsibility for the accuracy of the information contained in this Applicable Pricing Supplement and the Programme Memorandum, except as otherwise stated therein.

As at the date of this Applicable Pricing Supplement, the Issuer confirms that the authorised Programme Amount of ZAR4,000,000,000 has not been exceeded.

Application is hereby made to list this issue of Notes on 12 April 2016.

SIGNED at Bellville on this 12<sup>th</sup> day of April 2016

For and on behalf of  
**SANTAM LIMITED**

L Lambrechts  
Name: LIZE LAMBRECHTS  
Capacity: Director  
Who warrants her/his authority hereto

ND  
Name: Hendrik David Nel  
Capacity: Director  
Who warrants her/his authority hereto