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## APPLICABLE PRICING SUPPLEMENT

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**Issue of ZAR500,000,000 Senior Unsecured Floating Rate Notes due 28 September 2015**

**Under its ZAR10,000,000,000 Domestic Medium Term Note Programme**

**Stock Code: IPL5**

**IMPERIAL GROUP (PROPRIETARY) LIMITED**

*(Incorporated with limited liability in the Republic of South Africa under Registration Number 1983/009088/07)*

**Guaranteed by**

**IMPERIAL HOLDINGS LIMITED**

*(Incorporated with limited liability in the Republic of South Africa under Registration Number 1946/021048/06)*

This Applicable Pricing Supplement must be read in conjunction with the Programme Memorandum, dated 22 September 2010, prepared by Imperial Group (Proprietary) Limited in connection with the Imperial Group (Proprietary) Limited ZAR10,000,000,000 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.

### **PARTIES**

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|----------------------|---|
| 1. Issuer            | Imperial Group (Proprietary) Limited  |
| 2. Guarantor         | Imperial Holdings Limited   |
| 3. Dealer            | N/A   |
| 4. Managers          | Rand Merchant Bank, a division of FirstRand Bank Limited<br>Absa Capital, a division of Absa Bank Limited |
| 5. Paying Agent      | Nedbank Capital, a division of Nedbank Limited  |
| Specified Address    | 135 Rivonia Road<br>Sandton<br>2196   |
| 6. Calculation Agent | Nedbank Capital, a division of Nedbank Limited  |
| Specified Address    | 135 Rivonia Road<br>Sandton<br>2196   |
| 7. Transfer Agent    | Computershare Investor Services (Proprietary) Limited   |
| Specified Address    | 70 Marshall Street<br>Johannesburg<br>2001  |

**PROVISIONS RELATING TO THE NOTES**

8.	Status of Notes	Senior Unsecured
9.	Form of Notes	Listed Registered Notes
10.	Series Number	5
11.	Tranche Number	1
12.	Aggregate Nominal Amount:	
	(a) Series	ZAR500,000,000
	(b) Tranche	ZAR500,000,000
13.	Interest	Interest-bearing
14.	Interest Payment Basis	Floating Rate Notes
15.	Automatic/Optional Conversion from one Interest/Redemption/Payment Basis to another	N/A
16.	Form of Notes	Registered Notes: The Notes in this Tranche are issued in certificated form and lodged in the CSD under a single Global Certificate
17.	Issue Date	28 September 2010
18.	Nominal Amount per Note	ZAR1,000,000
19.	Specified Denomination	ZAR1,000,000
20.	Specified Currency	ZAR
21.	Issue Price	100%
22.	Interest Commencement Date	28 September 2010
23.	Maturity Date	28 September 2015
24.	Applicable Business Day Convention	Modified Following Business Day
25.	Final Redemption Amount	100% of Nominal Amount
26.	Last Day to Register	by 17h00 on 17 December, 17 March, 17 June and 17 September of each year until the Maturity Date
27.	Books Closed Period(s)	The Register will be closed from 18 December to 27 December; 18 March to 27 March; 18 June to 27 June; and 18 September to 27 September (all dates inclusive) in each year until the Maturity Date
28.	Default Rate	N/A
<b>FIXED RATE NOTES</b>		N/A
<b>FLOATING RATE NOTES</b>		
29.	(a) Floating Interest Payment Date(s)	28 December, 28 March, 28 June and 28 September of each year until the Maturity Date
	(b) Interest Period(s)	28 September to 27 December; 28 December to 27 March; 28 March to 27 June; and 28 June to 27 September (all dates inclusive) in each year until the Maturity Date

(c)	Definition of Business Day (if different from that set out in Condition 11)( <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)	Day Count Fraction is Actual/365
30.	Manner in which the Rate of Interest is to be determined	Screen Rate Determination
31.	Margin	198 basis points to be added to the relevant Reference Rate
32.	If ISDA Determination:	N/A
(a)	Floating Rate	N/A
(b)	Floating Rate Option	N/A
(c)	Designated Maturity	N/A
(d)	Reset Date(s)	N/A
(e)	ISDA Definitions to apply	N/A
33.	If Screen Determination:	
(a)	Reference Rate (including relevant period by reference to which the Rate of Interest is to be calculated)	ZAR-JIBAR-SAFEX with a designated maturity of three months
(b)	Interest Rate Determination Date(s)	28 September, 28 December, 28 March and 28 June of each year until the Maturity Date, with the first Interest Rate Determination Date being 22 September 2010
(c)	Relevant Screen Page and Reference Code	Reuters page SAFEX code 01209 or any successor page
34.	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
35.	Calculation Agent responsible for calculating amount of principal and interest	Nedbank Capital, a division of Nedbank 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>		

36.	Redemption at the Option of the Issuer:	No
	If yes:	
(a)	Optional Redemption Date(s)	N/A
(b)	Optional Redemption Amount(s) and method, if any, of calculation of such amount(s)	N/A
(c)	Minimum period of notice (if different from Condition 11.3 ( <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 Senior Noteholders:	No
	if yes:	
(a)	Optional Redemption Date(s)	N/A
(b)	Optional Redemption Amount(s)	N/A
(c)	Minimum period of notice (if different from Condition 11.4 ( <i>Redemption at the Option of the Senior Noteholders</i> ))	N/A
(d)	If redeemable in part:	
	Minimum Redemption Amount(s)	N/A
	Higher Redemption Amount(s)	N/A
(e)	Other terms applicable on Redemption	N/A
(f)	Attach <i>pro forma</i> put notice(s)	
38.	Early Redemption Amount(s) payable on redemption for taxation reasons or on Event of Default (if required).	Yes
	If no:	
(a)	Amount payable; or	N/A
(b)	Method of calculation of amount payable	N/A
39.	Redemption in the event of a Change of Control	Yes

#### GENERAL

40.	Financial Exchange	JSE Limited (Interest Rate Market)
41.	Additional selling restrictions	N/A
42.	ISIN	ZAG000080961
43.	Stock Code	IPL5
44.	Stabilising manager	N/A

45.	Provisions relating to stabilisation	N/A
46.	The notice period required for exchanging uncertificated Notes for Certificates	10 days
47.	Method of distribution	Unsyndicated
48.	Credit Rating assigned to the Notes	A2.za
49.	Rating Agency	Moody's Investor Services
50.	Governing law (if the laws of South Africa are not applicable)	N/A
51.	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 Note to be redeemed has been surrendered to the Issuer
52.	Other provisions	N/A

#### **DISCLOSURE REQUIREMENTS IN TERMS OF PARAGRAPH 3(5) OF THE COMMERCIAL PAPER REGULATIONS**

53. Paragraph 3(5)(a)

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

54. 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.

55. Paragraph 3(5)(c)

The auditor of the Issuer is Deloitte & Touche.

56. Paragraph 3(5)(d)

As at the date of this issue:

- (i) the Issuer has issued ZAR2,500,000,000 Commercial Paper (as defined in the Commercial Paper Regulations) (which amount includes Notes issued under the Previous Programme Memorandum); and
- (ii) the Issuer estimates that it may issue ZAR750,000,000 (excluding notes currently outstanding) of Commercial Paper during the current financial year, ending 30 June 2011.

57. Paragraph 3(5)(e)

All information that may reasonably be necessary to enable the investor to ascertain the nature of the financial and commercial risk of its investment in the Notes is contained in the Programme Memorandum and the Applicable Pricing Supplement.

58. Paragraph 3(5)(f)

There has been no material adverse change in the Issuer's financial position since the date of its last audited financial statements.

59. Paragraph 3(5)(g)

The Notes issued will be listed.

60. Paragraph 3(5)(h)

The funds to be raised through the issue of the Notes are to be used by the Issuer for its general corporate purposes.

61. Paragraph 3(5)(i)

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

62. Paragraph 3(5)(j)

Deloitte & Touche, the statutory auditors of the Issuer, have confirmed that nothing has come to their attention to cause them to believe 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:**

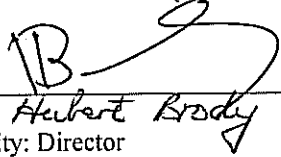
The Issuer accepts responsibility for the information contained in this Applicable Pricing Supplement.

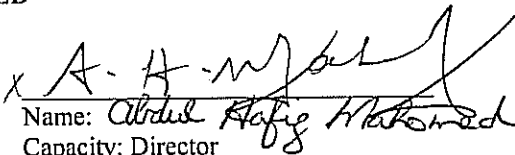
Application is hereby made to list this issue of Notes on 28 September 2010.

SIGNED at Bedfordshire on this 23<sup>rd</sup> day of September 2010

For and on behalf of

**IMPERIAL GROUP (PROPRIETARY) LIMITED**

x   
Name: Herbert Brody  
Capacity: Director  
Who warrants his/her authority hereto

x   
Name: Abdul Hafiz Mohamed  
Capacity: Director  
Who warrants his/her authority hereto