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## APPLICABLE PRICING SUPPLEMENT

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### **RESILIENT PROPERTY INCOME FUND LIMITED**

*(Incorporated in the Republic of South Africa with limited liability under Registration Number 2002/016851/06)*

**unconditionally and irrevocably guaranteed by**

### **Resilient Properties Proprietary Limited**

*(Incorporated in the Republic of South Africa with limited liability under registration number 2002/016890/07)*

### **Issue of ZAR159,000,000 Senior Unsecured Floating Rate Notes due 20 October 2017 (RES32) Under its ZAR4,000,000,000 Domestic Medium Term Note Programme**

This Applicable Pricing Supplement must be read in conjunction with the Programme Memorandum, dated 4 October 2010, prepared by Resilient Property Income Fund Limited in connection with the Resilient Property Income Fund Limited ZAR4,000,000,000 Domestic Medium Term 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.

### **DESCRIPTION OF THE NOTES**

1.	Issuer	Resilient Property Income Fund Limited
2.	Guarantor	Resilient Properties Proprietary Limited
3.	Status of Notes	Unsecured
4.	Form of Notes	Listed Registered Notes
5.	Series Number	32
6.	Tranche Number	1
7.	Aggregate Nominal Amount:	
	(a) Series	ZAR159,000,000
	(b) Tranche	ZAR159,000,000
8.	Interest	Interest-bearing
9.	Interest Payment Basis	Floating Rate
10.	Automatic/Optional Conversion from one Interest/Redemption/Payment Basis to another	N/A
11.	Form of Notes	Registered Notes: The Notes in this Tranche are

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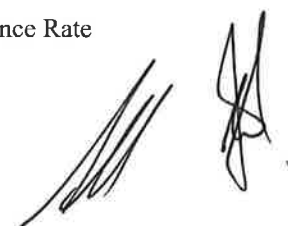
	issued in uncertificated form and held by the CSD.
12. Issue Date	20 October 2014
13. Nominal Amount per Note	ZAR1,000,000
14. Specified Denomination	ZAR1,000,000
15. Issue Price	100%
16. Interest Commencement Date	20 October 2014
17. Maturity Date	20 October 2017
18. Applicable Business Day Convention	Following Business Day
19. Final Redemption Amount	100% of the Nominal Amount
20. Last Day to Register	By 17h00 on 9 January, 9 April, 9 July and 9 October of each year until the Maturity Date
21. Books Closed Period(s)	The Register will be closed from 10 January to 19 January, 10 April to 19 April, 10 July to 19 July and 10 October to 19 October of each year until the Maturity Date
22. Default Rate	N/A

**FIXED RATE NOTES**

N/A

**FLOATING RATE NOTES**

23	(a) Interest Payment Date(s)	20 January, 20 April, 20 July and 20 October of each year until the Maturity Date with the first Interest Payment Date being 20 January 2015.
	(b) Interest Periods	From and including the applicable Interest Payment Date and ending on but excluding the following Interest Payment Date, the first Interest Period commencing on 20 October 2014 and ending the day before the next Interest Payment Date
	(c) Definitions of Business Day (if different from that set out in Condition 1 ( <i>Interpretation</i> ))	N/A
	(d) Minimum Interest Rate	N/A
	(e) Maximum Interest Rate	N/A
	(f) Day Count Fraction	Actual/365
	(g) Any other terms relating to the particular method of calculating interest	N/A
24.	Manner in which the Interest Rate is to be determined	Screen Rate Determination
25.	Margin	155 basis points to be added to the Reference Rate



- |     |   |   |
|-----|---|---|
| 26. | Is 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   |
| 27. | If Screen Rate Determination:   |   |
|     | (a) Reference Rate (including relevant period by reference to which the Interest Rate is to be calculated)  | 3 month JIBAR   |
|     | (b) Interest Determination Date(s)  | 15 October 2014 being the first Interest Rate Determination Date and thereafter the first business day of each Interest Period, subject to the Applicable Business Day Convention |
|     | (c) Relevant Screen Page and Reference Code   | Reuters page 0#SFXmm: or successor page   |
| 28. | If Rate of Interest to be calculated otherwise than by ISDA Determination or Screen Determination, insert basis for determining Rate of Interest/Margin/Fallback provisions | N/A   |
| 29. | Calculation Agent responsible for calculating amount of principal and interest  | Rand Merchant Bank, a division of FirstRand Bank Limited  |
|     | <b>ZERO COUPON NOTES</b>  | N/A   |
|     | <b>PARTLY PAID NOTES</b>  | N/A   |
|     | <b>INSTALMENT NOTES</b>   | N/A   |
|     | <b>MIXED RATE NOTES</b>   | N/A   |
|     | <b>INDEX-LINKED NOTES</b>   | N/A   |
|     | <b>DUAL CURRENCY NOTES</b>  | N/A   |
|     | <b>EXCHANGEABLE NOTES</b>   | N/A   |
|     | <b>OTHER NOTES</b>  | N/A   |
|     | <b>PROVISIONS REGARDING REDEMPTION/MATURITY</b>   |   |
| 30. | Issuer's Optional Redemption  | No  |
| 31. | Redemption at the Option of the Senior Noteholders  | No  |




32. Early Redemption Amount(s) payable on redemption for taxation reasons or on Event of Default (if required). Yes
33. Redemption in the event of a Change of Control Yes

**GENERAL**

34. Financial Exchange JSE (Interest Rate Market)
35. Debt Sponsor Rand Merchant Bank, a division of FirstRand Bank Limited, a public company and a bank incorporated in accordance with the laws of South Africa
36. Calculation Agent Rand Merchant Bank, a division of FirstRand Bank Limited, a public company and a bank incorporated in accordance with the laws of South Africa
37. Paying Agent The Standard Bank of South Africa Limited
38. Specified office of the Paying Agent 25 Sauer Street, Johannesburg, 2107
39. Transfer Agent Rand Merchant Bank, a division of FirstRand Bank Limited, a public company and a bank incorporated in accordance with the laws of South Africa
40. Provisions relating to stabilisation N/A
41. Stabilising manager N/A
42. Additional selling restrictions N/A
43. ISIN ZAG000120593
44. Stock Code RES32
45. Method of distribution Dutch Auction (Sealed bid without feedback)
46. The notice period required for exchanging uncertificated Notes for Certificates 10 Business Days
47. If syndicated, names of Managers N/A
48. If non-syndicated, name of Dealer(s) Rand Merchant Bank, a division of FirstRand Bank Limited
49. Credit Rating assigned to the Programme N/A
50. Credit Rating assigned to the Issuer A(za) National Long Term as at March 2014, which will be reviewed in March 2015
51. Applicable Rating Agency Global Credit Rating Co Proprietary Limited
52. Governing law (if the laws of South Africa are not applicable) N/A
53. Surrendering of Notes in the case of Notes represented by a Certificate 10 days after the date on which the Certificate in respect of the Notes to be redeemed has been surrendered to the Issuer
54. Total Notes in Issue (including this issue) ZAR2,458,000,000
55. Pricing Methodology Standard JSE Pricing Methodology



## 56. Other provisions

(1) **Event of Default**

The following Event of Default will apply to these Notes in addition to the Events of Default referred to in Condition 16 of the Terms and Conditions:

*“the Guarantee (as defined below) is not in full force and effect and such failure has continued for more than 30 (thirty) days following the service on the Guarantor and the Issuer of a written notice requiring the failure to be remedied”.*

(2) **Redemption in the Event of a Breach of Financial Covenant**

See paragraph 1 of Schedule 1 headed “*Redemption in the event of a breach of Financial Covenant*”

(3) **Guarantee**

See paragraph 2 of Schedule 1 headed “*Guarantee*” and Schedule 2

(4) **Additional Documents Incorporated By Reference**

See Schedule 3 “headed “*Additional Documents Incorporated By Reference*”

**DISCLOSURE REQUIREMENTS IN TERMS OF PARAGRAPH 3(5) OF THE COMMERCIAL PAPER REGULATIONS**57. Paragraph 3(5)(a)

The ultimate borrower is the Issuer.

58. 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.

59. Paragraph 3(5)(c)

The auditor of the Issuer is Deloitte & Touche.

60. Paragraph 3(5)(d)

As at the date of this issue:

- (i) the Issuer has issued ZAR2,458,000,000 (including this issue) of Commercial Paper (as defined in the Commercial Paper Regulations); and
- (ii) the Issuer estimates that it may issue up to ZAR1,542,000,000 of commercial paper during the current financial year, ending 30 June 2015.

61. 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.

62. 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.

63. Paragraph 3(5)(g)

The Notes issued will be listed.

64. 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.

65. Paragraph 3(5)(i)

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

66. Paragraph 3(5)(j)

Deloitte & Touche, the statutory auditors of the Issuer, have confirmed that their review did not reveal anything which indicates 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 accepts responsibility for the information contained in this Applicable Pricing Supplement. To the best of the knowledge and belief of the Issuer the information contained in this Applicable Pricing Supplement is in accordance with the facts and does not omit anything which would make any statement false or misleading and all reasonable enquiries to ascertain such facts have been made. This Applicable Pricing Supplement contains all information required by law and the debt listings requirements of the JSE.

The JSE takes no responsibility for the contents of the Programme Memorandum, this Applicable Pricing Supplement, or the annual report (as amended or restated from time to time), makes no representation as to the accuracy or completeness of any of the foregoing documents and expressly disclaims any liability for any loss arising from or in reliance upon the whole or any part of the Programme Memorandum, this Applicable Pricing Supplement, or the annual report (as amended or restated from time to time). The Issuer accepts full responsibility for the accuracy of the information contained in the Programme Memorandum, this Applicable Pricing Supplement, and the annual report (as amended or restated from time to time), except as otherwise stated herein.

Application is hereby made to list this issue of Notes on 20 October 2014.

SIGNED at RIVONIA on this 16<sup>TH</sup> day of OCTOBER 2014

For and on behalf of

**RESILIENT PROPERTY INCOME FUND LIMITED**



Name: NICK HANEKOM

Capacity: Director

Who warrants his/her authority hereto



Name: ANDRIES DE LANGE

Capacity: Director

Who warrants his/her authority hereto

## SCHEDULE 1

### 1. REDEMPTION IN THE EVENT OF A BREACH OF FINANCIAL COVENANT

Redemption in the event of a breach of Financial Covenant

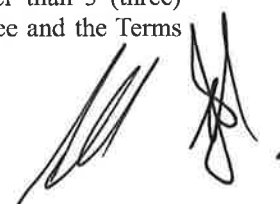
The provisions of this Schedule 1 (*Redemption in the event of a breach of Financial Covenant*) shall apply to the RES32 Notes (the **Notes**).

- 1.1 The Issuer shall, for as long as the Notes remain Outstanding, maintain the Financial Covenant.
- 1.2 The Issuer shall be required to test the Financial Covenant within 60 (sixty) days of the end of each interim financial period or financial year, as the case may be.
- 1.3 If a breach of Financial Covenant (as defined below) occurs at any time while any Note remains Outstanding, then the Issuer shall within 20 (twenty) days of the Issuer becoming aware of a breach of Financial Covenant take reasonable steps to remedy such breach of Financial Covenant, failing which, the Issuer shall promptly give notice to the Noteholders in accordance with Condition 18 (*Notices*) specifying the nature of the breach of Financial Covenant and the circumstances giving rise to it and the procedure for exercising the option contained in paragraph 1.4 below (**Breach of Financial Covenant Notification**).
- 1.4 Such option shall be exercisable by the Noteholders by the delivery of a written notice (a **Breach of Financial Covenant Redemption Notice**) to the Issuer at its registered office within 30 (thirty) days after the receipt by the Noteholders of the Breach of Financial Covenant Notification, unless prior to the delivery by that Noteholder of its Breach of Financial Covenant Redemption Notice the Issuer gives notice to redeem the Notes.
- 1.5 Subject to paragraph 1.4, the Issuer shall redeem all Notes held by the Noteholders at its Early Redemption Amount together with accrued interest (if any) within 15 (fifteen) days of having received a Breach of Financial Covenant Redemption Notice from the Noteholders to redeem such Notes.
- 1.6 In the event of any dispute in respect of any calculation relating to the Financial Covenant referred to in paragraph 1.7, such dispute shall be determined by the Issuer's independent auditors, acting as experts and not as arbitrators (taking into account the Terms and Conditions), whose determination will, in the absence of manifest error, be final and binding on the Issuer and Noteholders. The cost of such independent auditors in resolving such dispute shall be borne by the Issuer.
- 1.7 For the purposes of this Schedule 1 (*Redemption in the event of a breach of Financial Covenant*):
  - (a) **Resilient Group** means the Issuer and any other company or entity whose financial results are consolidated with the financial results of the Issuer in accordance with IFRS.
  - (b) **Financial Covenant** means the Loan to Value Ratio (as defined below) to be maintained by the Resilient Group for as long as any Notes remain Outstanding under the Terms and Conditions, whereby such Loan to Value Ratio shall not exceed 50% (fifty percent).
  - (c) **Loan to Value Ratio** means in respect of the Resilient Group, whilst any Notes remain Outstanding:
    - i. the secured and unsecured debt plus any sureties or guarantees secured by the assets of the Resilient Group, provided by the Resilient Group for any liability or obligation of the Resilient Group after the Issue Date;
    - ii. divided by the sum of the market value of the property portfolio and the listed stock portfolio of the Resilient Group, expressed as a percentage.

### 2. GUARANTEE


In accordance with the terms of the Guarantee attached hereto as Schedule 2, the Guarantor has irrevocably and unconditionally guaranteed to the Noteholders the due and punctual payment by the Issuer of all amounts owing by the Issuer in respect of the Notes issued pursuant to this Applicable Pricing Supplement (the **Guarantee**).

- 2.1 The Guarantor is required to make any payment under the Guarantee by no later than 3 (three) Business Days after receipt of a written demand under and in terms of the Guarantee and the Terms



and Conditions. All payments under the Guarantee will *pro tanto* discharge the Issuer of its corresponding obligations to the Noteholders under these Notes.

- 2.2 The Guarantee will be deposited with, and held by, the Transfer Agent until the later of:
  - 2.2.1 the date on which the Programme is terminated by the Issuer; and
  - 2.2.2 the date on which all the obligations of the Issuer and/or the Guarantor, as the case may be, under or in respect of these Notes have been discharged in full.
- 2.2 Each Noteholder shall be entitled to require the Transfer Agent to produce the original of the Guarantee on request and the Transfer Agent shall be obliged, to provide a copy of the Guarantee to that Noteholder on request. In holding the Guarantee, the Transfer Agent does not act in any fiduciary or similar capacity for the Noteholders and it has not accepted any liability, duty or responsibility to Noteholders in this regard.

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**SCHEDULE 2**

**NOTEHOLDERS GUARANTEE**

by

**RESILIENT PROPERTIES PROPRIETARY LIMITED**

in favour of the


**NOTEHOLDERS**

for the obligations of

**RESILIENT PROPERTY INCOME FUND LIMITED**

in respect of

the issue of ZAR159,000,000 Senior Unsecured Floating Rate Notes due 20 October 2017 (RES32) (the **Notes**) by Resilient Property Income Fund Limited, under its ZAR4,000,000,000 Domestic Medium Term Note Programme.

Two handwritten signatures in black ink, one on the left and one on the right, both appearing to be stylized and illegible.

## NOTEHOLDERS GUARANTEE

We, the undersigned,

### RESILIENT PROPERTIES PROPRIETARY LIMITED

(registration number 2002/016890/07), being a private company incorporated in accordance with the laws of South Africa,  
(the **Guarantor**),

hereby irrevocably and unconditionally guarantee (as primary obligor and not merely as surety) to the Noteholders of the ZAR159,000,000 Senior Unsecured Floating Rate Notes due 20 October 2017 (RES32) (the **Notes**) issued or to be issued by Resilient Property Income Fund Limited (registration number: 2002/016851/06) (the **Issuer**) under the Resilient Property Income Fund Limited ZAR4,000,000,000 (Four Billion Rand) Domestic Medium Term Note Programme (the **Programme**), the due and punctual payment of all amounts due by the Issuer in respect of the Notes arising under the Programme pursuant to the Programme Memorandum dated 4 October 2010, as amended and/or supplemented from time to time (the **Programme Memorandum**).

1. Terms used but not defined herein have the meanings set forth in the section of the Programme Memorandum headed "*Terms and Conditions of the Notes*" (the **Terms and Conditions**).
2. All payments made in terms of this Guarantee shall be made mutatis mutandis in accordance with Conditions 8 (*Interest*) and 9 (*Payments*) of the Terms and Conditions.
3. This Guarantee shall be binding on the Guarantor and shall continue to be binding on the Guarantor and, with respect to any payment, or any part thereof, of principal and/or interest on any Note that is rescinded or must otherwise be returned by the Transfer Agent or any Noteholder if such rescission or return of payment has been compelled by law as a result of the insolvency of any of the Issuer or if such rescission or return of payment is a result of any law, regulation or decree applicable to the Issuer.
4. The Guarantor hereby renounces all benefits arising from the legal exceptions "*non numeratae pecuniae*" (no money was paid over), "*non causa debiti*" (lack of actionable debt), "*errore calculi*" (mistake in calculation of amount due) and "*beneficia excussionis et divisionis*" (the benefits of excussion and division), with the force and effect of which the Guarantor hereby declares itself to be fully acquainted. The Guarantor agrees that this Guarantee is to be in addition and without prejudice to any other suretyship/s and security/ies now or hereafter to be held by the Noteholders and shall remain in force as a continuing security notwithstanding any intermediate settlement of account and notwithstanding any legal disability of such Guarantor.
5. For so long as the Notes remain outstanding, the Guarantor undertakes not to, and will procure that it shall not, create or permit the creation of any Encumbrance, other than any Permitted Encumbrance over any of its present or future businesses, undertakings, assets or revenues (including any uncalled capital) to secure any present or future Indebtedness of the Issuer or the Guarantor or any guarantee or indemnity given in respect of any present or future Indebtedness (save for those that have been accorded a preference by law) without at the same time securing all Senior Notes equally and rateably with such Indebtedness or any such guarantee or indemnity or providing such other security as may be approved by Extraordinary Resolution of the Senior Noteholders, unless the provision of any such security is waived by an Extraordinary Resolution of the Senior Noteholders.



6. No action in respect of any collateral or security given by the Issuer, or any other persons, in respect of the Notes is required to be taken before action is taken against the Guarantor under this Guarantee, and the existence or enforceability of this Guarantee shall not affect or be affected by any other security held in respect of the Issuer's obligations under the Notes.
7. Any admission made by the Issuer in respect of the Notes shall be binding on the Guarantor.
8. A demand made under this Guarantee by any Noteholder after an Event of Default has occurred and while it is continuing shall be made in writing to the Guarantor at the address specified below.
9. Payment to the Transfer Agent under this Guarantee shall:
  - 9.1 be made by the Guarantor to the Transfer Agent not later than 3 (three) Business Days after receipt of a demand in accordance with clause **Error! Reference source not found.** above;
  - 9.2 discharge the Guarantor of its applicable obligations to the Noteholders under this Guarantee; and
  - 9.3 *pro tanto* discharge the Issuer of its corresponding obligations to the Noteholders under the Notes.
10. Notwithstanding any part payment by the Guarantor or on the Guarantor's behalf, the Guarantor shall have no right to any cession of action in respect of such part payment and shall not be entitled to take any action against the Issuer or against any other surety for the Issuer in respect thereof unless and until the indebtedness of the Issuer to the Noteholders shall have been discharged in full.
11. Each notice, demand or other communication under this Guarantee shall be in writing and be delivered personally or by recognised courier or facsimile and be deemed to have been given:
  - 11.1 in the case of a facsimile, on the first Business Day following the date of transmission; and
  - 11.2 in the case of a letter, when delivered; and
  - 11.3 shall be sent to
 

**Resilient Proper**  
Physical address:

Attention:  
Facsimile:

or to such other address in  
Guarantor to the Noteholder.
12. The Guarantor chooses the a this Guarantee, whether in re whatsoever nature.
13. This Guarantee is, and all rig be construed in accordance wi
14. This Guarantee will terminate finally discharged in accordanc

15. The Guarantor agrees for the benefit of the Noteholders that the South Gauteng High Court, Johannesburg, South Africa (or any successor to that division) shall have jurisdiction to hear and determine any suit, action or proceedings, and to settle any disputes which may arise out of or in connection with this Guarantee and, for such purposes, irrevocably submits to the jurisdiction of such court.
16. This Guarantee will be deposited with, and be held by, the Transfer Agent until the later of:
  - 16.1 the date on which the Programme is terminated by the Issuer; and
  - 16.2 the date on which all of the obligations of the Issuer and the Guarantors under or in respect of the Notes have been discharged in full.
17. The Guarantor acknowledges and agrees that each Noteholder shall be entitled to require the Transfer Agent to produce the original of this Guarantee on request and further shall be entitled to require the Transfer Agent, which shall be obliged, to provide a copy of this Guarantee to that Noteholder on request. In holding the Guarantee, the Transfer Agent shall not act in any fiduciary or similar capacity for the Noteholders and shall not accept any liability, duty or responsibility to Noteholders in this regard.
18. This Guarantee constitutes the whole agreement relating to the subject matter hereof. No amendment or consensual cancellation of this Guarantee or any provision or term hereof shall be binding unless approved by Extraordinary Resolution of Noteholders and thereafter recorded in a written document signed by the Guarantor. Any waiver or relaxation or suspension given or made shall be strictly construed as relating strictly to the matter in respect whereof it was made or given.

**SIGNED** at \_\_\_\_\_ on this \_\_\_\_\_ day of \_\_\_\_\_ 2014

For and on behalf of

**RESILIENT PROPERTIES PROPRIETARY LIMITED**

\_\_\_\_\_  
 Name:  
 Capacity:  
 Who warrants her/his authority hereto

\_\_\_\_\_  
 Name:  
 Capacity:  
 Who warrants her/his authority hereto

**SCHEDULE 3****ADDITIONAL DOCUMENTS INCORPORATED BY REFERENCE**

*Capitalised terms used in this section headed “Additional Documents Incorporated by Reference” shall bear the same meanings as used in the Terms and Conditions and this Applicable Pricing Supplement, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context.*

1. In addition to the documents incorporated by reference into the Programme Memorandum (see section of the Programme Memorandum headed “*Documents Incorporated by Reference*”):
  - 1.1 the audited annual financial statements, and notes thereto, of the Guarantor in respect of its financial years, as and when such audited financial statements become available; and
  - 1.2 the Noteholders Guarantee dated on or about 15 October 2014 executed by the Guarantor in favour of the Noteholders,

shall be deemed to be incorporated in, and form part of, this applicable pricing supplement.

2. The Guarantor will, for as long as any of the Notes remains outstanding, provide at the registered office of the Issuer as set out at the end of the Programme Memorandum, without charge, to any person, upon request of such person, a copy of all of the documents referred to in paragraphs 1.1 and 1.2 above, which are incorporated herein by reference, unless such documents have been modified or superseded, in which case the modified or superseding documentation will be provided. Requests for such documents should be directed to the Issuer in writing at the Issuer’s registered office as set out at the end of the Programme Memorandum. In addition, the constitutive documents of the Guarantor will be available at the registered office of the Issuer as set out at the end of the Programme Memorandum upon written request addressed to the company secretary of the Issuer.