
APPLICABLE PRICING SUPPLEMENT

MMI GROUP LIMITED

(Incorporated in the Republic of South Africa with limited liability under registration number 1904/002186/06)

Issue of ZAR750,000,000 Unsecured Subordinated Floating Rate Notes due 17 March 2024**Under its ZAR5,000,000,000 Unsecured Subordinated Callable Note Programme**

This Applicable Pricing Supplement must be read in conjunction with the amended and restated Programme Memorandum, dated 05 March 2014, prepared by MMI Group Limited in connection with the MMI Group Limited ZAR5,000,000,000 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 | MMI Group Limited |
| 2. | Dealer(s) | Rand Merchant Bank, a division of FirstRand Bank Limited |
| 3. | Managers | N/A |
| 4. | Debt Sponsor | Rand Merchant Bank, a division of FirstRand Bank Limited |
| 5. | Paying Agent | Rand Merchant Bank, a division of FirstRand Bank Limited |
| | Specified Address | 1 Merchant Place Cnr Fredman Drive and Rivonia Road Sandton, 2196 South Africa |
| 6. | Calculation Agent | Rand Merchant Bank, a division of FirstRand Bank Limited |
| | Specified Address | 1 Merchant Place Cnr Fredman Drive and Rivonia Road Sandton, 2196 South Africa |
| 7. | Transfer Agent | Rand Merchant Bank, a division of FirstRand Bank Limited |
| | Specified Address | 1 Merchant Place Cnr Fredman Drive and Rivonia Road Sandton, 2196 South Africa |

PROVISIONS RELATING TO THE NOTES

| | | |
|----|-----------------|------------------------|
| 8. | Status of Notes | Unsecured Subordinated |
|----|-----------------|------------------------|

| | | |
|-------------------------|---|--|
| 9. | Series Number | 3 |
| 10. | Tranche Number | 1 |
| 11. | Aggregate Nominal Amount: | |
| | (a) Series | ZAR750,000,000 |
| | (b) Tranche | ZAR750,000,000 |
| 12. | Interest | Interest-bearing |
| 13. | Interest Payment Basis | Floating Rate |
| 14. | Automatic/Optional Conversion from one Interest/Redemption/Payment Basis to another | N/A |
| 15. | Form of Notes | The Notes in this Tranche are issued in uncertificated form and held by the CSD |
| 16. | Issue Date | 17 March 2014 |
| 17. | Nominal Amount per Note | ZAR1,000,000 |
| 18. | Specified Denomination | ZAR1,000,000 |
| 19. | Specified Currency | ZAR |
| 20. | Issue Price | 100% |
| 21. | Interest Commencement Date | 17 March 2014 |
| 22. | Maturity Date | 17 March 2024 |
| 23. | Applicable Business Day Convention | Following Business Day |
| 24. | Final Redemption Amount | 100 per cent of Nominal Amount |
| 25. | Last Day to Register | By 17h00 on 6 March, 6 June, 6 September and 6 December of each year until the Maturity Date |
| 26. | Books Closed Period(s) | The Register will be closed from 7 March to 16 March, 7 June to 16 June, 7 September to 16 September and from 7 December to 16 December (all dates inclusive) in each year until the Maturity Date |
| 27. | Default Rate | N/A |
| FIXED RATE NOTES | | N/A |

FLOATING RATE NOTES

| | | |
|-----|---|---|
| 28. | (a) Floating Interest Payment Date(s) | 17 March, 17 June, 17 September and 17 December of each year until the Maturity Date with the first Interest Payment Date being 17 June 2014 |
| | (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 17 March 2014 and ending the day before the next Interest Payment Date |
| | (c) Definition of Business Day (if different from that set out in | N/A |

| | | |
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| | Condition 1) (<i>Interpretation</i>) | |
| | (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 |
| 30. | Margin | 1.46 per cent to be added to the Reference Rate applies to the period 17 March 2014 to but excluding 17 March 2019 2.46 per cent to be added to the Reference Rate applies to the period 17 March 2019 to 17 March 2024 |
| 31. | If ISDA Determination | |
| | (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: | |
| | (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) | 17 March, 17 June, 17 September and 17 December of each year until the Maturity Date with the first Interest Rate Determination Date being 12 March 2014 |
| | (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 | Rand Merchant Bank, a division of FirstRand Bank Limited |
| | 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

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| 35. | Prior consent of Registrar required for any redemption prior to, or on Maturity Date | Yes |
| 36. | Redemption at the option of the Issuer: | Yes |
| | If yes: | |
| (a) | Optional Redemption Date(s) | 17 March 2019 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 | N/A |
| 37. | Redemption at the option of the Issuer on the occurrence of a Regulatory 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 Regulatory Event in terms of Condition 9.4 (<i>Early Redemption following the occurrence of a Regulatory Event</i>) or on Event of Default (as defined in Condition 15 (<i>Events of Default</i>)) (if required). | Yes |
| | If yes: | |
| (a) | Amount payable; or | In terms of Condition 9.5 |
| (b) | Method of calculation of amount payable | In terms of Condition 9.5 |

DEFERRAL OF INTEREST

- | | | |
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| 39. | Optional Deferral of Interest pursuant to Condition 8.3.2.1 | No |
| 40. | Mandatory Deferral of Interest | Yes |

- pursuant to Condition 8.3.2.2
41. Deferral of Interest at the Request of the Registrar pursuant to Condition 8.3.2.3 Yes

GENERAL

42. Prior written approval of the Registrar required for the issue of the Notes
- (a) Registrar, in terms of section 24(a)(i) of the Long Term Insurance Act, approved the issue of Notes on 21 February 2014
- (b) Registrar, in terms of paragraph 7(2) of Schedule 3 to the Long-Term Insurance Act approved the manner in which and the amount for which and the value of the Notes to be determined on 21 February 2014
43. Financial Exchange Interest Rate Market of the JSE
44. Additional selling restrictions N/A
45. ISIN No. ZAG000114042
46. Stock Code MMIG01
47. Stabilising manager N/A
48. Provisions relating to stabilisation N/A
49. Method of distribution Sealed Bid without feedback (Dutch Auction)
50. Credit Rating assigned to the Notes A+(zaf) (EXP) assigned as at March 2014 and to be reviewed from time to time
51. Applicable Rating Agency Fitch Southern Africa (Proprietary) Limited
52. Governing law (if the laws of South Africa are not applicable) N/A
53. Other provisions N/A

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

54. Paragraph 3(5)(a)
The "ultimate borrower" (as defined in the Commercial Paper Regulations) is the Issuer.
55. 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.
56. Paragraph 3(5)(c)
The auditor of the Issuer is PricewaterhouseCoopers Inc.
57. Paragraph 3(5)(d)
As at the date of this issue:
- (i) the Issuer has issued ZAR1,500,000,000 Commercial Paper (as defined in the Commercial Paper Regulations) (which amount includes Notes issued under the Previous Programme Memoranda and excludes Notes issued in terms of this issue); and
- (ii) the Issuer estimates that it will not issue any additional Commercial Paper during the current financial year, ending 30 June 2014.
58. 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.

59. 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.

60. Paragraph 3(5)(g)

The Notes issued will be listed.

61. 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.

62. Paragraph 3(5)(i)

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

63. 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 does not comply in all respects with the relevant provisions of the Commercial Paper Regulations.

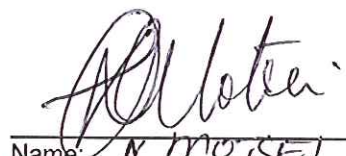
Responsibility:

The Applicant 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 contains all information required by law and the debt listings requirements of the JSE. The Applicant Issuer accepts full responsibility for the accuracy of the information contained in this Applicable Pricing Supplement, except as otherwise stated therein.

Application is hereby made to list this issue of Notes on 17 March 2014

For and on behalf of
MMI GROUP LIMITED


Name: N KRUGER
Capacity: Director
Who warrants her/his authority hereto


Name: N MOSER
Capacity: Director
Who warrants her/his authority hereto