



Investment
Solutions

WITH CONFIDENCE

CORPORATE INVESTMENT SOLUTIONS





INDEX

Why should you consider the Investment Solutions range?	4
Our offering	5
Our objective	6
Our investment approach	7
The unit trusts in detail	8
- Investment Solutions Superior Yield Unit Trust	
- Investment Solutions Enhanced Income Unit Trust Fund	
- Investment Solutions Income Unit Trust Fund	
Why Investment Solutions?	11
- About Investment Solutions	
- Our multi-manager legacy	
Unit trusts as an investment solution	12
Frequently asked questions	13

WHY SHOULD YOU CONSIDER THE INVESTMENT SOLUTIONS RANGE?

Our Corporate Investment Solutions range offers companies an opportunity to invest in collective investment schemes (unit trusts) that have the ability to perform better than cash without compromising the security or availability of assets.

We manage the portfolios on a multi-manager basis, which means we spend our time evaluating and finding the best asset managers who in turn invest in a combination of high-yielding instruments. We manage risk by spreading the counterparty

exposure, and by limiting exposure to a minimum credit rating.



OUR OFFERING

Our Corporate Investment Solutions range offers companies an opportunity to invest in unit trusts that have the ability to perform better than cash, without compromising the security or availability of assets.

We offer three unit trusts as part of our Corporate Investment Solutions range:

- Investment Solutions Superior Yield Unit Trust
- Investment Solutions Enhanced Income Unit Trust Fund
- Investment Solutions Income Unit Trust Fund.

The unit trusts are actively managed on a multi-manager basis, which means we aim to select the best asset managers that invest in a combination of high-yielding interest-bearing instruments such as:

- cash
- money-market instruments
- bonds
- inflation-linked bonds; and in some instances
- listed property; and
- equities (through preference shares).

We continually monitor the managers and hold them accountable to deliver on their performance objectives. Please note that these are interest-bearing or income portfolios, not money-market portfolios.

The Investment Solutions unit trusts offer daily liquidity. Investors can access and withdraw their money within 24 hours, or even on the same day, if

they submit a redemption request before 11h00 and meet all the requirements.¹

Some of the benefits of investing in our unit trusts include:

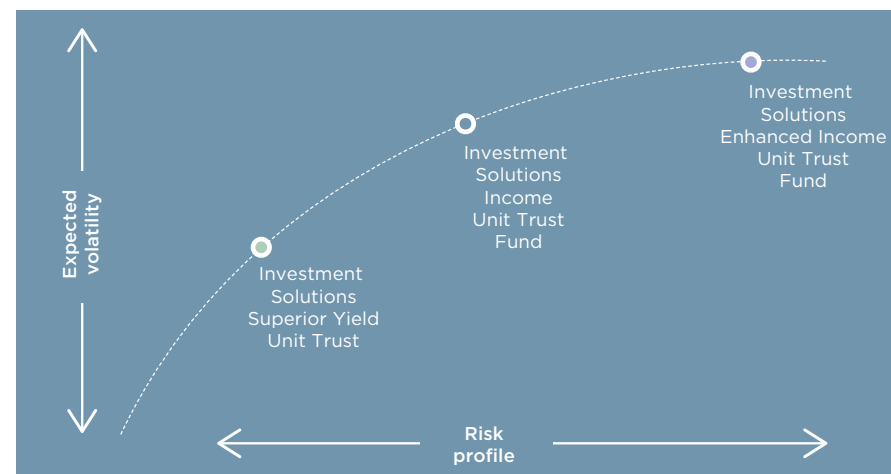
- They are highly regulated
- We aim to find the best managers for the job
- We spread the risk by investing in different asset managers
- These managers hold multiple instruments, with

varied counterparty exposure, further reducing the risk

- We meticulously control and manage the investment mandates
- We constantly monitor the portfolio to ensure it is able to deliver on its objectives
- Our fees are competitive
- We offer daily liquidity (subject to certain requirements).

Risk scatter plot

The amount of volatility you can expect in each portfolio in relation to its risk profile.



Source: Investment Solutions

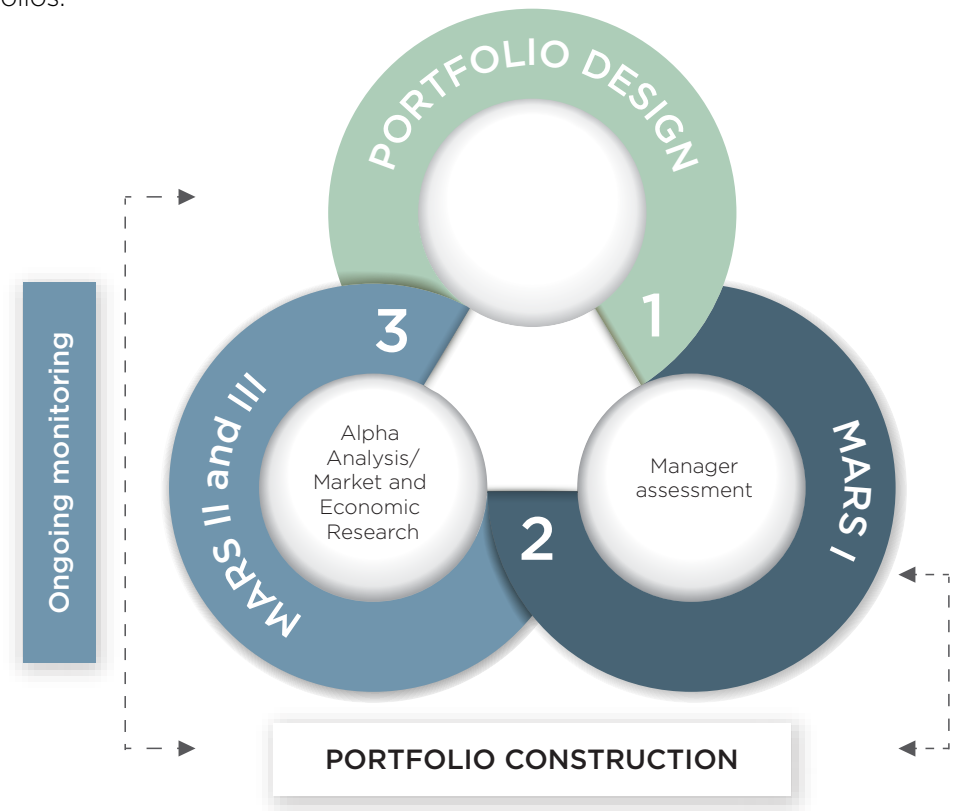
¹ Please note that certain regulatory restrictions may apply, which may result in redemptions taking up to 14 days to be paid. Also, where the aggregate redemption amount is more than 5% of the market value of the portfolio, the redemptions may be suspended, subject to certain conditions.

OUR OBJECTIVE

Our general investment objective is to consistently achieve above-benchmark returns at below-average risk over a three to five-year investment horizon.

We follow our proprietary Manager Assessment Ranking System (MARS™) to select the best-pick managers in a particular manager universe. This gives the company a better perspective of the

investment-manager environment, allowing for effective blending of the best-pick managers to construct multi-managed portfolios.

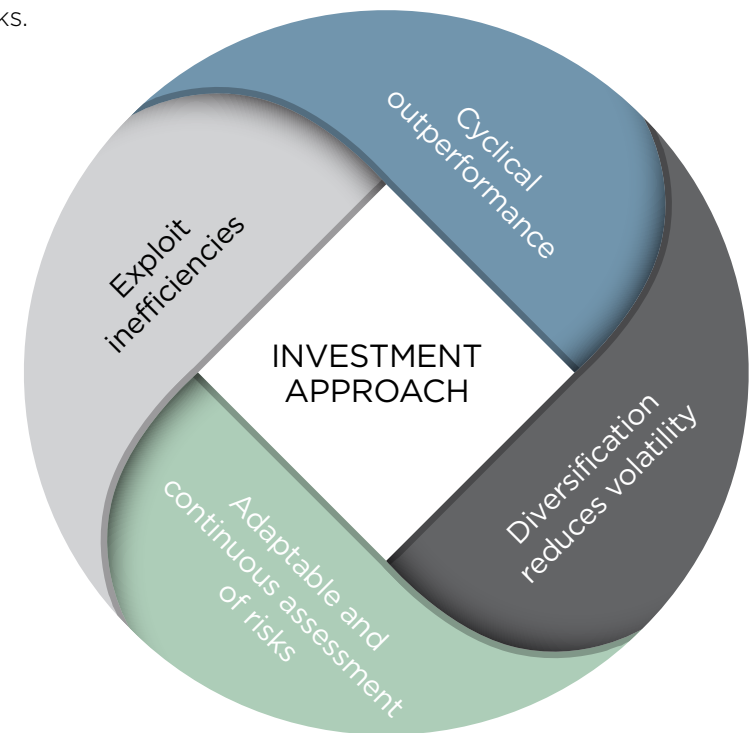


OUR INVESTMENT APPROACH

Our Investment process is hinged on a team-based philosophy. Each step is clearly documented and executed by a team of specialists ensuring continuity, process adherence and consistency. We continually strive to improve our approach through a disciplined process of development.

Our investment philosophy is based on the following beliefs:

- Markets are generally efficient, but there are inefficiencies that can be exploited
- There are skilled/qualified managers that can outperform over time, but outperformance is cyclical
- Differing styles and risk premiums complement each other, and diversification across managers reduces the volatility of outperformance
- It is necessary to make active decisions to outperform consistently, as markets are dynamic and volatile, hence it is also necessary to be adaptable and to continually assess the risks.



THE UNIT TRUSTS IN DETAIL

Investment Solutions Superior Yield Unit Trust

This is an income portfolio. The investment objective is to provide a better return than money-market portfolios while maintaining a high degree of liquidity and capital preservation.

The specialist managers selected for this portfolio may invest in money-market instruments, cash, and other non-equity securities. Money-market instruments are liquid financial instruments that basically simulate cash, but often give a higher return. The managers are given specific mandates aimed at achieving the investment objective. They may only be exposed to institutions or instruments with an A1 (F1) credit rating or better. The portfolio will be managed in accordance with the Prudent Investment Guidelines applicable to retirement funds, as set out in Regulation 28 of the Pension Funds Act.



Investment Solutions Enhanced Income Unit Trust Fund

The Investment Solutions Enhanced Income Unit Trust Fund aims to earn a higher level of income than a portfolio restricted to a duration of less than two years, while still providing some capital preservation.

It seeks to provide a higher level of income and capital growth than traditional income and money-market portfolios. To achieve this, the managers use diverse sources of income with a high emphasis on capital preservation. The portfolio invests in high-yielding non-equity securities, such as bonds, fixed deposits, other money-market instruments, listed debentures, preference shares of an income nature and listed property shares. The portfolio has a flexible maturity profile instead of a defined maturity limit.



Investment Solutions Income Unit Trust Fund

The portfolio aims to achieve a steady interest income stream while providing some protection against capital loss.

The specialist managers selected for this portfolio invest in high income-yielding fixed-interest instruments, such as cash, money-market instruments, shorter-dated bonds and inflation-linked bonds. Equity and foreign securities are not permitted. They are given specific mandates aimed at providing income and some capital growth. The portfolio has a weighted average modified duration limit of two years.



WHY INVESTMENT SOLUTIONS?

About Investment Solutions

We exist to protect and grow our investors' wealth by providing investment expertise when needed. In an industry fraught with risk, we are fanatical about guarding against unforeseen events, through our effective risk-management techniques, and by providing more consistent and predictable investment outcomes.

Our vision is to be the most trusted financial guardian to our investors, helping them achieve consistent outcomes and peace of mind on investment matters.

Our value proposition is to:

- Provide choice and flexibility to our investors, offering a wide range of services and products
- Provide investment peace of mind by aiming to deliver superior returns at lower than market risk
- Improve probability for our investors by reducing and managing risk through every step of the investment process
- Ensure accurate, efficient and flexible administration services
- Maximise value for our investors by creating cost-effective solutions that consider outcome and cost
- Manage the assets entrusted to us responsibly for the benefit of investors and society
- Maintain a meaningful empowerment profile.

Our multi-manager legacy

We are proud of our multi-manager legacy. The South African roots in multi-management go back to 1994. The industry expanded rapidly and at its peak, over 20 multi-managers were operating.

As the industry came to terms with the fact that running a successful multi-manager required scale and significant investment in skilled expertise, the South African industry consolidated into essentially four main players, of which Investment Solutions is the largest by asset size (Alexander Forbes Assets Under Management Survey December 2015).

Why multi-management?

- The range of portfolios available for selection makes a case for skilled and professional asset-manager selection
- The philosophy adds value through manager selection and portfolio construction
- Expertise is essential across multiple disciplines and all asset classes
- Diversification is managed through exposure to different asset managers and asset classes
- Investment administration and legislative requirements are managed daily.



UNIT TRUSTS AS AN INVESTMENT SOLUTION

Unit trusts are collective investment scheme portfolios, constituted under deeds as part of a scheme and regulated by the Collective Investment Schemes Control Act 45 of 2002 (CISCA). They are created for members of the public, who are invited or permitted to invest money or other assets in a portfolio.

Investors share in the risks and the benefits of investment in proportion to their participatory interest (units). The unit trust is priced daily and is a function of the underlying securities held in the unit trust, which are also priced daily.

Each unit trust has an appointed portfolio manager who invests the assets of the portfolio in accordance with the investment policy of the portfolio.

Unit trusts invest in a combination of securities, according to each portfolio's specific investment universe, which spreads investment risk.

Unit trusts offer daily liquidity to all investors as units can be converted to cash for withdrawal at any time (subject to certain requirements).



FREQUENTLY ASKED QUESTIONS

Q: How do you price a unit trust?

A: Unit prices are based on net asset value. The net asset value is equal to the total market value of all assets in the unit trust, including any income earned, less any deductions allowed from the unit trust, divided by the number of units issued.

Q: How easy is it to access our investment?

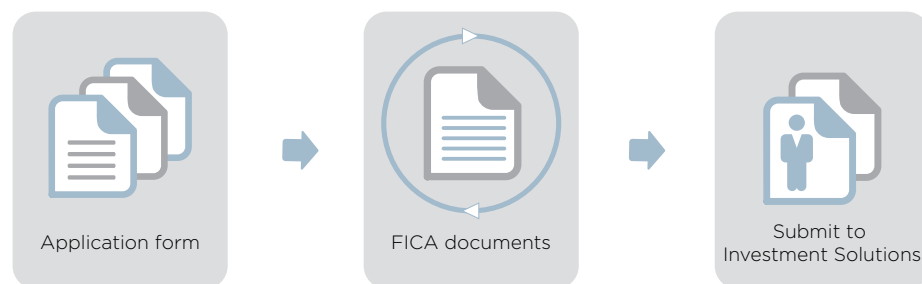
A: You may access 100% of your investment within 24 hours of submitting a redemption request. If we receive your instruction to redeem before 11h00, payment will be made into your bank account on the same day. Please note that certain regulatory restrictions apply, and redemptions may take up to 14 days to be paid. For large redemptions, if offers for repurchase of participatory interests are received, the aggregate amount of which is more than 5% of market value of portfolio, as at last valuation point, redemptions may be suspended, subject to certain conditions.

Q: What are the requirements for investing in these Investment Solutions unit trusts?

A: You will be required to complete the application form we will provide, on your request. You will also be required to provide FICA documentation with this form.

Q: How do we value the underlying instruments when interest rates fall?

A: The Investment Solutions Superior Yield Unit Trust is revalued daily based on the market value of the underlying investments. These investments move in line with interest-rate expectations over the duration of each investment. If interest rates go down, the value of the investments will increase and vice versa, but the size of the move may differ from the size of the change in rates. This will depend on the sensitivity of the portfolio to changes in interest rates.



Notes:

- The portfolios are managed in accordance with CISC requirements (Collective Investment Schemes Control Act)
- Use the Minimum Disclosure Document/s (fact sheet/s) and Portfolio Summary available on our website www.investmentsolutions.co.za for fees and other key information, including total expense ratios and transaction costs, required to make an informed investment decision.

DISCLAIMER

Collective investment schemes (unit trusts) are generally medium- to long-term investments. The value of participatory interests (units) or the investment may go down as well as up. Past performance is not necessarily a guide to future performance. Collective investment schemes are traded at ruling prices and can engage in borrowing and scrip lending. The collective investment scheme may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity. The Manager does not provide any guarantee, either with respect to the capital or the return of a portfolio.

Foreign securities within portfolios may have additional material risks, depending on the specific risks affecting that country, such as: potential constraints on liquidity and the repatriation of funds; macroeconomic risks; political risks; foreign exchange risks; tax risks; settlement risks; and potential limitations on the availability of market information. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. Investors are reminded that an investment in a currency other than their own may expose them to a foreign exchange risk.

Different classes of participatory interests (units) apply to these portfolios and are subject to different fees and charges. Performance fees are not charged on these portfolios. A schedule of fees and charges and maximum commissions is available on request from the manager, or is available on the website: <https://sa.investmentsolutions.co.za/Products-Services/Individual-Investments-Unit-Trust-Fees>. Prices are published daily in the "The Star" business section and are made available on our website:

<https://sa.investmentsolutions.co.za/Download-Centre/Daily-Unit-Prices>. The portfolio valuation time is the end of the day using the latest available prices at close of business, and the transaction cut-off is 13h00.

You can obtain additional information on the proposed investment, free of charge, from brochures, application forms and the annual report and any half-yearly report, which are available on our website <https://sa.investmentsolutions.co.za/Products-Services/Individual-Investments-Unit-Trust-Forms>. The complaints policy and procedure, and the conflicts of interest management policy are available on our website <https://sa.investmentsolutions.co.za/Risk-Compliance/Corporate-Governance>. Associates of the Manager may be invested within certain portfolios, and the details thereof are available from the Manager.

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Investment Solutions Enhanced Income Unit Trust Fund and Investment Solutions Income Unit Trust Fund: The Manager has the right to close the Investment Solutions Enhanced Income Unit Trust Fund and the Investment Solutions Income Unit Trust Fund to new investors, in order to manage them more efficiently, in accordance with its mandate.

The Manager's details are:

INVESTMENT SOLUTIONS UNIT TRUSTS LIMITED

Registration number: 2001/015776/06, Physical address: 115 West Street, Sandown, 2196. Postal address: PO Box 786055, Sandton, 2146. Telephone number: + 27 11 505 6000. E-mail address: investmentsolutions@ishltd.co.za.

Website: www.investmentsolutions.co.za.

The Trustee's details are:

FIRSTRAND BANK (acting through Rand Merchant Bank Custody & Trustee Services), Physical address: First Floor, No. 3 First Place, Bank City, Cnr Jeppe & Simmonds Street, Johannesburg, 2000,

Telephone number: +27 (0) 87 736 1732.

The Manager and Trustee are registered and approved under the Collective Investment Schemes Control Act (No. 45 of 2002). Alexander Forbes Limited is a member of the Association for Savings and Investment SA.

The Investment Manager's details are:

Investment Solutions Limited, Registration number: 1997/000595/06 is an authorised Financial Services Provider (FSP711) under the Financial Advisory and Intermediary Services Act (No. 37 of 2002), and is authorised to act in the capacity as investment manager. The address is the same as the Manager. This information is not advice, as defined in the Financial Advisory and Intermediary Services Act (No. 37 of 2002). Please be advised that there may be representatives acting under supervision.



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SOUTH AFRICAN PRIVATE INVESTORS

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on **0860 333 316**

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 Investment Solutions (South Africa)

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www.investmentsolutions.co.za

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