

STANLIB Botswana

STANLIB



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General Information



**Multi-specialist
investment backed
by 1 230* years of
collective investment
experience.**

About STANLIB

We are a Pan-African multi-specialist investment company, active in eight African countries. We have business partners in North America, the United Kingdom, Europe, the Middle East, and Asia.

STANLIB manages and administers R608 billion (USD49 billion) (as at 31 December 2017) assets for more than 500,000 retail and institutional clients.

STANLIB was founded in 2002 when Standard Bank Asset Management and Liberty Asset Management joined forces. STANLIB is fully owned by Liberty Holdings Limited and is a subsidiary of the Standard Bank Group.

Our largest client is our parent company, Liberty Holdings. Such large scale, long-term investment ensures we are strongly supported and well resourced. At the same time, being a separate registered company gives us the freedom to manage our clients' assets according to our philosophy.

We've built our business on the same foundation as our parent companies Standard Bank and Liberty Holdings – focusing on today while always preparing for tomorrow. This allows us to continually meet our clients' needs no matter how they evolve.

Our head office is in Johannesburg, with regional offices in other major urban centres around South Africa and in seven other African countries, with further expansion plans afoot. This gives us the knowledge that can only come from on-the-ground presence on the continent. In addition, we leverage our group presence, which complements our own.



STANLIB Botswana

STANLIB Investment Management Services (SIMS) is a registered investment manager, established in 2002 as a joint venture between Stanbic Botswana and STANLIB Limited.

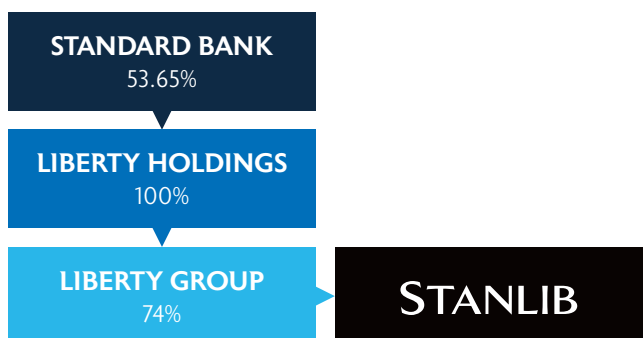
Our clients

Our clients are mainly institutional and corporate investors with short-term cash management and medium-to-long term investment needs, including retirement funds, asset management, and retail investors with surplus cash to invest at regular intervals or in once off lump sum investments. Our retail clients comprise of individual investors, high net-worth individuals, clubs, small business associations, and community cooperatives.

Our heritage

Our parent company STANLIB, is one of Africa's leading asset managers with its headquarters in South Africa. STANLIB manages and administers R608 billion (USD49 billion) (as at 31 December 2017) assets for more than 500,000 retail and institutional clients. We operate in eight African countries and in key developed markets globally. We have a proud heritage and more than 1230 years of collective experience in our investment team. STANLIB was founded in 2002 when Liberty Asset Management and Standard Corporate and Merchant Bank Asset Management merged. Liberty Asset Management and SCMB Asset Management had managed investments for over 25 years prior to their merger.

STANLIB is fully owned by Liberty Holdings Limited and is a subsidiary of the Standard Bank Group.



*BWP 468.20 billion, based on 1ZAR/BWP 0.79 exchange rate.



STANLIB Botswana Money Market Fund

What is the STANLIB Botswana Money Market Fund?

The STANLIB Botswana Money Market Fund is a unit trust (collective investment scheme) that aims to maximise income while preserving capital in the short term and to ensure liquidity of funds invested. It invests in a wide range of highly marketable short-term debt securities, which include short-term government securities like treasury bills, corporate financial instruments such as bankers' acceptances, negotiable certificates of deposit (NCDs), commercial paper and other debt securities.

There is currently a great demand for alternative cash products in Botswana, and this fund is ideally positioned for investors who are looking for investment returns that are stronger than local bank deposits with the convenience of a call account.

Who should invest?

The fund caters for corporates, institutions and private investors who have cash available to invest over the medium-term, who require the flexibility to withdraw funds at relatively short notice.

This fund is suitable for:

- Investors who require a wholesale interest rate on cash
- Short-term investors requiring a 'parking bay' for their cash
- Investors who require low-risk, secure investments with yields in excess of traditional banking products

Why invest in the STANLIB Botswana Money Market Fund?

In the past, investors have relied on savings accounts as a saving vehicle for a home purchase, children's education, retirement or for emergencies. Investors now have the opportunity to utilise the STANLIB Botswana Money Market Fund for all their savings needs, at higher yields on cash deposits than traditional savings accounts and term deposits.

The economies of scale achieved through pooling of investments enables the fund manager to purchase higher yielding instruments that individual clients and medium sized corporates and institutions would not normally have access to through traditional savings and normal bank deposits. The fund also gives investors direct access to the expertise and experience of one of Africa's leading money market investment teams.

Investment amount

Minimum initial investment amount	BWP 15 000
Minimum additional investment	BWP 2 000
Minimum balance requirement	BWP 15 000
Minimum repurchase amount	BWP 2 000

Fees structure

Initial charge (for retail clients only)	1.00% (ex VAT)
Annual management fee	1.00% (ex VAT)



STANLIB Botswana Income Fund

What is the STANLIB Botswana Income Fund?

The STANLIB Botswana Income Fund has been specifically developed to meet the growing demand for conservative income solutions in Botswana. The fund invests locally and regionally with the primary offshore investment destination being South Africa.

Who should invest?

The fund is approved by the Non-Bank Financial Institutions Regulatory Authority and caters for professional investors and high net-worth individuals. It is therefore suitable for investors looking for a relatively liquid investment with exposure to fixed instruments, which may suffice as a stand-alone investment solution or form part of a diversified portfolio of investments, but who also understand the additional risks associated with the fund.

Additional liquidity restrictions

A contractual two-week notice will apply on any given withdrawal.

Risk factors to be considered

Exposure to unlisted credit will increase the risk profile of the fund. As such, loss of capital is unlikely but may occur. Exposure to offshore securities will also introduce currency risk to the investor.

Quick facts

Vehicle: Collective investment scheme

Investment objective: To obtain a reasonable level of current income while maintaining maximum stability for capital invested.

Investable universe: It may invest in a range of fixed income securities including non-equity securities and unsecured notes. The fund may invest in both listed and unlisted securities and may use derivatives to help manage risk or to seek higher returns.

Benchmark: 90% of Botswana Bond Index plus 10% average call rate plus 2%.

Mandate restrictions:

- A maximum exposure to unlisted credit of 10% of the total fund
- A minimum exposure to cash and near cash of 5% of the total fund
- A minimum exposure to liquid Botswana Government bonds of 20% of the total fund
- A maximum of 10% may be with any one institution, unless such deposit is guaranteed by First Class Bank or the Trustees, in which case the maximum will be 30%
- A maximum of 20% of the fund's assets may be invested in the units of another investment undertaking
- A maximum of 30% of the fund's asset value may be invested in offshore securities

Maturity restrictions: The weighted average maturity of this portfolio may not exceed two(2) years.

Investment amount

Minimum initial investment amount	BWP100 000
Minimum subsequent investment amount	BWP100 000

Fees structure

Initial fee (negotiable)	1.00% (ex VAT)
Annual management fee	1.00% (ex VAT)



STANLIB Botswana Managed Prudential Fund

What is the STANLIB Botswana Managed Prudential Fund?

The STANLIB Botswana Managed Prudential Fund is a specialised investment designed to provide medium to long-term capital growth and reasonable levels of current income. The fund provides investors with access to growth opportunities in Botswana as well as exposure to international markets.

The STANLIB Botswana Managed Prudential Fund investment objective is to provide a medium whereby investors can obtain undivided participation in a diversified portfolio of securities of companies or concerns listed on a recognised stock exchange and to generate a reasonable level of current income and capital for the investor. The fund aims to achieve this objective through a balanced mix of investment in local Botswana and offshore equities, bonds and cash. Asset allocation is managed effectively in order to try and secure consistent out-performance, while the stock selection process is designed to combine performance with acceptable risk.

Who should invest?

The STANLIB Botswana Managed Prudential Fund is suitable for smaller pension funds, private individuals seeking medium to long term capital and income growth through exposure to local Botswana and offshore equity and fixed interest markets. Furthermore, this fund offers the smaller investor access to an actively managed investment suitable for planning towards a successful future retirement.

Why invest in the STANLIB Botswana Managed Prudential Fund?

Traditionally, investments in local and global equity and bond markets have been seen as complicated, time consuming or only accessible to large investors. The STANLIB Botswana Managed Prudential Fund gives smaller investors access to these types of investments through professional expertise that is normally only available to larger investors.

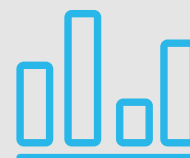
This investment is particularly suited to those wishing to provide for long-term investment needs such as their children's education and additional pension savings.

Investment amount

Minimum initial investment amount	BWP 2 000
Minimum additional investment	BWP 2 000
Minimum balance requirement	BWP 2 000
Minimum repurchase amount	BWP 2 000
Minimum monthly debit order	BWP 300

Fees structure

Initial fee (for retail clients only)	5.00% (ex VAT)
Annual management fee	2.00% (ex VAT)



STANLIB Botswana Equity Fund

What is the STANLIB Botswana Equity Fund?

The STANLIB Botswana Equity Fund provides investors with access to growth opportunities in Botswana as well as exposure to international markets. The fund is a specialised investment that aims to achieve high growth of capital and income, a reasonable level of current income and relative stability of invested capital to obtain long-term wealth accumulation. To achieve its objective, the fund invests in shares with high potential earnings values that are listed on the Botswana Stock Exchange as well as stock exchanges in other countries.

The fund invests in shares with a high potential earnings value. These include ordinary and preference shares listed on the Botswana Stock Exchange as well as shares listed on stock exchanges in other countries. This fund uses the following exposure guidelines:

- Minimum equity exposure: 70%
- Minimum Botswana exposure: 30%
- Maximum foreign exposure (offshore and regional): 70%

Who should invest?

The fund caters for corporates, institutions and private investors who have cash available to invest over the medium to long-term, who require the flexibility to withdraw funds at relatively short notice.

This fund is suitable for investors:

- Seeking steady long-term capital growth
- Typically with an investment horizon of more than five years
- Requiring returns commensurate with medium to high risk

Why invest in the STANLIB Botswana Equity Fund?

Over the years, equities as an asset class, have certainly justified their reputation as a reliable, long-term builder of personal wealth. The share price appreciation from equity investments can generate significant profits and the regular distribution of dividends offers investors an on-going stream of income. Equities also have the ability to outperform inflation over time.

The STANLIB Botswana Equity Fund, therefore, offers an attractive investment solution for investors whose aim is long term wealth creation.

Investment amount

Minimum initial investment amount	BWP 1 000
Minimum additional investment amount	BWP 1 000
Minimum repurchase amount	BWP 1 000
Minimum balance requirement	BWP 1 000
Minimum monthly debit order	BWP 300

Fees structure

Initial fee (for retail clients only)	5.00% (ex VAT)
Annual management fee	2.00% (ex VAT)

General Information

How to invest or disinvest

Our procedures are designed to be investor friendly. An application form (available from either STANLIB Gaborone office or Francistown) needs to be completed and submitted together with a certified copy of your identity document or passport and confirmation of your residential address. Once the application has been approved, your funds can be transferred.

Disinvesting is just as easy. By simply completing and having the authorised signatories sign the appropriate form; your funds will be readily available. Withdrawal of funds can be made either on a total or partial basis. Transfers will be made electronically into your account. For security reasons, payments will only be made to account holders and no payments will be made to a third party.

Benefits of investing in our unit trust funds

Affordability

Unit trusts are a convenient and low cost vehicle into the investment market. All our funds provide you with well diversified, efficiently managed portfolios.

Flexibility

Investments in one fund can be switched between other funds in our product suite, and income from one fund can be invested in other funds.

Professional Management

Our unit trust funds are managed by the largest unit trust company in Southern Africa, with offices in South Africa, Lesotho, Swaziland, Botswana, Namibia, Kenya, and Uganda. STANLIB is a member of the Standard Bank Group and is thus well placed to service your particular investment needs and through dedicated and experienced fund managers diligently manage your money, ensuring your peace of mind.

Safety

Our unit trust funds are strictly regulated by NBFIRA, acting as regulator for the unit trust industry in Botswana. The funds are also overseen by a dedicated trustee/custodian, whose role is to ensure that the funds act in the investors' best interests and that investment best practice is adhered to. The funds' financial statements are further audited annually by an independent audit firm.

Defined risk profile

All our unit trust funds have clearly defined risk profiles, from conservative to moderate and moderate-aggressive.

Diversification

All our unit trust funds are well diversified within their respective investment mandates, thus enhancing the stability of our respective funds.

Accessibility

All our unit trust funds are liquid and easily accessible, meaning you can withdraw funds at short notice. There are no withdrawal penalties or minimum "lock-in" investment periods, unlike other term deposits that charge high fees for early withdrawal. It is however recommended that an investment in unit trusts be viewed over the medium to long term, typically one year for money market funds and three years or longer for other funds.

Regular feedback

Depending on the fund, clients receive individual monthly or quarterly statements, providing feedback and transparency on the management and performance of the fund.

Distribution periods

All our unit trust funds are priced daily, with income distributed at varying frequencies as per fund mandate.

Disclaimer

Collective investment schemes in securities are generally medium to long-term investments. The value of participatory interests may go down as well as up and past performance is not necessarily a guide to the future. An investment in the participations of a collective investment scheme in securities is not the same as a deposit with a banking institution. Participatory interest prices are calculated on a net asset value basis, which is the total value of all assets in the Fund including any income accrual and less any permissible deductions from the Fund divided by the number of participatory interests in issue. Permissible deductions include brokerage, auditor's fees, bank charges, trustee/custodian fees and the service charge levied by STANLIB Investment Management Services (Proprietary) Limited ("the Manager"). Where exit fees are applicable, participatory interests are redeemed at the net asset value where after the exit fee is deducted and the balance is paid to the investor. Where different classes of participatory interests apply to certain Portfolios, they would be subject to different fees and charges. A schedule of fees and charges and maximum commissions is available on request from the Manager. Commission and incentives may be paid and if so, would be included in the overall costs. The exposure limit to a single security in this Portfolio can be greater than is permitted for other Portfolios in terms of the Collective Investment Undertakings Act, 1999 ("the Act"). Details are available from the Manager. A Fund of Funds Portfolio only invests in other collective investment schemes, which levy their own charges, which could result in a higher fee structure for these portfolios. A Feeder Fund Portfolio only invests in the participatory interests of a single Portfolio of a collective investment scheme apart from assets in liquid form. The Manager reserves the right to close certain Portfolios from time to time in order to manage them more efficiently. More details are available from the Manager. Forward pricing is used. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. The Manager undertakes to repurchase participatory interests at the price calculated according to the requirements of the Collective Investment Undertakings Act, 1999, and on the terms and conditions of the relevant Deeds. Payment will be made within 14 days of receipt of a valid repurchase form. Any capital gain realised on the disposal of a participatory interest in a collective investment scheme is subject to Capital Gains Tax (CGT). The Manager is obliged to report on the weighted average cost method for CGT purposes. All portfolios are valued on a daily basis at 15h30, except for some Fund of Funds Portfolios and Feeder Fund Portfolios, which are valued at 17h00. Investments and Repurchases will receive the price of the same day if received prior to 09h00. Liberty is a member of the Association of Savings and Investment of South Africa. The Manager is a member of the Liberty group of companies. Contact details of Trustees: Standard Chartered Bank of Botswana, 4th Floor, Standard Chartered House, Queens Road, Mail Mall.

Compliance No:

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