

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The definitions commencing on page vi apply throughout this Circular including this front cover.

If you are in any doubt as to the action you should take, please consult your Broker, CSDP, banker, accountant, legal adviser or other professional adviser immediately.

Action required

1. If you have disposed of all of your Santam Shares, this Circular should be handed to the purchaser of such Santam Shares or to the Broker, CSDP, banker, attorney or other agent through whom the disposal was effected.
2. This Circular is important and should be read with particular attention to the section entitled "Actions required by Santam Shareholders", which commences on page iii.



SANTAM LIMITED
(Incorporated in the Republic of South Africa)
(Registration number 1918/001680/06)
JSE share code: SNT, NSX share code: SNM
ISIN: ZAE000093779

Circular to Santam Shareholders:

regarding:

- **the Specific Repurchase by Santam of 4 215 000 Santam Shares in terms of section 48 of the Companies Act; and**
- **the General Meeting;**

and incorporating:

- **a notice convening the General Meeting; and**
- **a form of proxy for use by Certificated Santam Shareholders and Own-name Dematerialised Santam Shareholders (yellow).**

Investment bank and sponsor



Specialist Bank

Legal adviser



Date of issue: 25 May 2015

This Circular is available in English only and copies hereof may be obtained from the registered office of Santam at the registered address which is set out in the "Corporate information and advisers" section of this Circular, during normal business hours on Business Days during the period from Monday, 25 May 2015 up to and including Wednesday, 24 June 2015, both days inclusive.

CORPORATE INFORMATION AND ADVISERS

Registered office and Company Secretary

Santam Limited

c/o M Allie

(Registration number 1918/001680/06)

1 Sportica Crescent

Tyger Valley

Bellville

7530

(PO Box 3881, Tyger Valley, 7536)

Investment bank and sponsor

Investec Bank Limited

(Registration number 1969/004763/06)

100 Grayston Drive

Sandown

Sandton

2196

(PO Box 785700, Sandton, 2146)

Year and place of incorporation

1918, South Africa

Transfer Secretary

Computershare Investor Services Proprietary Limited

(Registration number 2004/003647/07)

70 Marshall Street

Johannesburg

2001

(PO Box 61051, Marshalltown, 2107)

Legal adviser

Edward Nathan Sonnenbergs Incorporated

(Registration number 2006/018200/21)

1 North Wharf Square

Loop Street

Foreshore

Cape Town

8001

(PO Box 2293, Cape Town, 8000)

ACTIONS REQUIRED BY SANTAM SHAREHOLDERS

This Circular is important and requires your immediate attention. Please take careful note of the following provisions regarding the action required by Santam Shareholders. If you are in any doubt as to what actions to take, please consult your Broker, CSDP, banker, attorney, accountant or other professional adviser immediately.

If you have disposed of all of your Santam Shares, this Circular should be handed to the purchaser of such Santam Shares or to the Broker, CSDP, banker, attorney or other agent through whom the disposal was effected.

The General Meeting will be held in the auditorium on the ground floor of the Santam head office, 1 Sportica Crescent, Tyger Valley, Bellville, Cape Town on Wednesday, 24 June 2015 at 09:30 a.m. for purposes of considering and, if deemed fit, passing the ordinary and special resolutions required to authorise the implementation of the Specific Repurchase. The notice convening the General Meeting is attached to and forms part of this Circular.

1. DEMATERIALISED SANTAM SHAREHOLDERS WHO ARE NOT OWN-NAME DEMATERIALISED SANTAM SHAREHOLDERS

1.1 Voting at the General Meeting

- 1.1.1 Your Broker or CSDP should contact you to ascertain how you wish to cast your vote at the General Meeting and should thereafter cast your vote in accordance with your instructions.
- 1.1.2 If you have not been contacted by your Broker or CSDP, it is advisable for you to contact your Broker or CSDP and furnish it with your voting instructions.
- 1.1.3 If your Broker or CSDP does not obtain voting instructions from you, it will be obliged to vote in accordance with the instructions contained in the custody agreement concluded between you and your Broker or CSDP.
- 1.1.4 You must **not** complete the attached form of proxy.

1.2 Attendance and representation at the General Meeting

In accordance with the mandate between you and your Broker or CSDP, you must advise your Broker or CSDP if you wish to attend the General Meeting and if so, your Broker or CSDP will issue the necessary letter of representation to you to attend and vote at the General Meeting.

2. CERTIFICATED SANTAM SHAREHOLDERS AND DEMATERIALISED SANTAM SHAREHOLDERS WHO ARE OWN-NAME DEMATERIALISED SANTAM SHAREHOLDERS

2.1 Voting and attendance at the General Meeting

- 2.1.1 You may attend the General Meeting in person and may vote at the General Meeting.
- 2.1.2 Alternatively, you may appoint a proxy to represent you at the General Meeting by completing the attached form of proxy in accordance with the instructions contained therein and returning it to the Transfer Secretary or the Company, to be received by them, for administrative purposes, by no later than 09:30 a.m. on Monday, 22 June 2015.

3. GENERAL

3.1 Approvals necessary for the implementation of the Specific Repurchase at the General Meeting

The implementation of the Specific Repurchase is subject to, inter alia, the approval of the Santam Shareholders by special resolution at the General Meeting in accordance with the Listings Requirements, the Companies Act and the MOI. In order to be approved, the special resolution must be adopted with the support of at least 75% of the voting rights exercised, excluding the votes of Central Plaza and their Associates, on such resolution at the General Meeting.

3.2 Dematerialisation

If a Certificated Santam Shareholder wishes to Dematerialise his Certificated Santam Shares, he/she should contact his Broker or CSDP.

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IMPORTANT DATES AND TIMES

2015

Notice record date, being the date on which a Santam Shareholder must be registered in the Register in order to be eligible to receive the notice of General Meeting on	Friday, 15 May
Circular posted to Santam Shareholders and notice convening the General Meeting released on SENS on	Monday, 25 May
Last day to trade Santam Shares in order to be recorded in the Register to vote at the General Meeting (see note 2 below) on	Thursday, 11 June
General Meeting record date, being the date on which a Santam Shareholder must be registered in the Register in order to be eligible to attend and participate in the General Meeting and to vote thereat, by close of trade on	Friday, 19 June
Form of proxy in respect of the General Meeting to be lodged for administrative purposes, by 09:30 a.m. on	Monday, 22 June
General Meeting held at 09:30 a.m. on	Wednesday, 24 June
Results of the General Meeting published on SENS on	Wednesday, 24 June
Delisting of the Repurchase Shares on or about	Wednesday, 1 July

Notes:

1. *The above dates and times are subject to amendment at the discretion of Santam. Any such amendment will be released on SENS.*
2. *Santam Shareholders should note that as transactions in Santam Shares are settled in the electronic settlement system used by Strate, settlement of trades takes place five Business Days after such trade. Therefore, Santam Shareholders who acquire Santam Shares after close of trade on Thursday, 11 June 2015 will not be eligible to attend, participate in and vote at the General Meeting.*
3. *All dates and times indicated above are South African Standard Times.*

DEFINITIONS

In this Circular and the annexures hereto, unless otherwise indicated, reference to the singular shall include the plural and *vice versa*, words denoting one gender include others, expressions denoting natural persons include juristic persons and associations of persons, and the words in the first column have the meanings stated opposite them in the second column.

“Associate”	an associate as defined in the Listings Requirements;
“B-BBEE”	broad-based black economic empowerment;
“B-BBEE Transaction”	the B-BBEE transaction entered into between Central Plaza and Santam in terms of which Central Plaza acquired 10% of Santam’s issued share capital via a scheme of arrangement, in May 2007;
“Board”	the board of Directors of Santam whose names appear in the “Circular to Santam Shareholders” section of this Circular;
“Broker”	any person registered as a “broking member (equities)” in accordance with the provisions of the Financial Markets Act;
“Business Day”	a day other than a Saturday, Sunday or official public holiday in South Africa;
“Central Plaza”	Central Plaza Investments 112 Proprietary Limited (registration number 2007/007388/07), a private company duly registered and incorporated in accordance with the company laws of South Africa;
“Central Plaza Shareholders”	the registered holders of Central Plaza’s issued ordinary shares, being the Emthunzini Black Economic Empowerment Staff Trust, the Emthunzini Black Economic Empowerment Business Partners Trust and the Emthunzini Broad-based Black Economic Empowerment Community Trust;
“Certificated Santam Shares”	Santam Shares represented by a share certificate or other physical document of title, which have not been surrendered for Dematerialisation in terms of the requirements of Strate;
“Certificated Santam Shareholders”	those Santam Shareholders who hold Certificated Santam Shares;
“Circular”	this circular to Santam Shareholders, dated 25 May 2015, including the annexures hereto, the notice of General Meeting and the form of proxy;
“Companies Act”	the Companies Act, 2008 (Act No. 71 of 2008), as amended;
“Company Secretary”	the secretary of Santam;
“CSDP”	a person that holds in custody and administers securities or an interest in securities and that has been accepted by a central securities depository as a participant in terms of section 31 of the Financial Markets Act;
“Dematerialisation”	the process by which securities held in certificated form are converted to or held in electronic form as uncertificated securities and recorded as such in a sub-register of securities holders maintained by a CSDP and “Dematerialised” shall bear the corresponding meaning;
“Dematerialised Santam Shareholders”	those Santam Shareholders who hold Dematerialised Santam Shares;
“Dematerialised Santam Shares”	Santam Shares which have been Dematerialised;
“Directors”	directors for the time being of Santam;

“Documents of Title”	in respect of Certificated Santam Shares, share certificates, certified transfer deeds, balance receipts and/or any other form of documents of title acceptable to Santam in respect of Santam Shares;
“Emthunzini Black Economic Empowerment Business Partners Trust”	means the Emthunzini Black Economic Empowerment Business Partners Trust (Master’s reference number IT 5324/07), which holds 49% of Central Plaza’s issued ordinary shares;
“Emthunzini Black Economic Empowerment Staff Trust”	means the Emthunzini Black Economic Empowerment Staff Trust (Master’s reference number IT 5323/07), which holds 26% of Central Plaza’s issued ordinary shares;
“Emthunzini Broad-based Black Economic Empowerment Community Trust”	means the Emthunzini Broad-based Black Economic Empowerment Community Trust (Master’s reference number IT 5325/07), which holds 25% of Central Plaza’s issued ordinary shares;
“Financial Markets Act”	the Financial Markets Act, 2012 (Act No. 19 of 2012);
“FSB”	Financial Services Board as incorporated by the Financial Services Board Act, 1990 (Act No. 97 of 1990), as amended;
“General Meeting”	the general meeting of Santam Shareholders to be held in the auditorium on the ground floor of the Santam head office at 1 Sportica Crescent, Tyger Valley, Bellville, Cape Town on Wednesday, 24 June 2015, at 09:30 a.m. for the purpose of considering and if deemed fit, passing the special and ordinary resolutions set out in the notice of General Meeting forming part of this Circular;
“Group”	Santam and its Subsidiaries;
“JSE”	JSE Limited (registration number 2005/022939/06), a public company duly registered and incorporated in accordance with the company laws of South Africa, and licensed to operate an exchange under the Financial Markets Act;
“Last Practicable Date”	the last practicable date prior to the finalisation of this Circular, being 18 May 2015;
“Listings Requirements”	the Listings Requirements of the JSE, as amended from time to time;
“MOI”	the memorandum of incorporation of Santam;
“Own-name Dematerialised Santam Shareholders”	Santam Shareholders that have Dematerialised their Santam Shares and have instructed their CSDP to hold their Santam Shares in their own name on the sub-register maintained by the CSDP and forming part of the Register;
“Rand” or “R”	South African Rand, the official currency of South Africa;
“Register”	the securities register of Santam Shareholders maintained by Santam in terms of the Companies Act, including the register of Certificated Santam Shareholders and the sub-registers of Dematerialised Santam Shareholders maintained by the relevant CSDPs in accordance with the Companies Act;
“Repurchase Agreement”	the agreement, dated 13 May 2015, entered into between Santam and Central Plaza in terms of which Santam will acquire the Repurchase Shares at the Repurchase Price for the Repurchase Consideration;
“Repurchase Consideration”	the aggregate consideration of R800 850 000 payable by Santam in respect of the Repurchase Shares, to be settled in cash;
“Repurchase Price”	R190.00 per share payable by Santam in respect of the Repurchase Shares. The Repurchase Price is at a discount to the 30 Business Day volume weighted average price up to and including 13 May 2015, being the date of the Repurchase Agreement;

“Repurchase Shares”	4 215 000 Santam Shares;
“Santam” or “the Company”	Santam Limited (registration number 1918/001680/06), a public company duly registered and incorporated in accordance with the company laws of South Africa, the issued ordinary share capital of which is listed on the JSE;
“Santam Shareholders”	the registered holders of Santam Shares appearing on the Register from time to time;
“Santam Shares”	ordinary no par value shares in the issued share capital of Santam, all of which shares are listed on the JSE, being 119 346 417 Santam Shares (including Treasury Shares) at the Last Practicable Date;
“SENS”	the Stock Exchange News Service of the JSE;
“Short-term Insurance Act”	Short-term Insurance Act, 1998 (Act No. 53 of 1998), as amended;
“Solvency and Liquidity Test”	the solvency and liquidity test set out in section 4(1) of the Companies Act;
“South Africa”	the Republic of South Africa;
“Specific Repurchase”	the repurchase by Santam of the Repurchase Shares for the Repurchase Consideration, as set out in this Circular, in terms of section 48 of the Companies Act and paragraph 5.69 of the Listings Requirements and pursuant to the terms and conditions of the Repurchase Agreement;
“Strate”	Strate Proprietary Limited (registration number 1998/022242/06), a private company duly registered and incorporated in accordance with the company laws of South Africa, and a registered central securities depository responsible for the electronic custody and settlement system for transactions that take place on the JSE and off-market trades;
“Subsidiary”	a “subsidiary” as defined in section 3 of the Companies Act;
“Transfer Secretary”	Computershare Investor Services Proprietary Limited (registration number 2004/003647/07), a private company duly registered and incorporated in accordance with the company laws of South Africa; and
“Treasury Shares”	4 708 705 Santam Shares held by Guardian National Insurance Limited (registration number 1920/002086/06), representing 3.95% of the Santam Shares.



SANTAM LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1918/001680/06)

JSE share code: SNT, NSX share code: SNM

ISIN: ZAE000093779

Executive Directors

L Lambrechts (*Chief Executive Officer*)

HD Nel (*Chief Financial Officer*)

Y Ramiah

Non-executive Directors

B Campbell*

MD Dunn*

MP Fandeso*

T Fubu*

BTPKM Gamedze

GG Gelink* (*Chairman*)

IM Kirk

MLD Marole*

JP Möller

MJ Reyneke

J van Zyl

**Independent*

CIRCULAR TO SANTAM SHAREHOLDERS

1. INTRODUCTION

Central Plaza was incorporated as part of the B-BBEE Transaction to hold Santam Shares for the benefit of the Central Plaza Shareholders.

In terms of the B-BBEE Transaction, the Santam Shares held by Central Plaza were 'locked-in' until 28 February 2015, after which date the requisite number of Santam Shares are to be sold by Central Plaza to settle all outstanding debt and liabilities. Central Plaza is then obliged to distribute the remaining Santam Shares and cash held by it to the Central Plaza Shareholders, once all of its liabilities have been settled or provided for.

To facilitate the unwind of the B-BBEE Transaction, Santam has entered into the Repurchase Agreement with Central Plaza, in terms of which Santam will repurchase from Central Plaza the Repurchase Shares at the Repurchase Price for the Repurchase Consideration, subject to the conditions precedent referred to in paragraph 4 below.

The Specific Repurchase will not constitute an acquisition by Santam of Santam Shares by way of a general repurchase of Santam Shares as contemplated in subparagraph (b) of paragraph 5.67B of section 5 of the Listings Requirements.

The purpose of this Circular is to provide Santam Shareholders with relevant information relating to the Specific Repurchase and to give notice convening the General Meeting in order to consider and, if deemed fit, pass, with or without modification, the resolutions, as set out in the notice of the General Meeting, to approve and implement the Specific Repurchase.

2. RATIONALE FOR THE SPECIFIC REPURCHASE

The Board, having taken cognisance of the optimal solvency levels and future capital and liquidity requirements of Santam, is of the opinion that Santam's current capital level is surplus to its requirements and therefore deems it appropriate to reduce such capital to an appropriate level. Santam's capital levels are managed within a target solvency margin range of 35% to 45% of net written premiums. Santam's capital requirement in terms of Solvency Assessment and Management (SAM) interim measures is 28.5% of net written premiums. The Board wishes to effect the desired capital reduction by way of the Specific Repurchase.

3. TERMS OF THE SPECIFIC REPURCHASE

Refer to paragraph 1 above for the salient terms of the Specific Repurchase.

The Repurchase Shares represent 3.5% of the Santam Shares at the Last Practicable Date.

The repurchase of the Repurchase Shares and the payment of the Repurchase Consideration, which is to be discharged from Santam's existing cash reserves, will take place two Business Days after the date of fulfilment of the last of the conditions precedent referred to in paragraph 4 below.

The listing of the Repurchase Shares on the JSE will be terminated on, or as soon as possible after, the implementation of the Specific Repurchase, and the Repurchase Shares will be restored as authorised but unissued shares in Santam's share capital. The Specific Repurchase will be applied against Santam's reserves (and not contributed tax capital).

The payment of the Repurchase Consideration by Santam to Central Plaza will constitute a dividend for tax purposes. The Repurchase Price (being R190.00 per Repurchase Share) equates to the same net cash return for Central Plaza had the Repurchase Shares been disposed of by Central Plaza to any party other than Santam, at a price of R214.34 per Repurchase Share.

In terms of section 48 of the Companies Act and paragraph 5.69(b) of the Listings Requirements, a special resolution must be passed by Santam Shareholders (excluding Central Plaza and its Associates) in order to implement the Specific Repurchase. The votes of Central Plaza and its Associates will be taken into account in determining whether a quorum of Santam Shareholders is present at the General Meeting, but such votes will not be taken into account in determining the results of the voting at the General Meeting.

4. CONDITIONS PRECEDENT

- 4.1. The Specific Repurchase is subject to the fulfilment of the following conditions precedent, as contained in the Repurchase Agreement:
 - 4.1.1. the Specific Repurchase being approved by special resolution of the Santam Shareholders (excluding Central Plaza and its Associates) by way of a specific authority; and
 - 4.1.2. the Specific Repurchase being approved by the Registrar of Short-term Insurance in terms of section 23 of the Short-term Insurance Act without any conditions, or in the event that the Registrar of Short-term Insurance attaches any conditions to such approval, Santam decides to proceed with the Specific Repurchase in accordance with such conditions.

5. ADEQUACY OF CAPITAL

- 5.1. The Directors have considered the impact of the Specific Repurchase and are of the opinion that:
 - 5.1.1. the provisions of section 4 and section 48 of the Companies Act have been complied with;
 - 5.1.2. Santam and the Group will be able in the ordinary course of business to pay its debts for a period of 12 months after the date of approval of this Circular;
 - 5.1.3. the assets of Santam and the Group will be in excess of its liabilities for a period of 12 months after the date of approval of this Circular, where for this purpose, the assets and liabilities are recognised and measured in accordance with the accounting policies used in the latest audited consolidated annual financial statements of the Santam and the Group.

- 5.2. Furthermore, in respect of the Specific Repurchase:
- 5.2.1. in terms of section 46(1)(a)(ii) of the Companies Act and the Listings Requirements, the Board has, by resolution, authorised the Specific Repurchase;
- 5.2.2. in terms of section 46(1)(b) of the Companies Act, it reasonably appears that Santam and the Group will satisfy the Solvency and Liquidity Test immediately after completing the Specific Repurchase; and
- 5.2.3. in terms of section 46(1)(c) of the Companies Act and paragraph 5.69 of the Listings Requirements, the Board has, by resolution, acknowledged that it has applied the Solvency and Liquidity Test, and reasonably concluded that Santam and the Group will satisfy the Solvency and Liquidity Test immediately after completing the Specific Repurchase.

6. MAJOR BENEFICIAL SANTAM SHAREHOLDERS

To the best of Santam's knowledge and belief, the following major beneficial shareholders are the direct beneficial owners of 5% or more of the Santam Shares:

Before the Specific Repurchase:

Shareholder	Direct number of shares held	Percentage of total issued ordinary share capital*
Sanlam Life Insurance Limited	68 526 300	57.42%
Central Plaza	8 462 287	7.09%
Government Employees' Pension Fund	6 677 591	5.60%
Total	83 666 178	70.11%

* Percentage shareholding is based on Santam's total issued ordinary shares of 119 346 417, which includes the Treasury Shares

After the Specific Repurchase:

Shareholder	Direct number of shares held	Percentage of total issued ordinary share capital*
Sanlam Life Insurance Limited	68 526 300	59.52%
Central Plaza	4 247 287	3.69%
Government Employees' Pension Fund	6 677 591	5.80%
Total	79 451 178	69.01%

* Percentage shareholding is based on 115 131 417, which is comprised of Santam's total issued ordinary shares of 119 346 417 after the Repurchase Shares have been restored to the authorised but unissued share capital of Santam, but includes the Treasury Shares

7. MATERIAL CHANGES

There have been no material changes in the financial or trading position of Santam since the end of the last financial period, being 31 December 2014, up to and including the Last Practicable Date.

8. DIRECTORS' INTERESTS

The Directors' interests in Santam Shares, as at the Last Practicable Date, are as follows:

Director	Direct beneficial	Indirect beneficial	Percentage of total issued ordinary share capital* (%)
Executive Directors			
L Lambrechts	–	–	–
HD Nel	–	–	–
Y Ramiah	100	–	0.0001%
Non-executive Directors			
B Campbell	100	–	0.0001%
MD Dunn	100	–	0.0001%
MP Fandeso	103	–	0.0001%
T Fubu	–	–	–
BTPKM Gamedze	200	–	0.0002%
GG Gelink	–	–	–
IM Kirk	2 265	–	0.0019%
MLD Marole	–	–	–
JP Möller	108	–	0.0001%
MJ Reyneke	–	25 711	0.0215%
J van Zyl	108	–	0.0001%
Total	3 084	25 711	0.0242%

* Percentage shareholding is based on Santam's total issued ordinary shares of 119 346 417, which includes the Treasury Shares

There have been no changes to the Directors' shareholdings since the end of the last financial period, being 31 December 2014, up to and including the Last Practicable Date.

9. SHARE CAPITAL

The table below sets out Santam's authorised and issued ordinary share capital with no par value before and after the Specific Repurchase:

Before the Specific Repurchase	Number of shares	R'm
Authorised ordinary share capital	150 000 000	n/a
Issued ordinary share capital	119 346 417	107
Treasury Shares	4 708 705	(510)
After the Specific Repurchase	Number of shares	R'm
Authorised ordinary share capital	150 000 000	n/a
Issued ordinary share capital	115 131 417	103*
Treasury Shares	4 708 705	(510)

* The issued ordinary share capital has been reduced proportionately by the number of Repurchase Shares that are repurchased by Santam

10. IRREVOCABLE UNDERTAKINGS

Santam has received irrevocable undertakings from certain Santam Shareholders to vote the stated number of Santam Shares held by them as at the date of the General Meeting, either as principal or on behalf of clients, in favour of the Specific Repurchase and the resolutions to be proposed at the General Meeting. Details of shareholdings of these parties as at the Last Practicable Date are set out below:

Shareholder	Shares subject to undertaking	Percentage holding*	Effective voting rights for the Specific Repurchase [^]
Sanlam Investment Management [°]	71 668 594	62.52%	67.50%
Old Mutual Equity Boutique of Old Mutual Investment Group Proprietary Limited	1 861 256	1.62%	1.75%
Total	73 529 850	64.14%	69.25%

* Percentage shareholding is based on 114 637 712 Santam Shares, which is comprised of Santam's total issued ordinary shares of 119 346 417, excluding the Treasury Shares

[^] Effective voting rights are based on 106 175 425 Santam Shares, which is comprised of Santam's total issued ordinary shares of 119 346 417, excluding the Treasury Shares and excluding Santam Shares held by Central Plaza and its Associates of 8 462 287

[°] Sanlam Investment Management, a division of Sanlam Life Insurance Limited, and Sanlam Investment Management Proprietary Limited

11. COSTS OF THE SPECIFIC REPURCHASE

The costs (exclusive of value-added tax) of the Specific Repurchase are anticipated to be:

Description	Estimated amount (Rand)
Securities transfer tax	2 002 125
Investment bank and sponsor	250 000
Legal adviser	40 000
FSB application	20 000
Printing and related costs	130 000
JSE documentation fees	19 630
Total	2 461 755

12. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors, whose names are set out on page 1 of this Circular, collectively and individually accept full responsibility for the accuracy of the information given in this Circular in relation to Santam and certify that, to the best of their knowledge and belief, no facts have been omitted which would make any statement in this Circular false or misleading, that all reasonable enquiries to ascertain such facts have been made and that the Circular contains all information required by law and the Listings Requirements.

13. IMPACT ON THE FINANCIAL INFORMATION OF SANTAM

The Specific Repurchase is anticipated to be funded from Santam's existing cash reserves and will result in a decrease in Santam's net asset value by the amount of the Repurchase Consideration.

14. CONSENTS

The legal advisers, investment bank, sponsor and Transfer Secretary have consented in writing to act in the capacities stated in this document and to their names being stated in this document and have not withdrawn their consent prior to the publication of this Circular.

15. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents, or copies thereof, will be available for inspection at the registered office of Santam and at Building 2, 11 Alice Lane, Sandton, Johannesburg, 2196 during normal office hours from Monday, 25 May 2015 to Wednesday, 24 June 2015:

- the MOI of Santam;
- the consolidated audited annual financial statements of Santam for the years ended 31 December 2012, 31 December 2013 and 31 December 2014;
- the consent letters referred to in paragraph 14 above; this Circular; and
- the Repurchase Agreement.

By order of the Board

GG Gelink

Chairman

25 May 2015

Registered office

1 Sportica Crescent
Tyger Valley
Bellville
7530



SANTAM LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1918/001680/06)

JSE share code: SNT, NSX share code: SNM

ISIN: ZAE000093779

NOTICE OF GENERAL MEETING

All terms defined in the Circular, to which this notice of General Meeting is attached, shall bear the same meanings when used in this notice of General Meeting.

Notice is hereby given to Santam Shareholders recorded in the Register on Friday, 15 May 2015, that the General Meeting of Santam Shareholders will be held on Wednesday, 24 June 2015 in the auditorium on the ground floor of the Santam head office at 1 Sportica Crescent, Tyger Valley, Bellville, Cape Town at 09:30 a.m., to consider and, if deemed fit, pass, with or without modification, the special and ordinary resolutions set out hereunder. The record date for determining which Santam Shareholders are entitled to participate in and vote at the General Meeting is Friday, 19 June 2015. Accordingly, the last day to trade in order to be eligible to participate and vote at the General Meeting will be Thursday, 11 June 2015.

RESOLUTIONS RELATED TO THE SPECIFIC REPURCHASE

Special resolution: Specific authority for the acquisition by the Company of 4 215 000 Santam Shares currently owned by Central Plaza at a Repurchase Price of R190.00 per Repurchase Share

“Resolved as a special resolution that the Company be and is hereby authorised, by way of a specific authority, in accordance with the applicable provisions of the Companies Act, the Listings Requirements and its MOI, to acquire an aggregate of 4 215 000 Santam Shares from Central Plaza at a Repurchase Price of R190.00 per Repurchase Share and an aggregate Repurchase Consideration of R800 850 000.”

Once the Specific Repurchase has been completed, the Repurchase Shares acquired from Central Plaza will be restored to the authorised, but unissued, share capital of the Company, and will be delisted.

In terms of the Companies Act, the Company’s MOI and the Listings Requirements, this resolution will be adopted with the support of not less than 75% of voting rights exercised on this resolution. The votes of Central Plaza and its Associates will be taken into account in determining whether a quorum of Santam Shareholders is present at the General Meeting, but such votes will not be taken into account in determining the results of the voting on this resolution.

The Directors have considered the impact of the Specific Repurchase contemplated in this resolution and are of the opinion that the provisions of section 4 and section 48 of the Companies Act have been complied with, and:

- in terms of section 46(1)(a)(ii) of the Companies Act, the Board has, by resolution, authorised the Specific Repurchase;
- in terms of section 46(1)(b) of the Companies Act, it reasonably appears that the Company and the Group will satisfy the Solvency and Liquidity Test immediately after completing the Specific Repurchase; and
- in terms of section 46(1)(c) of the Companies Act and paragraph 5.69 of the Listings Requirements, the Board has, by resolution, acknowledged that it has applied the Solvency and Liquidity Test, and reasonably concluded that the Company and the Group will satisfy the Solvency and Liquidity Test immediately after completing the Specific Repurchase.

Reason and effect of the special resolution

The reason for the passing of the special resolution is to authorise the Company to implement a repurchase in terms of the Listings Requirements, the Companies Act and the Company's MOI of 4 215 000 Santam Shares currently owned by Central Plaza at a Repurchase Price of R190 per Repurchase Share and an aggregate Repurchase Consideration of R800 850 000. The effect of the passing and implementation of the special resolution is that the Company would repurchase 4 215 000 Santam Shares.

Ordinary resolution: Directors' authority to take all such actions necessary to implement the special resolution

"Resolved as an ordinary resolution that (i) any Director of the Company be and is hereby authorised and empowered to do all such things, sign all such documents and take all such actions as may be necessary for or incidental to the implementation of the Specific Repurchase contemplated in the special resolution contained in the notice convening the General Meeting at which this resolution will be considered, and (ii) to the extent that any Director has, as at the date of the General Meeting, already performed any of the actions contemplated herein, such actions are hereby ratified and approved."

In terms of section 65(7) of the Companies Act and the Company's MOI, this resolution will be adopted with the support of more than 50% of the voting rights exercised on this resolution. The votes of Central Plaza and its Associates will be taken into account in determining whether a quorum of Santam Shareholders is present at the General Meeting, but such votes will not be taken into account in determining the results of the voting on this resolution.

ENTITLEMENT TO ATTEND AND VOTE AT THE GENERAL MEETING

Santam Shareholders who wish to participate in the General Meeting should note that, in terms of section 63 of the Companies Act, they are required to provide reasonable satisfactory identification before being entitled to attend or participate in the General Meeting. Forms of identification include valid identity documents, driver's licences and passports.

Certificated Santam Shareholders and Own-name Dematerialised Santam Shareholders may attend and vote at the General Meeting, or alternatively appoint a proxy to attend, speak and, in respect of the resolutions to be considered in the General Meeting, vote in their stead by completing the attached form of proxy and returning it to the Transfer Secretary at Computershare Investor Services Proprietary Limited, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107) or the registered office of the Company, Santam head office at 1 Sportica Crescent, Tyger Valley, Bellville, Cape Town, addressed to the Company Secretary for administration purposes to be received by no later than 09:30 a.m. on Monday, 22 June 2015.

Dematerialised Santam Shareholders, other than Own-name Dematerialised Santam Shareholders, must contact their CSDP or Broker, as the case may be, and obtain the relevant letter of representation from it if they wish to attend the General Meeting. If these Santam Shareholders are unable to attend the General Meeting but wish to be represented thereat, they must furnish their CSDP or Broker, as the case may be, with their instructions for voting at the General Meeting.

Forms of proxy should be forwarded to reach the Transfer Secretary or the registered office of the Company at the addresses given above, for administration purposes by no later than 09:30 a.m. on Monday, 22 June 2015. The completion of a form of proxy will not preclude a Santam Shareholder from attending the General Meeting.

By order of the Board

25 May 2015

Registered office

1 Sportica Crescent
Tyger Valley
Bellville
7530



SANTAM LIMITED
(Incorporated in the Republic of South Africa)
(Registration number 1918/001680/06)
JSE share code: SNT, NSX share code: SNM
ISIN: ZAE000093779

FORM OF PROXY

All terms defined in the Circular, to which this notice of General Meeting is attached, shall bear the same meanings when used in this form of proxy.

For use only by Santam Shareholders holding Certificated Santam Shares, nominee companies of CSDPs, Brokers' nominee companies and Own-name Dematerialised Santam Shareholders at the General Meeting of the Santam Shareholders to be held in the auditorium on the ground floor of the Santam head office at 1 Sportica Crescent, Tyger Valley, Bellville, Cape Town at 09:30 a.m. on Wednesday, 24 June 2015, or any adjournment thereof.

Dematerialised Santam Shareholders who are not Own-name Dematerialised Santam Shareholders **must not complete this form of proxy** and must provide their CSDP or Broker with their voting instructions, except for Own-name Dematerialised Santam Shareholders recorded in the sub-register through a CSDP or Broker, which Santam Shareholders must complete this form of proxy and lodge it with their CSDP or Broker in terms of the custody agreement entered into between them and their CSDP or Broker. Dematerialised Santam Shareholders who are not Own-name Dematerialised Santam Shareholders wishing to attend the General Meeting must inform their CSDP or Broker of such intention and request their CSDP or Broker to issue them with the necessary authorisation to attend.

I/We (Full names in block letters) _____

of Address _____

Telephone number _____ Cellphone number _____

Email address _____

being the holder/s or custodians of _____ ordinary shares in the Company, hereby appoint:

1. _____ or failing him/her,

2. _____ or failing him/her,

3. _____ the chairperson of the General Meeting,

as my/our proxy to vote for me/us on my/our behalf at the General Meeting to be held at 09:30 a.m. on Wednesday, 24 June 2015 or any adjournment thereof as follows:

	Number of votes (one vote per share)		
	In favour of	Against	Abstain
Special resolution – Specific authority, in terms of the Companies Act, the Listings Requirements and Santam's MOI for the Specific Repurchase by Santam of an aggregate of 4 215 000 Santam Shares, from Central Plaza			
Ordinary resolution – Authority for Directors to take all such actions necessary to implement the Specific Repurchase			

Insert an "X" in the relevant space above according to how you wish your votes to be cast; however, if you wish to cast your votes in respect of less than all of the shares that you own in the company, insert the number of ordinary shares held in respect of which you desire to vote.

Signed at _____ on _____

Signature _____

Assisted by me (if applicable) _____

On a show of hands, every Santam Shareholder or his proxy shall have one vote (irrespective of the number of Santam Shares held). On a poll, every Santam Shareholder or his proxy shall have one vote for each Santam Share held or represented.

Each shareholder is entitled to appoint one or more proxies (none of whom need to be a shareholder of the company) to attend, speak and, on a poll, vote in place of that shareholder at the General Meeting.

Please read the notes on the reverse side hereof.

Notes:

1. A Santam Shareholder may insert the name of a proxy or the names of two alternative proxies of the Santam Shareholder's choice in the space/s provided, with or without deleting "the chairperson of the General Meeting", but any such deletion must be initiated by the Santam Shareholder. The person whose name appears first on the form of proxy and who is present at the General Meeting will be entitled to act as proxy to the exclusion of those whose names follow.
2. Please insert an "X" in the relevant spaces according to how you wish your votes to be cast. However, if you wish to cast your votes in respect of a lesser number of Santam Shares than you own in the Company, insert the number of ordinary shares held in respect of which you wish to vote. Failure to comply with the above will be deemed to authorise the proxy to vote or to abstain from voting at the General Meeting as he/she deems fit in respect of all the shareholder's votes exercisable thereat. A Santam Shareholder or the proxy is not obliged to use all the votes exercisable by the member or by the proxy, but the total of the votes cast and in respect whereof abstention is recorded may not exceed the total of the votes exercisable by the Santam Shareholder or by the proxy.
3. Forms of proxy must be received at the office of the Transfer Secretary, Computershare Investor Services Proprietary Limited, PO Box 61051, Marshalltown 2107, or the registered office of the Company, Santam head office, 1 Sportica Crescent, Tyger Valley, Bellville, Cape Town, addressed to the Company Secretary, to be received by them not later than 09:30 a.m. on Monday, 22 June 2015.
4. The completion and lodging of this form of proxy will not preclude the relevant Santam Shareholder from attending the General Meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof.
5. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form of proxy unless previously recorded by Santam's Transfer Secretary or waived by the chairperson of the General Meeting.
6. Any alteration or correction made to this form of proxy must be initiated by the signatory(ies).
7. A minor must be assisted by his/her parent or guardian unless the relevant documents establishing his/her legal capacity are produced or have been registered by the Transfer Secretary of the Company.
8. The chairperson of the General Meeting may reject or accept any form of proxy that is completed and/or received other than in accordance with these notes if he/she is satisfied as to the manner in which the Santam Shareholder wishes to vote.
9. Joint holders – any such persons may vote at the General Meeting in respect of such joint shares as if he/she were solely entitled thereto; but if more than one of such joint holders are present or represented at the General Meeting, that one of the said persons whose name stands first in the Register in respect of such shares or his/her proxy, as the case may be, is alone entitled to vote in respect thereof.
10. Own-name Dematerialised Santam Shareholders will be entitled to attend the General Meeting in person or, if they are unable to attend and wish to be represented thereat, must complete and return the attached form of proxy to the Transfer Secretary in accordance with the time specified on the form of proxy.

Summary of the rights established in terms of section 58 of the Companies Act:

For purposes of this summary, "shareholder" shall have the meaning ascribed thereto in the Companies Act.

1. At any time, a shareholder of a company is entitled to appoint an individual, including an individual who is not a shareholder of that company, as a proxy, to participate in, and speak and vote at, a shareholders meeting on behalf of the shareholder, or give or withhold written consent on behalf of such shareholder in relation to an decision contemplated in section 60 of the Companies Act.
2. A proxy appointment must be in writing, dated and signed by the relevant shareholder, and such proxy appointment remains valid for one year after the date upon which the proxy was signed, or any longer or shorter period expressly set out in the appointment, unless it is revoked in a manner contemplated in section 58(4)(c) of the Companies Act or expires earlier as contemplated in section 58(8)(d) of the Companies Act.
3. Except to the extent that the MOI of a company provides otherwise –
 - 3.1. a shareholder of the relevant company may appoint two or more persons concurrently as proxies, and may appoint more than one proxy to exercise voting rights attached to different securities held by such shareholder;
 - 3.2. a proxy may delegate his authority to act on behalf of a shareholder to another person, subject to any restriction set out in the instrument appointing the proxy; and
 - 3.3. a copy of the instrument appointing a proxy must be delivered to the relevant company, or to any other person on behalf of the relevant company, before the proxy exercises any rights of the shareholder at a shareholders meeting.
4. Irrespective of the form of instrument used to appoint a proxy, the appointment of the proxy is suspended at any time and to the extent that the shareholder who appointed that proxy chooses to act directly and in person in the exercise of any rights as a shareholder of the relevant company.
5. Unless the proxy appointment expressly states otherwise, the appointment of a proxy is revocable. If the appointment of a proxy is revocable, a shareholder may revoke the proxy appointment by cancelling it in writing, or making a later inconsistent appointment of a proxy, and delivering a copy of the revocation instrument to the proxy and the company.
6. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the relevant shareholder as of the later of the date: (a) stated in the revocation instrument, if any; or (b) upon which the revocation instrument is delivered to the proxy and the relevant company as required in section 58(4)(c)(ii) of the Companies Act.
7. If the instrument appointing a proxy or proxies has been delivered to the relevant company, as long as that appointment remains in effect, any notice that is required by the Companies Act or the relevant company's MOI to be delivered by such company to the shareholder, must be delivered by such company to the shareholder, or to the proxy or proxies, if the shareholder has directed the relevant company to do so in writing and paid any reasonable fee charged by the company for doing so.
8. A proxy is entitled to exercise, or abstain from exercising, any voting right of the relevant shareholder without direction, except to the extent that the MOI, or the instrument appointing the proxy provide otherwise.
9. If a company issues an invitation to shareholders to appoint one or more persons named by such company as a proxy, or supplies a form of instrument for appointing a proxy:
 - 9.1. such invitation must be sent to every shareholder who is entitled to notice of the meeting at which the proxy is intended to be exercised;
 - 9.2. the invitation, or form of instrument supplied by the relevant company, must: (a) bear a reasonably prominent summary of the rights established in section 58 of the Companies Act; (b) contain adequate blank space, immediately preceding the name or names of any person or persons named in it, to enable a shareholder to write in the name and, if so desired, an alternative name of a proxy chosen by such shareholder; and (c) provide adequate space for the shareholder to indicate whether the appointed proxy is to vote in favour or against the applicable resolution/s to be put at the relevant meeting, or is to abstain from voting;
 - 9.3. the company must not require that the proxy appointment be made irrevocable; and
 - 9.4. the proxy appointment remains valid only until the end of the relevant meeting at which it was intended to be used, unless revoked as contemplated in section 58(5) of the Companies Act.