
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 Mixed Rate Notes due 17 March 2026

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
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	4
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	Mixed Rate Notes
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 2026
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 and 6 September of each year for the period 17 March 2014 to 17 March 2021 and then 6 March, 6 June, 6 September and 6 December for the period 18 March 2021 until the Maturity Date
26.	Books Closed Period(s)	The Register will be closed from 7 March to 16 March and from 7 September to 16 September (all dates inclusive) in each year for the period 17 March 2014 to 17 March 2021 and then 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 for the period 17 March 2021 until the Maturity Date
27.	Default Rate	N/A

FIXED RATE NOTES

28.	(a) Fixed Rate of Interest	10.065% percent per annum payable semi-annually in arrear
	(b) Fixed Interest Payment Date(s)	17 March and 17 September in each year up to and including 17 March 2021

(c)	Fixed Coupon Amount(s)	N/A
(d)	Initial Broken Amount	N/A
(e)	Final Broken Amount	N/A
(f)	Interest Rate Determination Date(s)	N/A
(g)	Day Count Fraction	Actual/365
(h)	Any other terms relating to the particular method of calculating interest	N/A

FLOATING RATE NOTES

29.	(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 Floating Interest Payment Date being 17 June 2021
	(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 2021 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
30.		Manner in which the Rate of Interest is to be determined	Screen Rate Determination
31.		Margin	2.70 per cent to be added to the Reference Rate
32.		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
33.		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 Floating Interest Rate Determination Date being 17 March 2021

	(c) Relevant Screen Page and Reference Code	Reuters page 0#SFXmm: or successor page
34.	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 Calculation Agent responsible for calculating amount of principal and interest	N/A 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
35.	Period(s) during which the Interest Rate for the Mixed Rate Notes will be (as applicable) that for:	
	(a) Fixed Rate Notes	Commencing on the Issue Date and ending on but excluding 17 March 2021
	(b) Floating Rate Notes	Commencing on 17 March 2021 and ending on but excluding 17 March 2026
36.	The Interest rate and other pertinent details are set out under the headings relating to the applicable forms of Notes	
	INDEX-LINKED NOTES	N/A
	DUAL CURRENCY NOTES	N/A
	EXCHANGEABLE NOTES	N/A
	OTHER NOTES	N/A
	PROVISIONS REGARDING REDEMPTION/MATURITY	
37.	Prior consent of Registrar required for any redemption prior to, or on Maturity Date	Yes
38.	Redemption at the option of the Issuer: If yes:	Yes
	(a) Optional Redemption Date(s)	17 March 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	
39.	Redemption at the option of the Issuer on the occurrence of a Regulatory Event:	Yes
40.	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		
41.	Optional Deferral of Interest pursuant to Condition 8.3.2.1	No
42.	Mandatory Deferral of Interest pursuant to Condition 8.3.2.2	Yes
43.	Deferral of Interest at the Request of the Registrar pursuant to Condition 8.3.2.3	Yes
GENERAL		
44.	Prior written approval of the Registrar required for the issue of the Notes	<p>(a) Registrar, in terms of section 24(a)(i) of the Long Term Insurance Act, approved the issue of Notes on 21 February 2014</p> <p>(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</p>
45.	Financial Exchange	Interest Rate Market of the JSE
46.	Additional selling restrictions	N/A
47.	ISIN No.	ZAG000114059
48.	Stock Code	MMIG02
49.	Stabilising manager	N/A
50.	Provisions relating to stabilisation	N/A

51.	Method of distribution	Sealed Bid without feedback (Dutch Auction)
52.	Credit Rating assigned to the Notes	A+(zaf) (EXP) assigned as at March 2014 and to be reviewed from time to time
53.	Applicable Rating Agency	Fitch Southern Africa (Proprietary) Limited
54.	Governing law (if the laws of South Africa are not applicable)	N/A
55.	Other provisions	N/A

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

56. Paragraph 3(5)(a)

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

57. 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.

58. Paragraph 3(5)(c)

The auditor of the Issuer is PricewaterhouseCoopers Inc.

59. Paragraph 3(5)(d)

As at the date of this issue:

- (i) the Issuer has issued Commercial Paper (as defined in the Commercial Paper Regulations) in an aggregate amount of ZAR1,500,000,000 (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

60. 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.

61. 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.

62. Paragraph 3(5)(g)

The Notes issued will be listed.

63. 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.

64. Paragraph 3(5)(i)

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

65. 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 MOTSEI
Capacity: Director
Who warrants her/his authority hereto