
APPLICABLE PRICING SUPPLEMENT



REAL PEOPLE INVESTMENT HOLDINGS (PROPRIETARY) LIMITED

(Incorporated in the Republic of South Africa with limited liability under Registration Number 1999/020093/07)

Unconditionally and irrevocably guaranteed, by

RAND MERCHANT BANK, A DIVISION OF FIRST RAND BANK LIMITED

and

**EACH MATERIAL SUBSIDIARY OF REAL PEOPLE INVESTMENT HOLDINGS
(PROPRIETARY) LIMITED**

(as defined in this Applicable Pricing Supplement)

Issue of ZAR400,000,000 Senior Unsecured Floating Rate Notes

**Under its ZAR5,000,000,000 Real People Investment Holdings (Proprietary) Limited Domestic
Medium Term Note Programme**

This document constitutes the Applicable Pricing Supplement relating to the issue of Notes described herein. Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions set forth in the Programme Memorandum dated 23 February 2011. The Notes described in this Applicable Pricing Supplement are subject to the Terms and Conditions in the Programme Memorandum. This Applicable Pricing Supplement contains the final terms of the Notes and this Applicable Pricing Supplement must be read in conjunction with such Programme Memorandum. 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 | Real People Investment Holdings (Proprietary) Limited |
| 2. Guarantor | Rand Merchant Bank, a division of First Rand Bank Limited ("RMB") |
| 3. RMB Guaranteed Amount | 50% (fifty percent) of the aggregate nominal value of the Notes outstanding at such time, up to a maximum of ZAR200,000,000 (two hundred million rand) |
| 4. Upstream Guarantors | Real People (Proprietary) Limited;
IQA Academy (Proprietary) Limited
and each other Material Subsidiary which accedes to the Upstream Guarantee in accordance with the terms and conditions thereof, as announced on the SENS system of |

the JSE Limited from time to time.

5.	Series Number	1
6.	Tranche Number	1
7.	Specified Currency	ZAR
8.	Aggregate Nominal Amount	ZAR400,000,000
9.	Issue Price	100%
10.	Specified Denomination	ZAR1,000,000
11.	Issue Date	1 March 2011
12.	Interest Commencement Date	1 March 2011
13.	Business Centre	Johannesburg
14.	Additional Business Centre	N/A
15.	Interest/Payment Basis	Floating Rate Notes
16.	Automatic/Optional Conversion from one Interest/Redemption/Payment Basis to another	N/A
17.	Status of Notes	Senior Unsecured
18.	Form of Notes	Registered Notes
19.	Maturity Date	28 February 2014
20.	Applicable Business Day Convention	Modified Following Business Day
21.	Final Redemption Amount	100% of the Nominal Amount
22.	Last Date to Register	by 17h00 on the 10 th day preceding a payment date provided that if such date falls on a day which is a Saturday, Sunday or public holiday in the Republic of South Africa, such Last Date to Register shall be the following Business Day
23.	Books Closed Period(s)	The Register will be closed from the first Business Day immediately following the Last Date to Register
24.	Default Rate	N/A
	FIXED RATE NOTES	N/A
	FLOATING RATE NOTES	
25.	(a) Floating Interest Payment Dates	28 February, 31 May, 31 August and 30 November of each year until the Maturity Date
	(b) Interest Period(s)	From and including the Interest Commencement Date and ending on but excluding the immediately following Interest Payment Date and thereafter from and including the applicable Interest Payment Date and ending on but excluding the Maturity Date
	(c) Rate of Interest	Reference Rate plus Margin




(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
26. Manner in which the Rate of Interest is to be determined	Screen Rate Determination
27. Margin	270 basis points
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
28. 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 Determination Date(s)	28 February, 31 May, 31 August and 30 November of each year until the Maturity Date except for the first Interest Period where the Rate of Interest will be determined on the First Interest Determination Date.
(c) Relevant Screen Page and Reference Code	Reuters page SAFEX code 01209 or any successor page
(d) First Interest Determination Date	23 February 2011
29. 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
30. If different from the Calculation Agent, the agent responsible for calculating amount of principal and interest	N/A
ZERO COUPON NOTES	N/A
PARTLY-PAID NOTES	N/A
INSTALMENT NOTES	N/A
MIXED RATE NOTES	N/A
INDEX-LINKED NOTES	N/A



DUAL CURRENCY NOTES	N/A
EXCHANGEABLE NOTES	N/A
OTHER NOTES	N/A

**PROVISIONS REGARDING
REDEMPTION/MATURITY**

31. Issuer's Optional Redemption:	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 7.3 (<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
32. Redemption at the Option of the Noteholders: if yes:	Yes
(a) Optional Redemption Date(s)	As provided in Condition 11.5 (<i>Redemption at the Option of the Noteholders following a Redemption Event</i>) and Condition 11.6 (<i>Redemption at the Option of the Noteholders following a Change of Control Event</i>)
(b) Optional Redemption Amount(s)	As provided in Condition 11.5 (<i>Redemption at the Option of the Noteholders following a Redemption Event</i>) and Condition 11.6 (<i>Redemption at the Option of the Noteholders following a Change of Control Event</i>)
(c) Minimum period of notice (if different from Condition 11.4 (<i>Redemption at the Option of the Noteholders</i>))	As provided in Condition 11.5 (<i>Redemption at the Option of the Noteholders following a Redemption Event</i>) and Condition 11.6 (<i>Redemption at the Option of the Noteholders following a Change of Control Event</i>)
(d) If redeemable in part:	
Minimum Redemption Amount(s)	As provided in Condition 11.5 (<i>Redemption at the Option of the Noteholders following a Redemption Event</i>) and Condition 11.6 (<i>Redemption at the Option of the Noteholders following a Change of Control Event</i>)
Higher Redemption Amount(s)	As provided in Condition 11.5 (<i>Redemption at the Option of the Noteholders following a</i>

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	<i>Redemption Event) and Condition 11.6 (Redemption at the Option of the Noteholders following a Change of Control Event)</i>
(e) Other terms applicable on Redemption	As provided in Condition 11.5 (<i>Redemption at the Option of the Noteholders following a Redemption Event</i>) and Condition 11.6 (<i>Redemption at the Option of the Noteholders following a Change of Control Event</i>)
(f) Attach <i>pro forma</i> put notice(s)	
33. Early Redemption Amount(s) payable on redemption for taxation reasons or on Event of Default (if required)	Yes
34. Coupon Redemption Calculation	N/A
GENERAL	
35. Exchange	Interest Rate Market of the JSE
36. Calculation Agent	Rand Merchant Bank, a division of First Rand Bank Limited
37. Paying Agent	Rand Merchant Bank, a division of First Rand Bank Limited
38. Specified office of the Paying Agent	1 Merchant Place Sandton 2196
39. Issuing Agent	Computershare Investor Services (Proprietary) Limited
(a) Address	70 Marshall Street Johannesburg, 2001 South Africa
(b) Telephone Number	(+27) (011) 370 7843
(c) Telefax Number	(+27) (011) 688 7077
40. Stabilising manager	N/A
41. Provisions relating to Stabilisation	N/A
42. Additional selling restrictions	N/A
43. ISIN	ZAG000084401
44. Stock Code	RPG01
45. Method of distribution	Dutch Auction
46. If syndicated, names of Managers	Rand Merchant Bank, a division of First Rand Bank Limited
47. If non-syndicated, name of Dealer	N/A
48. Credit Rating assigned (if any)	A(RSA) (Global Credit Ratings), which rating has been assigned to this Note

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|---|-------------------------------------|
| 49. Receipts attached? If yes, number of Receipts attached | No |
| 50. Coupons attached? If yes, number of Coupons attached | No |
| 51. Talons attached? If yes, number of Talons attached | No |
| 52. Stripping of Receipts and/or Coupons prohibited as provided in Condition 17.4 (<i>Prohibition on Stripping</i>) | No |
| 53. Governing law (if the laws of South Africa are not applicable) | N/A |
| 54. Other Banking Jurisdiction | N/A |
| 55. Other provisions | Additional Conditions set out below |




Disclosure Requirements in terms of paragraph 3(5) of the Commercial Paper Regulations

Paragraph 3(5)(a)

The ultimate borrower is Real People Investment Holdings (Proprietary) Limited.

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.

Paragraph 3(5)(c)

The auditor of the Issuer is PKF (JHB) Inc.

Paragraph 3(5)(d)

As at the date of this issue:

- (a) the Issuer has not issued any commercial paper; and
- (b) the Issuer estimates to issue commercial paper with a nominal value of ZAR587,000,000 during its current financial year, ending 31 March 2011.

Paragraph 3(5)(e)

Prospective investors in the Notes are to consider this Pricing Supplement, the Programme Memorandum and the documentation incorporated therein by reference in order to ascertain the nature of the financial and commercial risks of an investment in the Notes. In addition, prospective investors in the Notes are to consider the latest audited financial statements of the Issuer which are incorporated into the Programme Memorandum by reference and which may be requested from the Issuer.

Investors are to be aware that the credit quality of the ZAR400,000,000 Senior Unsecured Floating Rate Notes described in this Applicable Pricing Supplement is dependent on the credit quality of FirstRand Bank Limited. There is therefore a risk that the credit quality of the Notes will be adversely affected by a deterioration in the credit quality of either the Issuer or the Guarantor.

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.

Paragraph 3(5)(g)

The Notes issued will be listed, as stated in the Applicable Pricing Supplement.

Paragraph 3(5)(h)

The funds to be raised through the issue of the Notes are to be used by the Issuer for -

- payment of pre-existing debt obligations owing to any creditor;
- its ongoing operational expenses (including, but not limited to, general operational expenses, interest expenses, and taxes owing); and
- for the costs of acquisition of any assets (including, but not limited to, moveable assets, fixed assets, and the purchasing of debtors books). .

Paragraph 3(5)(i)

The obligations of the Issuer in respect of the Notes are unsecured but guaranteed by the Guarantor subject to the additional conditions set out below.



Paragraph 3(5)(j)

PKF (JHB) Inc., the auditors of the Issuer, have confirmed that nothing has come to their attention to indicate that this issue of Notes issued under the Programme will not comply in all respects with the relevant provisions of the Commercial Paper Regulations.

ADDITIONAL CONDITIONS

1.1 Unless the context indicates a contrary intention, the following words and expressions bear the meanings assigned to them in their corresponding definition provisions, and cognate expressions bear corresponding meanings –

- 1.1.1 **"Additional Conditions"** means these additional conditions;
- 1.1.2 **"APS"** means this applicable pricing supplement in respect of the RMB Guaranteed Notes;
- 1.1.3 **"Capital Adequacy Ratio"** means the ratio calculated quarterly, based on the Issuer's consolidated Financial Statements, by dividing the Issuer's tier 1 capital and tier 2 capital by the risk-weighted assets as calculated using the Basel II standardised methodology and definitions;
- 1.1.4 **"Debt Sponsor"** means RMB;
- 1.1.5 **"Disbursement"** means a payment made by the Guarantor into the Guarantee Account under and in terms of the Guarantee from time to time;
- 1.1.6 **"Financial Statements"** means the audited financial statements of the Issuer for each Financial Year, where available, or the unaudited management accounts of the Issuer for each month;
- 1.1.7 **"Financial Year"** means each of the Issuer's financial years, it being recorded that the Issuer's financial year currently ends on the last day of March in each year;
- 1.1.8 **"Guarantee"** means the agreement headed "*Guarantee*" entered into or to be entered into between the Issuer, the Paying Agent and the Guarantor, in terms of which the Guarantor will guarantee, in favour of the RMB Guaranteed Noteholders, the due, proper and punctual performance by the Issuer of its obligations to the RMB Guaranteed Noteholders under and in terms of the Programme Memorandum, all on the terms and conditions contained therein;



- 1.1.9 **"Guarantee Account"** means the account held by the Guarantor, at the Guarantor for the purposes of making payment of a Disbursement under and in terms of the Guarantee;
- 1.1.10 **"Guarantee Amount"** means at any time, 50% (fifty percent) of the aggregate nominal value of the RMB Guaranteed Notes outstanding at such time, up to a maximum of ZAR200, 000, 000 (two hundred million rand);
- 1.1.11 **"Guaranteed Obligations"** means the payment obligations, not exceeding the Guarantee Amount, by the Issuer of the interest and Principal Amount payable in respect of the RMB Guaranteed Notes, in accordance with the terms and conditions of the Programme Memorandum and this APS, and excluding, for the avoidance of doubt, any payment obligation of the Issuer for fees and expenses of the RMB Guaranteed Noteholders;
- 1.1.12 **"Material Subsidiaries"** means the material subsidiaries as defined in the Programme Memorandum;
- 1.1.13 **"Noteholders"** means the noteholders as defined in the Programme Memorandum;
- 1.1.14 **"Notes"** means the notes as defined in the Programme Memorandum;
- 1.1.15 **"Outstandings"** means the aggregate of all amounts owing by the Issuer to the Guarantor pursuant to the Guarantor having made Disbursements;
- 1.1.16 **"Payment Account"** means the account in the name of the Issuer with the Paying Agent to hold amounts required to be deposited by the Issuer for the purpose of making payments due to the RMB Guaranteed Noteholders, in accordance with the provisions of the Programme Memorandum and the Guarantee;
- 1.1.17 **"Payment Date"** means any date on which the Issuer is obliged to make a payment of interest and/or the Principal Amount with respect to the RMB Guaranteed Notes in accordance with these Additional Conditions;
- 1.1.18 **"Paying Agent"** means RMB;
- 1.1.19 **"Principal Amount"** means, in relation to a RMB Guaranteed Note, the nominal value thereof;

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- 1.1.20 **"Programme"** means the ZAR5,000,000,000 (five billion rand) Domestic Medium Term Note Programme established by the Programme Memorandum;
- 1.1.21 **"Programme Memorandum"** means the programme memorandum dated on or about 23 February 2011, as revised, supplemented, amended or updated by the Issuer from time to time in respect of its ZAR5, 000, 000, 000 (five billion rand) domestic medium term note programme;
- 1.1.22 **"Release Date"** means the earlier of the date –
 - 1.1.22.1 the date on which the total Guarantee Amount has been paid by way of Disbursement/s;
 - 1.1.22.2 the date on which it becomes illegal for the Guarantor to comply with the Guaranteed Obligations;
 - 1.1.22.3 the date on which the RMB Guaranteed Notes are redeemed for any reason whatsoever, in accordance with the Condition 11 of the Programme Memorandum; or
 - 1.1.22.4 the Issuer has complied with all its payment obligations owing to the RMB Guaranteed Noteholders under and in terms of these Additional Conditions;
- 1.1.23 **"RMB Guaranteed Noteholders"** means, in relation to any RMB Guaranteed Note, the person whose name is registered in the Register as the holder of such RMB Guaranteed Note;
- 1.1.24 **"RMB Guaranteed Note"** means the unsubordinated floating rate notes, ISIN No. ZAG000084401 partially guaranteed by the Guarantor, with a minimum denomination of ZAR1, 000, 000 (one million rand), issued or to be issued by the Issuer in favour of the RMB Guaranteed Noteholders in terms of this APS and which will rank *pari passu* in all respects amongst themselves and will rank equally with all other present or future unsecured and unsubordinated obligations of the Issuer;
- 1.1.25 **"Settlement Agent"** means the settlement agent as defined in the Programme Memorandum;
- 1.1.26 **"South Africa"** means the Republic of South Africa;
- 1.1.27 **"Upstream Guarantee"** means the joint and several guarantee dated 23 February 2011 executed by the Material Subsidiaries in favour of the



Noteholders, the term of which are contained in the Programme Memorandum, as such guarantee may be varied, superseded and/or amended from time to time; and

1.1.28 "ZAR" or "rand" means the lawful currency of South Africa.

2 Capital Adequacy Ratio

The Issuer is to maintain a Capital Adequacy Ratio in excess of 30% at all times.

3 Guarantee

The Guarantor irrevocably and unconditionally, as a principal and primary obligation, in favour of the RMB Guaranteed Noteholders, guarantees to the RMB Guaranteed Noteholders, the due, proper and punctual payment of the amounts due and payable to the RMB Guaranteed Noteholders under the Guaranteed Obligations.

4 Duration

4.1 This Guarantee shall become effective on the Issue Date and shall remain in force until the Release Date.

4.2 Despite release, if any payment or other performance which has had the effect of reducing or discharging the liability of the Guarantor under the Guarantee is wholly or partly set aside, or refunded by agreement, after release of the Guarantor, the liability of the Guarantor for the indebtedness so reduced or discharged by such payment or other performance shall revive up to the Release Date.

4.3 Notwithstanding anything to the contrary contained herein, the Guaranteed Obligations may not be varied or novated without the prior written consent of the Guarantor.

5 Guarantee Conditions

5.1 Guarantor's Maximum Liability

The Guarantor's liability under and in terms of the Guarantee, including (without limitation) its payment obligation owing to the RMB Guaranteed Noteholders under the Guarantee, shall not under any circumstances exceed the Guarantee Amount.

5.2 Enforcement of the Guarantee

5.2.1 Notwithstanding that the Guarantor has guaranteed the fulfilment of the Guaranteed Obligations in favour of the RMB Guaranteed Noteholders, the Guarantee may only be enforced in accordance with the provisions of



this Additional Condition 5.2 by the Paying Agent. No RMB Guaranteed Noteholder may on its own or together with other RMB Guaranteed Noteholders, enforce the Guarantee against the Guarantor directly.

5.2.2 If the Paying Agent determines that on the 10th (tenth) Business Days prior to a Payment Date, there is a shortfall (each, a "**Shortfall**") in the funds deposited by the Issuer in the Payment Account to pay the amounts due and payable to the RMB Guaranteed Noteholders on such Payment Date and the Issuer, after receipt of a request from the Paying Agent (with a copy to the Guarantor), has failed to deposit into the Payment Account, on or prior to the 7th (seventh) Business Days prior to such Payment Date, an amount sufficient to cover such Shortfall, the Paying Agent shall, as soon as possible but in any event 7 (seven) Business Days prior to such Payment Date, and only to the extent that such amount is not held in the Payment Account –

5.2.2.1 notify the Guarantor in writing of such events. At the same time, the Issuer, in collaboration with the Debt Sponsor, shall issue a statement on the Stock Exchange News Service of the JSE Limited ("**SENS**") advising the Noteholders and State of the enforcement of the Guarantee;

5.2.2.2 determine the corresponding Shortfall Amount; and

5.2.2.3 request the Guarantor to pay the Shortfall Amount (which shall not exceed the Guarantee Amount) into the Guarantee Account.

5.2.3 The Paying Agent's request for payment under the Guarantee shall be effected by delivering to the Guarantor a written notice, executed by the Paying Agent, whose authority to execute the notice shall not be necessary to prove ("**Notice of Guarantee Demand**").

5.2.4 Following the receipt of a Notice of Guarantee Demand sent pursuant to Additional Condition 5.2.3, the Guarantor shall, no later than 5 (five) Business Days prior to the Payment Date, deliver to the Paying Agent via facsimile a written confirmation acknowledging receipt of the notice and either -

5.2.4.1 confirming its agreement with the Paying Agent's calculation of the

Shortfall; or

5.2.4.2 indicating that the Guarantor disagrees with the Paying Agent's determination of the Shortfall. In the event of any such disagreement, the Guarantor and the Paying Agent shall consult with each other in good faith within 3 (three) Business Days from the date of receipt by the Paying Agent of the acknowledgement of receipt from the Guarantor in order to determine whether a Shortfall has occurred in accordance with the provisions hereof. In the event that the Guarantor and the Paying Agent cannot agree on whether a Shortfall has occurred and/or the amount of the Shortfall within the consultation period, the larger of the amount proposed by the Guarantor and the amount proposed by the Paying Agent will prevail, save that nothing contained herein shall require the Guarantor to disburse an amount greater than the Guarantee Amount. If the Paying Agent agrees, following such consultation, to amend its calculation of the Shortfall or the amounts that prevail in case of disagreement differs from such calculation, then the Paying Agent shall deliver a replacement notice to the Guarantor reflecting such amendment no later than 3 (three) Business Days prior to the relevant Payment Date.

5.2.5 Following receipt by it of the notice sent pursuant to Additional Condition 5.2.1 and upon any consultation required pursuant to Additional Condition 5.2.4, the Guarantor shall, no later than 2 (two) Business Days prior to the Payment Date and subject to the Guarantee Amount, pay or cause to be paid into the Guarantee Account, in immediately available cash, the Shortfall as stipulated in the corresponding notice (or, if applicable, any replacement notice).

5.2.6 It is agreed that payment by the Guarantor into the Guarantee Account, as contemplated in Additional Condition 5.2.5, shall constitute the irrevocable authorisation by the Guarantor to the Paying Agent to instruct the Settlement Agent to withdraw from the Guarantee Account the amount of the Shortfall for the on-payment of amounts of principal and interest under the RMB Guaranteed Notes to the RMB Guaranteed Noteholders in accordance with the Programme Memorandum and these Additional Conditions. The Guarantor undertakes to sign any

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documentation reasonably necessary to ensure that the Paying Agent is able to do so.

- 5.2.7 The Guarantor's payment of any Shortfall into the Guarantee Account in accordance with Additional Condition 5.2.5 shall be deemed to satisfy in full the Guarantor's obligations under Guarantee in respect of such Shortfall, provided that the Settlement Agent shall have received the relevant authorisation and instructions pursuant to Additional Condition 5.2.6 and such amounts are available to, and have been collected by, the Settlement Agent for payment on the relevant Payment Date as provided therein. The Guarantor shall not be required to make any payment under the Guarantee unless it has received a notice under Additional Condition 5.2.3.
- 5.2.8 Unless otherwise agreed by the Paying Agent, the Guarantor shall not be entitled to withdraw any amounts paid into the Guarantee Account or to give any payment instructions to any person in respect thereof of any amounts remaining in the Guarantee Account after the corresponding Payment Date.
- 5.2.9 The Payment Account is a separate account opened and held by the Issuer, which shall be the sole depositor of such funds required to be deposited into the Payment Account under and in terms of the Guarantee. No third party shall be entitled to transfer or deposit any funds into or withdraw any funds from the Payment Account. The Paying Agent shall not accept any instruction from any third party to transfer or deposit funds into nor withdraw funds from the Payment Account.
- 5.2.10 The Guarantee Account is a separate account opened and held by the Guarantor, which shall be the sole depositor of such funds required to be deposited into the Guarantee Account under and in terms of the Guarantee. No third party shall be entitled to transfer or deposit any funds into or withdraw any funds from the Guarantee Account. The Paying Agent shall not accept instructions from any third party or the

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Issuer to deposit or transfer any funds into or withdraw any funds from the Guarantee Account. The funds deposited into the Guarantee Account by the Guarantor shall be utilised exclusively to make payment to the RMB Guaranteed Noteholders;

5.2.11 The Paying Agent acknowledges that the Issuer shall not have any right to claim any amounts standing to the credit of the Guarantee Account. The Paying Agent, in respect of the Guarantee Account acts as agent of the Guarantor and not of the Issuer and shall not act on any instruction of the Issuer, to pay over or transfer any funds standing to the credit of the Guarantee Account to the Issuer.

5.2.12 The Paying Agent is authorised to gain electronic access to the Payment Account and Guarantee Account and to monitor the Payment Account and Guarantee Account for the purposes of verifying any payments thereto and withdrawals therefrom pursuant to this Agreement.

5.3 ACCELERATION EVENT

5.3.1 An "Acceleration Event" shall occur if on the 10th (tenth) Business Day after a Payment Date, hereinafter referred to as an ("**Acceleration Date**") –

5.3.1.1 the Issuer fails to pay to the Guarantor an amount equal to the Shortfall payment made by the Guarantor under and in terms of Additional Condition 5.2.5 above; and/or

5.3.1.2 the Issuer has failed to make any payment due to the Guarantor on the due date therefore.

5.3.2 If an Acceleration Event occurs, then each RMB Guaranteed Note will become due and payable at the Nominal Amount together with accrued interest (if any) ("**Acceleration Amount**") in accordance with the provisions of this Additional Condition 5.3 on the 3rd Business Day after the Acceleration Date ("**the Acceleration Payment Date**").

5.3.3 The Paying Agent shall notify the Issuer that the Acceleration Event has occurred and of the amount required to pay to the RMB Guaranteed Noteholders in

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redemption of the RMB Guaranteed Notes.

5.3.4 If the Paying Agent determines at 10h00 on the Business Day following the Acceleration Date that there is a remaining shortfall (an "**Acceleration Shortfall**") in the funds deposited by the Issuer in the Payment Account to pay the Accelerated Amount, the Payment Agent shall -

5.3.4.1 notify the Guarantor in writing of such events. At the same time, the Issuer, in collaboration with the Debt Sponsor, shall issue a statement on the SENS advising the Noteholders and State of the enforcement of the Guarantee;

5.3.4.2 confirm the corresponding Acceleration Shortfall; and

5.3.4.3 request the Guarantor to pay the Acceleration Shortfall amount (which shall not exceed the Guarantee Amount less the Shortfall payment made by the Guarantor under and in terms of Additional Condition 5.2.5) of the Guarantee ("**the Remaining Guarantee Amount**") into the Guarantee Account.

5.3.5 Following receipt by it of the notice sent pursuant to Additional Condition 5.3.4.1 the Guarantor shall by no later than 16H00 on the same Business Day on which it receives the notice as contemplated in the Additional Condition 5.3.4.3 above (but in any event no later than 16h00 on the day which is 2 (two) Business days prior to the Acceleration Payment Date), pay or cause to be paid into the Guarantee Account, in immediately available cash, the lesser of the Acceleration Shortfall and the Remaining Guaranteed Amount as stipulated in the corresponding notice (or, if applicable, any replacement notice).

5.3.6 It is agreed that payment by the Guarantor into the Guarantee Account, as contemplated in Additional Condition 5.3.5, shall constitute the irrevocable authorisation by the Guarantor to the Paying Agent to instruct the Settlement Agent to withdraw from the Guarantee Account the amount of the Acceleration Shortfall for the on-payment of amounts of principal and interest under the RMB Guaranteed Notes to the RMB Guaranteed Noteholders in accordance with the Programme Memorandum and these Additional Conditions.



5.4 Application of Monies - Payment to RMB Guaranteed Noteholders

5.4.1 The Settlement Agent shall be instructed to make such payments in the following order -

5.4.1.1 in paying all interest due (in terms of the terms and conditions of the Programme Memorandum and these Additional Conditions to the RMB Guaranteed Noteholders; and/or

5.4.1.2 in paying the Principal Amount due to the RMB Guaranteed Noteholders, provided that if the monies deposited into the Guarantee Account by the Guarantor remain insufficient to pay the amounts referred to in Additional Conditions 5.4.1.1 and 5.4.1.2 then, provided that the Guarantor has fully performed its obligations in terms of the Guarantee, the RMB Guaranteed Noteholders shall be entitled to claim under and in terms of the Upstream Guarantee.

5.5 Other Guarantee Feature

The Guarantor shall not, pursuant to the Guarantee, have any obligations to any party in respect of any indebtedness of the Issuer other than the Guaranteed Obligations in respect of the RMB Guaranteed Notes and then only to the extent and subject to the terms of the Guarantee.

5.6 No Set-off

All payments which the Guarantor is required to make under the Guarantee shall be without any set-off, deduction, counterclaim or condition.

Responsibility

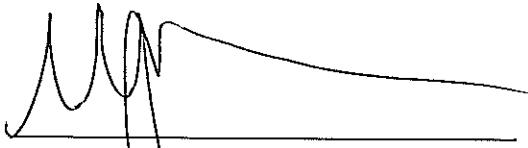
The Issuer accepts responsibility for the information contained in this Applicable Pricing Supplement.

Application is hereby made to list this issue of Notes on 1 March 2011.



SIGNED at Sandton this 23rd day of February 2011.

For and on behalf of
REAL PEOPLE INVESTMENT HOLDINGS (PROPRIETARY) LIMITED
(AS ISSUER)



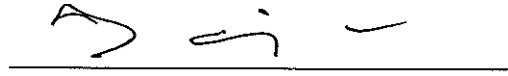
Signature:

Neil Grobbelaar

Name:

Director

Designation:



Signature:

C. DAVIDSON

Name:

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Designation:

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