

11<sup>th</sup> December 2018

Dear investor

## Restitution of historical performance fees (A and B1 fee classes)

The Collective Investment Schemes Control Act ("CISCA") requires that performance fees levied inside collective investment schemes (also known as unit trusts) be outlined in the respective portfolios' supplemental deeds. Although STANLIB has always disclosed all performance fees in our Minimum Disclosure Documents (monthly factsheets) and general client communications, through engagement with the Financial Sector Conduct Authority ("FSCA"), it has identified that some STANLIB unit trusts did not include for performance fees in the respective supplemental deeds.

This administrative oversight has affected the following portfolios:

- i. STANLIB Multi-Manager Bond Fund
- ii. STANLIB Multi-Manager SA Equity Fund
- iii. STANLIB Multi-Manager Absolute Income Fund
- iv. STANLIB Multi-Manager Defensive Balanced Fund
- v. STANLIB Multi-Manager Real Return Fund
- vi. STANLIB Multi-Manager Balanced Fund

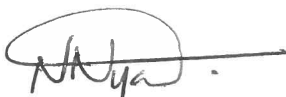
The FSCA has recommended that STANLIB reimburses the affected portfolios. Following an independent audited process, previously levied performance fees plus investment growth were paid back into the affected portfolios, via increases in the unit prices, during the month of November 2018.

Most importantly:

- STANLIB has not benefitted from the performance fees levied in the past as they were paid to external underlying managers.
- The FSCA does not prohibit performance fees, but requires that all performance fee methodologies be included in the respective portfolios' supplemental deeds.
- STANLIB has reviewed and enhanced its processes to ensure similar occurrences do not re-occur in the future.

No action is required on your behalf. However, if you require further information, please speak to your financial advisor or contact our contact centre on 0860 123 003 (Monday to Friday, 8am to 5pm and Saturday 8.30am to 11.30am).

Regards



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Ntobeko Nyawo  
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