

GUARANTEE

By

IMPERIAL HOLDINGS LIMITED

in favour of

NOTEHOLDERS

for the obligations of

IMPERIAL GROUP (PROPRIETARY) LIMITED

in respect of

the issue of Notes (as defined below) by Imperial Group (Proprietary) Limited under its ZAR10,000,000,000 Domestic Medium Term Note Programme

GUARANTEE

We, the undersigned,

IMPERIAL HOLDINGS LIMITED

(Registration Number 1946/021048/06), being a public company incorporated in accordance with the laws of South Africa,

hereby, irrevocably and unconditionally guarantee (as primary obligor and not merely as surety) to the holders of notes (the "**Noteholders**") issued by Imperial Group (Proprietary) Limited (Registration Number 1983/009088/07) (the "**Issuer**") under the Imperial Group (Proprietary) Limited ZAR10,000,000,000 Domestic Medium Term Note Programme (the "**Programme**") the due and punctual performance of all obligations which the Issuer may now have or have incurred or in the future may incur to the Noteholders and the due and punctual payment, in South African Rand, of all amounts owing by the Issuer in respect of the Notes arising under the Programme pursuant to the Programme Memorandum issued by the Issuer dated 22 September 2010 (the "**Programme Memorandum**").

1. Terms used but not defined herein have the meanings set forth in section of the Programme Memorandum headed "*Terms and Conditions of the Notes*" (the "**Terms and Conditions**").
2. All payments made under this Guarantee shall be made *mutatis mutandis* in accordance with Conditions 9 (*Interest*) and 10 (*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the Guarantor and, with respect to any payment, or any part thereof, of principal and/or interest on any Note that is rescinded or must otherwise be returned by the Paying Agent or any Noteholder if such rescission or return of payment has been compelled by law as the result of the insolvency of any of the Issuer or any other person or if such rescission or return of payment is a result of any law, regulation or decree applicable to the Issuer or such persons.
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 it 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 the Guarantor.

5. For so long as a Tranche of Senior Notes remain Outstanding, the Guarantor undertakes not to, and will procure that the Affected Subsidiaries will 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, the Guarantor or any of the Affected Subsidiaries 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 Paying Agent under this Guarantee shall:
 - 9.1 be made by the Guarantor to the Paying Agent not later than 3 (three) Business Days after receipt of a demand in accordance with clause 8;
 - 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 delivered personally or by recognised courier or facsimile and be deemed to have been given:

11.1 in the case of a facsimile, on this first Business Day following the date of transmission; and

11.2 in the case of a letter, when delivered;

11.3 and shall be sent to the Guarantor at:

IMPERIAL HOLDINGS LIMITED

Physical: Imperial Place
 Jeppe Quondam
 79 Boeing Road East
 Bedfordview, 2007
 South Africa

Attention: Mr Rohan Venter

Facsimile number: (011) 372 6550

or to such other address in South Africa or facsimile number as is notified from time to time by the Guarantor to the Noteholders in accordance with Condition 19 (*Notices*) of the Terms and Conditions.

12. The Guarantor chooses the above address as its *domicilium citandi et executandi* for all purposes under this Guarantee, whether in respect of court process, notices or other documents or communications of whatsoever nature.

13. This Guarantee is, and all rights and obligations relating to this Guarantee are, governed by, and shall be construed in accordance with, the laws of South Africa.

14. This Guarantee will terminate upon all of the obligations of the Issuer under the Notes being fully and finally discharged in accordance with the Terms and Conditions.

15. The Guarantor agrees for the benefit of the Noteholders that the South Gauteng High Court, Johannesburg, South Africa 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 Paying Agent until the later of:

16.1 the date on which the Programme is terminated by the Issuer; and

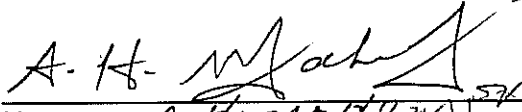
16.2 the date on which all of the obligations of the Issuer under or in respect of the Notes have been discharged in full.

The Guarantor acknowledges and agrees that each Noteholder shall be entitled to require the Paying Agent to produce the original of this Guarantee on request and further shall be entitled to require the Paying Agent, which shall be obliged, to provide a copy of this Guarantee to that Noteholder on request. In holding the Guarantee, the Paying 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.

17. 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.

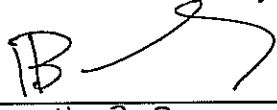
SIGNED at SANDTON this 22ND day of SEPTEMBER 2010.

For and on behalf of
IMPERIAL HOLDINGS LIMITED


Name: A. H. MATTHEWS

Capacity: DIRECTOR

Who warrants his authority hereto


Name: H R Brody
Capacity: DIRECTOR
Who warrants his authority hereto