### Investment Policy and Objectives

The investment objective of the Standard Bank Fundisa Fund is to achieve an investment medium for investors, which shall have as its primary objectives a reasonable level of current income and the maximum preservation of capital invested.

Apart from assets in liquid form, the underlying assets will consist solely of participatory interests in a single portfolio of a collective investment scheme located in the Republic of South Africa and approved by the Registrar, namely the Central Fundisa Fund managed by STANLIB Collective Investments Limited.

### Annualised Performance (%)*

<table>
<thead>
<tr>
<th></th>
<th>1 year</th>
<th>3 years</th>
<th>5 years</th>
<th>10 years</th>
<th>Since Inception</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class A</td>
<td>7.31</td>
<td>5.83</td>
<td>5.98</td>
<td>N/A</td>
<td>6.91</td>
</tr>
<tr>
<td>Sector</td>
<td>7.17</td>
<td>6.19</td>
<td>6.29</td>
<td>7.53</td>
<td></td>
</tr>
<tr>
<td>Benchmark</td>
<td>6.36</td>
<td>6.00</td>
<td>6.71</td>
<td>7.57</td>
<td>7.77</td>
</tr>
<tr>
<td>Rank (Class A)</td>
<td>16/31</td>
<td>24/28</td>
<td>17/23</td>
<td>0/0</td>
<td></td>
</tr>
<tr>
<td>Lowest Return over 12 Rolling Months</td>
<td>5.20</td>
<td>4.36</td>
<td>4.36</td>
<td>4.36</td>
<td>0.00</td>
</tr>
<tr>
<td>Highest Return over 12 Rolling Months</td>
<td>7.31</td>
<td>7.31</td>
<td>7.31</td>
<td>12.44</td>
<td>0.00</td>
</tr>
</tbody>
</table>

*Annualized Return is the weighted average compound growth rate over the performance period measured. The performance is calculated for the portfolio. The individual investor performance may differ as a result of initial fees, the actual investment date, the date or reinvestment and dividend withholding tax. Figures quoted are from Morningstar for the period ending 31 May 2016 for a lump sum, using NAV-NAV prices and do not take any upfront manager's charge into account. Income distributions are declared on the ex-dividend date. Actual investment performance will differ based on the upfront manager's charge applicable, the actual investment date and the date of reinvestment of income.

### Asset Allocation (%)

<table>
<thead>
<tr>
<th>Portfolio</th>
<th>Deviation from Benchmark</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic Bonds</td>
<td>99.00</td>
</tr>
<tr>
<td>Domestic Cash</td>
<td>0.00</td>
</tr>
</tbody>
</table>

### Portfolio Facts

- **Portfolio Size:** R 147.15 million
- **Sector Classification:** South African - Interest Bearing - Short Term
- **Income Distribution:** Net revenue is calculated daily and distributed bi-annually.
- **Income Declaration Benchmark:** BEASSA 1 to 3 Year Index
- **Launch Date:** 12 Nov 2007
- **Minimum Investment Lump Sum:** R40
- **Debit Order Per Month:** R40
- **ISIN No.:** ZAE000104162
- **JSE Code:** SBFFA
- **Total Expense Ratio:** 0.84%
- **Maximum Portfolio Charges:**
  - Upfront Charge: Manager: 0.00%
  - Upfront Charge: Intermediary: 3.42%
  - Total Service Charge: 0.57%
  - Service Charge Intermediary Portion: 0.00%

**Please refer to page 2 under “Statutory Disclosure and General Terms & Conditions”**

**Additional Information can be obtained from Portfolio Charges Brochure on www.stanlib.com**

### Highlights

- An investment option for the tertiary education of any South African child.
- An annual bonus payment* of 25% of the net contributions (up to R600) as an incentive.
- *conditions apply

- PLEASE NOTE: The annual service charge of the Standard Bank Fundisa Fund was reduced on 1 October 2014 to 0.57% per annum.

### Cumulative Performance - Last 5 years

### Sector (%)

### Income Distribution

<table>
<thead>
<tr>
<th>Paid in the last 12 months</th>
<th>Paid during 2015</th>
<th>2015 payments as a % of year end price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class A</td>
<td>6.70 cpu</td>
<td>6.70 cpu</td>
</tr>
</tbody>
</table>

### Top Holdings (%)

| Central Fundisa Fund Class | 99.00 |

### Risk Rating

<table>
<thead>
<tr>
<th>Conservative</th>
<th>Moderate</th>
<th>Aggressive</th>
</tr>
</thead>
</table>

Factsheet ID: 72879

Please refer to page 2 for more details regarding this portfolio as well as other important information for consideration.
Franchise

Fixed Interest
The Fixed Interest Franchise seeks to invest in predominantly non equity securities. Fixed-interest portfolios are made up of varying investments in the bond, cash (or non cash) and money markets that offer a highly predictable level of current income and a reasonably moderate protection of capital depending on term invested.

The team’s target is to outperform the benchmark by between 1% and 2% per annum. The All Bond Index (ALBI) is the benchmark used for most bond portfolios.

Fund Features

STANLIB promotes using the services of an accredited Financial Adviser when making investment decisions.

Please contact either your accredited Financial Adviser or our Contact Centre if you have any questions about this product.

Risk

General market risks including:

- A fall in interest rates
- Price/demand fluctuations
- A decline in bond yields
- Economic conditions
- General market conditions

Where foreign securities are included in the portfolio there may be additional risks, such as potential constraints on liquidity and the repatriation of funds, macroeconomic risks, political risks, tax risks, settlement risks, and potential limitations on the availability of market information.

Statutory Disclosure and General terms & Conditions

Collective Investment Schemes in Securities (CIS) 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 CIS in securities is not the same as a deposit with a banking institution. CIS are traded at ruling prices and can engage in borrowing and short selling. A schedule of fees and charges and maximum commissions is available on request from STANLIB Colloidal Investments Ltd (the Manager). Commission and incentives may be paid and if so, would be included in the overall costs. Forward pricing is used. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down.

Liberty is a full member of the Association for Savings and Investments of South Africa. The Manager is a member of the Liberty Group of Companies.

This portfolio is valued on a daily basis at 15h00. Investments and repurchases will receive the price of the same day if received prior to 15h00. This is a current yield as at 31 May 2016.

The Total Expense Ratio (TER) of a portfolio is a measure of the portfolio’s assets that were relinquished as operating costs expressed as a percentage of the daily average value of the portfolio calculated over a period of usually a financial year. Typical expenses which are deducted from a portfolio include service charges, taxes, trustee fees and audit fees.

The manager does not provide any guarantee either with respect to the capital or the return of a portfolio. The manager has a right to close the portfolio to new investors in order to manage the portfolio more efficiently in accordance with its mandate.

Additional information about this product, including brochures, application forms and annual or quarterly reports, can be obtained from the Manager, free of charge, and from the website: www.stanlib.com. The prices of unit trust funds are usually a financial year. Typical expenses which are deducted from a portfolio include service charges, taxes, trustee fees and audit fees.

Quarterly Comments

The Fund has remained unchanged from the last quarter at R227 million. The 3 month Libor rate increased from 6.625% to 7.233% at the end of the first quarter of 2016, following a 75 basis points increase in the repo rate by the SARB and increased volatility in the local markets. In early 2001, he joined Libam’s (now STANLIB) fixed interest team as a capital markets dealer and assistant to Henk Viljoen.

Looking Ahead

The bond market kicked off the year with a very volatile tone, tracking the local currency movements which were marred by a global risk-off environment and local political developments. The risk-off environment was created by developments in China, where the equity markets plummeted, which negatively affected emerging market assets.

The All Bond Index, however, returned an impressive 6.56% for the quarter driven by solid returns of 4.57% in January. The South African 10 year bond opened the quarter and year at 9.76%, traded firmer for most of the quarter to close at 9.10%. The firm performance was largely due to the bond market following the currency stronger, due to improved global risk appetite and decisional action from the South African Reserve Bank and the National Treasury, which was well received by the markets. The rand was volatile, opening the year at R15.50 to the US dollar, weakening to an intra quarter closing low of R16.92 in January and recovering to close the quarter at R14.76 to the US dollar.

The South African Reserve Bank responded to this currency weakness and worsening inflation outlook by increasing the repo rate by a total of 75 basis points at their first two meetings of the year. March CPI printed above expectations at 7.0%, largely due to food inflation caused by the drought the country is experiencing. The Finance Minister tabled the 2016/2017 National Budget in February, which highlighted the need for fiscal discipline while also acknowledging that the private sector needs to play a greater role in the economy and work with the Government to avoid any further credit rating downgrades. Overall it was a positive budget for bonds and sovereign ratings, with foreign investors and international credit rating agencies welcoming the Finance Minister’s intention to reduce fiscal deficit and contain government debt. We saw positive net investments of R16.6 billion by foreign investors into the bond market during the first quarter of 2016.

In international markets, the European Central Bank announced new measures to stimulate growth and inflation in the region. They cut interest rates, which pushed their deposit rate further into negative territory, and extended their quantitative easing program by EUR20bn to EUR80bn per month.

Portfolio Manager

Victor Mphaphuli
Victor joined SCMB Treasury in 1996 as a trainee dealer in the foreign exchange markets and later moved to Nedcor as a capital markets dealer. In early 2001, he joined Libam’s (now STANLIB) fixed interest team as a capital markets dealer and assistant to Henk Viljoen.

Contact Details

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Compliance No:
HX2336

Published Date:
6/15/2016
Total Expense Ratio, Transaction Costs & Total Investment Charge

**Total Expense Ratio (TER):** This shows the charges, levies and fees relating to the management of the portfolio and is expressed as a percentage of the average net asset value of the portfolio, calculated over a rolling three years (where applicable) and annualised to the most recently completed quarter. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TERs.

**Transaction Costs (TC):** The percentage of the value of the fund as costs relating to the buying and selling of the Fund's underlying assets. Transaction costs are a necessary cost in administering the Fund and impacts fund returns. It should not be considered in isolation as returns may be impacted by many other factors over time including market returns, the type of Fund, investment decisions of the investment manager and the TER.

**Total Investment Charges (TIC):** The percentage of the value of the Fund incurred as costs, relating to the investment of the Fund. As fund returns are reported after deducting all fees and expenses, these costs (the TER & TC) should not be deducted from the fund returns. It is the sum of the TC & TER.

### TER and Transaction Costs Breakdown

<table>
<thead>
<tr>
<th>Fund Class</th>
<th>TER</th>
<th>TC</th>
<th>TIC</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>0.84%</td>
<td>0%</td>
<td>0.84%</td>
</tr>
</tbody>
</table>

TER + TC = TIC

Where a transaction cost is not readily available, a reasonable best estimate has been used. Estimated transaction costs may include Bond, Money Market and FX Costs (where applicable).