



SANTAM LIMITED

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

**Issue of ZAR500,000,000 Unsecured Subordinated Callable Floating Rate Notes
due 12 April 2026
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	2
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	Floating Rate
15.	Automatic/Optional Conversion from one Interest/Redemption/Payment Basis to another	N/A
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 2026
23.	Applicable Business Day Convention	Following Business Day
24.	Final Redemption Amount	100 percent of Nominal Amount
25.	Last Day to Register	By 17h00 on 1 January, 1 April, 1 July and 1 October of each year until the Maturity Date
26.	Books Closed Period(s)	The Register will be closed from 2 January to 12 January, 2 April to 12 April, 2 July to 12 July and from 2 October to 12 October (all dates inclusive) in each year until the Maturity Date
27.	Default Rate	Floating Rate Interest will continue to apply until the Optional Redemption Date, thereafter Floating Rate Interest will apply at the new Margin as specified in paragraph 30 below
		N/A

FIXED RATE NOTES

FLOATING RATE NOTES

28.	(a) Floating Interest Payment Date(s)	12 January, 12 April, 12 July and 12 October of each year until the Maturity Date with the first Interest Payment Date being 12 July 2016
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(b)	Interest Period(s)	From and including the applicable Interest Payment Date and ending on but excluding the following Interest Payment Date, the first Interest Period commencing on 12 April 2016 and ending the day before the next Interest Payment Date
(c)	Definition of Business Day (if different from that set out in Condition 1) (<i>Interpretation</i>)	N/A
(d)	Minimum Rate of Interest	N/A
(e)	Maximum Rate of Interest	N/A
(f)	Other terms relating to the method of calculating interest (e.g.: Day Count Fraction, rounding up provision)	N/A
29.	Manner in which the Rate of Interest is to be determined	Screen Rate Determination (Reference Rate plus Margin)
30.	Margin	245 basis points to be added to Reference Rate applies to the period 12 April 2016 to 12 April 2021. 367.5 basis points to be added to the Reference Rate applies to the period 13 April 2021 to 12 April 2026.
31.	If ISDA Determination	N/A
(a)	Floating Rate	N/A
(b)	Floating Rate Option	N/A
(c)	Designated Maturity	N/A
(d)	Reset Date(s)	N/A
(e)	ISDA Definitions to apply	N/A
32.	If Screen Rate Determination:	N/A
(a)	Reference Rate (including relevant period by reference to which the Rate of Interest is to be calculated)	3 Month ZAR-JIBAR
(b)	Interest Rate Determination Date(s)	12 January, 12 April, 12 July and 12 October, of each year until the Maturity Date with the first Interest Rate Determination Date being 7 April 2016
(c)	Relevant Screen Page and Reference Code	Reuters page 0#SFXmm: or successor page
33.	If Rate of Interest to be calculated otherwise than by ISDA Determination or Screen Rate Determination, insert basis for determining Rate of Interest/Margin/Fallback provisions	N/A
34.	Calculation Agent responsible for calculating amount of principal and interest	FirstRand Bank Limited, acting through its Rand Merchant Bank division

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

35.	Prior consent of Registrar required for any redemption prior to Maturity Date	Yes
36.	Redemption at the option of the Issuer: If yes:	Yes
	(a) Optional Redemption Date(s)	12 April 2021 and each subsequent Floating Interest Payment Date
	(b) Optional Redemption Amount(s) and method, if any, of calculation of such amount(s)	100% of Nominal Amount plus any accrued interest
	(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	
37.	Redemption/substitution at the option of the Issuer on the occurrence of a Capital Disqualification Event:	Yes
38.	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	No

Conditions 9.5 (*Early Redemption Amount*)).

If yes:

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| (a) | Amount payable; or | N/A |
| (b) | Method of calculation of amount payable | N/A |

39. DEFERRAL OF PAYMENT

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| 40. | 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 |
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GENERAL

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| 41. | 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 |
| 42. | Financial Exchange | Interest Rate Market of the JSE |
| 43. | Additional selling restrictions | N/A |
| 44. | ISIN No. | ZAG000135120 |
| 45. | Stock Code | SNT02 |
| 46. | Stabilising manager | N/A |
| 47. | Provisions relating to stabilisation | N/A |
| 48. | Method of distribution | Auction |
| 49. | Credit Rating assigned to the Notes | “zaAA+” by Standard & Poor’s Ratings Services, to be renewed from time to time |
| 50. | Applicable Rating Agency | Standard & Poor’s Ratings Services |
| 51. | Governing law (if the laws of South Africa are not applicable) | N/A |
| 52. | Other provisions | N/A |

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

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| 53. | (a) <u>Paragraph 3(5)(a)</u> | The “ <i>ultimate borrower</i> ” (as defined in the Commercial Paper Regulations) is the Issuer. |
| 54. | (b) <u>Paragraph 3(5)(b)</u> | The Issuer is a going concern and can in all circumstances be reasonably expected to meet its commitments under the Notes. |
| 55. | (c) <u>Paragraph 3(5)(c)</u> | The auditor of the Issuer is PricewaterhouseCoopers Inc. |
| 56. | (d) <u>Paragraph 3(5)(d)</u> | 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.
57. (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.
58. (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.
59. (g) Paragraph 3(5)(g)
The Notes Issued will be listed.
60. (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.
61. (i) Paragraph 3(5)(i)
The obligations of the Issuer in respect of the Notes are unsecured.
62. (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 12 April 2016.

SIGNED at Bellville on this 12th day of April 2016

For and on behalf of
SANTAM LIMITED

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

ADD
Name: Henriette David Nel
Capacity: Director
Who warrants her/his authority hereto