



Stanbic Investment Management Services

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Creation of Sub-Classes for New Deposits - FAQs

1. What is an investment/fund sub-class?

An investment/fund sub-class refers to a sub-group of securities that share similar characteristics within a wider investment pool.

2. Why are my SIMS managed unit trusts being separated into different fund classes now?

The fund manager seeks to ring-fence all new deposits with the purpose of investing these in money market securities. This is to mitigate the impact of the mark-to-market (MTM) valuation on tradeable securities within the Stanbic Income Fund Trust and the Stanbic Cash Trust.

3. Under what authority are the unit trusts being separated into different classes?

The Securities and Exchange Commission (SEC) has given a 'No Objection' approval for the segmentation of the Stanbic Income Fund Trust and the Stanbic Cash Trust into two classes, a main class and a sub-class.

4. What are the new sub classes being introduced?

The new sub-classes being introduced are the '**STANBIC CASH TRUST – AMC**' and the '**STANBIC INCOME FUND TRUST – AMC**'.

5. Which of them has been the main option for the Stanbic Income Fund Trust and the Stanbic Cash Trust?

Prior to the creation of sub-classes, all deposits and redemptions were on the **Stanbic Income Fund Trust** and the **Stanbic Cash Trust**.

6. How will the fund classes appear on my investment statement and the online portal?

- i. For the Stanbic Cash Trust, it will appear as **STANBIC CASH TRUST – AMC**
- ii. For the Stanbic Income Fund Trust, it will appear as **STANBIC INCOME FUND TRUST – AMC.**

7. Can the investor choose which class to deposit funds into?

All new deposits will be automatically deposited into the respective unit trust's AMC class.

8. What securities does the AMC class comprise of?

The AMC class will hold money market securities such as treasury bills and fixed deposits only.

9. Can I transfer existing funds from my investment account to the AMC fund classes?

Yes, you can transfer existing funds from your investment account to the AMC classes.

However, please note that transfers will be seen as a redemption and processed at MTM price.

10. Which unit trust class will my standing order be deposited into?

All standing orders will be automatically placed into the respective unit trust's AMC class.

11. Will there be a time when the two classes will be merged?

The sub-class for the Stanbic Income Fund Trust, will be a temporary allocation till the fixed income market normalises with clear price discovery and secondary market activity. All balances under the sub-class will then be migrated into the main fund and benefit from the MTM movement which is expected to improve as the economy recovers and the market corrects. The sub-class for the Stanbic Cash Trust will however remain.

12. Which fund class will be debited in the event of a redemption?

Units will first be redeemed from the AMC classes, where there are no units in the AMC class, funds will be redeemed from the main fund.

13. Will the redemption period change?

No, redemptions will continue to be processed within 3 working days.

14. Are there changes to the minimum or maximum investment into the unit trusts?

There are no changes in the minimum or maximum investment into the funds.

15. Are there any additional fees due to the separation of classes within the unit trusts?

No, there is no additional fee.