STANLIB Multi-Manager NCIS Multi-Strategy Retail Hedge Fund

Minimum Disclosure Document

As at 31.08.2018
Published on 01.10.2018

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Investment Objective and Strategy

The Fund is a low-to-medium risk multi-strategy hedge fund. The Fund invests in a number of underlying mandates that provide a blend of strategies to help achieve the Fund's objectives. It aims to deliver cash + 3% per annum over a 3 year rolling period, with low dependence on the direction of capital markets. The Fund aims to preserve capital over a one year period. The volatility of the Fund is expected to be less than that of the All Bond Index. The Fund is not Regulation 28 compliant but can be used as part of a Reg 28 compliant portfolio up to a maximum allocation of 5%.

Investor Profile

- Who aim for consistent absolute returns with low volatility
- Who want to diversify across various managers and strategies
- Who seek to invest in strategies that are fundamentally different to traditional strategies
- Who typically have an investment horizon longer than a year

Risk Profile

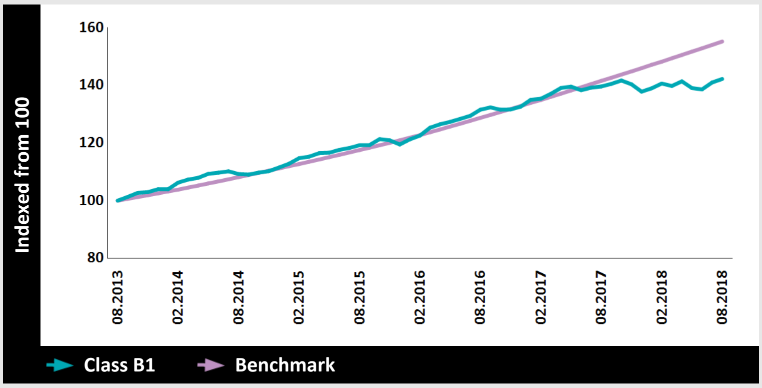
Please refer to the "Information to consider before investing" section on page 3 for further risk information.

Performance (annualised %)

	1 Year	3 Years	5 Years	Since Inception
Class B1	1.86	6.05	7.29	11.39
Benchmark	9.64	9.70	9.18	9.02

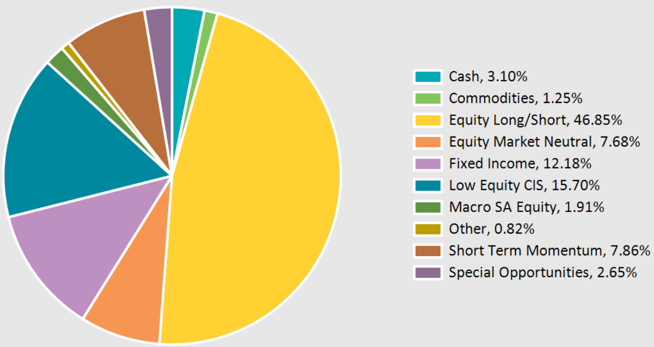
The performance of the Fund was based on annualised returns from a monthly return series since the inception date of the Fund (2012/12/01). Figures are calculated using lump sum investments.The investment performance is for illustrative purposes only. All returns before 2018/02/01 were in an unregulated structure.

Cumulative Returns



Performance figures are calculated using lump sum investments since inception (2012/12/01). The investment performance is for illustrative purposes only. All returns before 2018/02/01 were in an unregulated structure.

Strategy Allocation



- **Equity Long/Short** strategy seeks to minimise market exposure while profiting from stock gains in the long positions and price declines in the short positions. The majority of local equity long/short funds tend to be long-biased.
- **Equity Market Neutral** strategies are often attained by taking matching long and short positions in different stocks to benefit from mispricing and delivering positive returns from both the long and short stock selections and reducing risk from movements in the broad market.

Portfolio Facts

Portfolio Manager(s)	Chris Roelofse
Portfolio Size	R 847 million
Net Asset Value (NAV)	102.41 cents per unit
Domicile	South Africa
Classification	Retail Investor Hedge Fund
Asset Class	Multi-Asset
Income Distribution	Net revenue is calculated daily basis and distributed bi-annually
Income Declaration	30 June & 31 December
Portfolio Valuation	17h00 every business day
Transaction cut-off time	14h00 every business day
Liquidity	Daily liquidity
Benchmark	STeFI Call Index + 3%
Inception Date	2012/12/01*
Establishment of CIS Date	2018/02/01

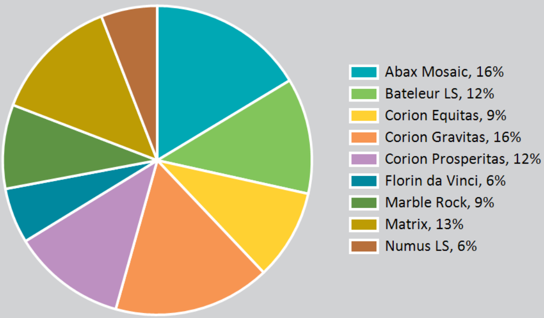
** This is the date on which the solution was launched on a segregated mandate.*

	Class B1
Minimum Investment	
Lump Sum	R50,000
Debit Order Per Month	R1,000
ISIN No.	ZAE000253522
JSE Code	SNMFB1

Fees	**Class B1 1 Year**
Advisor Fee	0.00
Management Fee	1.69
Underlying Fund Fees	0.00
Underlying Performance Fees	0.73
Other[1]	0.03
VAT	0.37
Total Expense Ratio (TER)[2]	**2.81**
Transactional Costs (inc. VAT)[3]	**0.00**
Total Investment Charges[4]	**2.81**

1. Other includes: bank charges, custody fees, sundry income, audit & trustee fees. In the first year of the CIS this is an estimated figure.
2. 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 TER's.
3. Transaction Costs include: Brokerage, Securities Transfer Tax [STT], STRATE, Levies and VAT.
4. The above charges are exclusive of advice fees which are negotiable between the advisor and the investor.

Underlying Fund Allocation



Income Distribution

	Declared in last 12 months	Declared during 2018
Class B1	-	-

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Quarterly Reporting as at 31.08.2018
Published on 01.10.2018

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Quarterly Risk Reporting

	Fund	Benchmark	ALBI
Volatility (since inception)	3%	0.2%	7.9%
Lowest annual return (since inception)	-0.4%	7.8%	-5.6%
Highest annual return (since inception)	12.3%	10%	21.2%
Value at Risk (VaR) at 99% (at quarter-end)	-2.5%	N/A	-7.5%
Max 99% VAR (during the quarter)	-2.5%	N/A	-7.5%

Value at Risk (VaR): *A measure of the potential loss over the following month, calculated using daily historical data to determine with a 99% confidence level that this loss will not be exceeded. A negative figure represents the loss, and a positive figure will be shown as N/A.*
The other risk statistics *are based on annualised returns from inception (2012/12/01) and calculated using a monthly data series. The investment performance is for illustrative purposes only, returns before 2018/02/01 were in an unregulated structure.*

Methodology for conducting stress-testing:
The methodology for market stress testing is based on a regulatory requirement to test the impact on the performance of the Portfolio under outlier events based on historical correlations. The model changes the underlying price or yield of every security in the Portfolio by various amounts and re-values each security from first principles. The methodology was applied for quarter-end period and the results are deemed satisfactory.

The methodology for liquidity stress testing is based on assessing daily volumes to establish an average daily volume per position in the Portfolio. This metric is used to calculate how many days it would take to sell out a long position and vice-versa. This number of days is weighted by the 'market volume factor', a percentage of the average daily trade assumed to be able to be commanded by the user. This weighted number of days is then used to assess what percentage of the Portfolio can be closed out within various time-bands. This methodology was applied on the Portfolio for quarter-end period and the results are deemed satisfactory in line with the daily liquidity of the Portfolio.

Changes to liquidity risk profile: There were no significant changes to the liquidity profile of the Portfolio, and the redemption period of the Portfolio remains daily.

Leverage: The Portfolio holds participatory interests in other collective investment schemes, and some of these underlying mandates make use of leverage through the use of derivatives and short-selling of physical stock as provided by the respective prime brokers.

Re-hypothecation: Re-hypothecation refers to the practice whereby the prime broker uses the securities of the Portfolio as collateral for the prime broker's own purposes. The prime brokers in the underlying mandates do not permit the re-hypothecation of assets.

Portfolio Quarterly Commentary as at 31.08.2018

Investors faced some notable headwinds during the last quarter. Arguably the two most pertinent developments globally were the potential trade war and the commencement of the normalisation of the US interest rate policy. Emerging markets were particularly affected by these concerns with the Rand and South African government debt coming under pressure. Over the quarter the Rand depreciated 10.8% with the All bond Index down 3.8%.

The prices of most large domestic shares have now re-traced to pre-December 2017 levels. This uncertainty plus a more challenging international backdrop has resulted in the FTSE/JSE All Share depreciating by 1.7% for the year. Interestingly, the more 'representative' FTSE/JSE Capped Share Holder Weighted Index is down substantially more, losing 5.9% of value from the beginning of the year.

Global equities remained volatile during the quarter. Developed Market Equities (MSCI World) were essentially flat during the quarter, while Emerging Market equities (MSCI EM) were down about 10%. Both markets are negative for the year.

Against this challenging backdrop, the portfolio was flat for the quarter and has returned 1.7% for the year.

The underlying fund performance for the quarter was mixed. Abax Mosaic (2.8%), Bateleur (2.5%) and Numus (2.5%) were the best performing funds, benefitting from their high equity exposure and stock selection. The Matrix Fund was the biggest detractor to the portfolio, delivering a negative return of 5.6% as a result of the sharp change in interest rate expectations over the quarter. Performance amongst the rest of the strategies varied between plus 1% to -1% for the quarter.

There were no material changes to the underlying funds within the Portfolio. We have however noticed that underlying exposures to the equity markets is on the high side relative to the portfolios' history. We estimate that the portfolio has a beta of approximately 0.3 to equity markets. This slight increase has been a function of underlying managers increasing exposure to equity markets and to some extent Corion slightly increasing the portfolio's exposure to Long Short Equity Strategies, given the market pull back.

Net Monthly Performance Table

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2012												0.7	0.7
2013	2.1	0.2	1.1	0.6	0.9	-0.7	1.4	1.0	1.3	1.4	0.2	1.0	10.8
2014	0.0	2.2	1.0	0.6	1.3	0.4	0.4	-0.9	-0.2	0.6	0.5	1.1	7.2
2015	1.2	1.7	0.5	1.0	0.1	0.8	0.6	0.8	0.1	1.7	-0.3	-1.2	7.2
2016	1.5	1.1	2.2	1.0	0.7	0.8	0.8	1.6	0.6	-0.6	0.1	0.7	11.0
2017	1.8	0.3	1.3	1.5	0.3	-0.9	0.6	0.3	0.6	0.8	-0.9	-1.8	3.9
2018	0.8	1.2	-0.6	1.2	-1.7	-0.3	1.7	0.9					3.2

Unregulated   Regulated (CIS)

Performance figures are calculated using monthly investments since inception (2012/12/01). The investment performance is for illustrative purposes only, returns before 2018/02/01 were in an unregulated structure.

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Important Information before Investing

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Information to be considered before investing

Collective Investment Schemes (CIS) are generally medium to long term investments. The STANLIB Multi-Manager NCIS Multi-Strategy Retail Hedge Fund should be considered an investment with a time horizon longer than a year. The investment performance is for illustrative purposes only. The value of units (participatory interests) may go down as well as up and past performance is not necessarily a guide to the future performance. The investment performance is calculated by taking the actual ongoing fees into account for the amount shown. Income is reinvested on the reinvestment date. Actual investment performance will differ based on the advice fees applicable, the actual investment date, the date of reinvestment and dividend withholding tax. The Management Company does not provide any guarantee in respect of capital or the return of a portfolio. Collective Investments Schemes trade at ruling prices and can engage in borrowing and scrip lending. Commentary or any forecasts contained in this document are not guaranteed to occur. This portfolio may contain offshore exposure, which could result in additional material risks, 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. The Management Company has the right to close the portfolio to new investors in order to manage it more efficiently in accordance with its mandate.
The portfolio was established as a Collective Investment Scheme in February 2018, all information prior was in an unregulated environment. The portfolio will not change its investment strategy or investment policy without prior approval from the Financial Sector Conduct Authority and investors. The underlying portfolios make use of the services of prime brokers and as a result the portfolio is exposed to the prime broker counterparty risk. The portfolio invests in a broad range of participatory interests and other forms of participation in collective investment schemes or similar schemes, including retail hedge funds - these are referred to as the underlying portfolios. The portfolio may be exposed to liquidity risk and the corresponding liquidity risk management policy is available on request, and covers investment and repurchase restrictions, both in normal and in exceptional circumstances. In extreme liquidity events, the portfolio may choose to create a side pocket or gate investors' access. This document is for information purposes only and does not constitute or form any part of any offer to issue or sell, or any solicitation of any offer to subscribe for or purchase any particular investment. Whilst reasonable care has been taken in ensuring that the information contained in this document is accurate, neither the Management Company nor the Investment Manager accept liability in respect of damages and/or loss (whether direct or consequential) or expense of any nature which may be suffered as a result of reliance, directly or indirectly, on the information in this document. The Management Company has both a Conflict of Interest (COI) and a Treating Customers Fairly (TCF) Policy which respectively outline the manner in which conflicts of interest are managed and customers are treated fairly, copies of the COI and TCF Policies are available on request.

Hedge Funds and Risk Classification

Investors should be aware that hedge funds can engage in leverage, short-selling, hedging, use derivatives, have counterparty exposure and other short-term investment practices that may increase investment volatility. Although the portfolio will aim to provide daily liquidity, events may arise which result in illiquidity in the portfolio. The liquidity risk management policy outlines how liquidity will be managed in such exceptional circumstances. While CIS in hedge funds differ from traditional CIS, the two may appear similar as both are subject to similar regulatory requirements. Hedge funds aim to extract positive performance in both upward and downward trending financial markets. Hedge funds tend to have low correlations to traditional portfolios.

Risk exposure

The portfolio is able to engage in transactions that involve counterparty exposure, short-selling, derivatives and other hedge fund activities. Risks associated with the fund activities include:

- Credit Risk - Arising from exposures to counterparties and their ability to repay loans
- Liquidity Risk - Where some of the underlying instruments may be illiquid, either in normal circumstances or specific events.
- Operational Risk - Failure of systems and/or personnel may result in losses
- Regulatory Risk - Future regulatory changes (e.g. legal, tax) could occur and may adversely affect the portfolio
- Market Risk – Arising from general movements in financial markets
- Interest Rate Risk - As a result of changes in the yield curve and other interest rate relationships
- Currency Risk - Should the value of any of the underlying positions in the portfolio be exposed to exchange rate fluctuations

Performance Calculations

Returns are calculated on a NAV to NAV basis and do not take any initial fees into account. Net Asset Value "NAV" is the total market value of all assets in a portfolio including any income accruals and less any deductible expenses such as audit fees, brokerage and service fees. Cumulative performance figures (where quoted) are calculated assuming a lump sum investment at the start of the specified period. This method is applicable to all returns presented in this document. Annualised performance measures the total return of an investment over a period of time, reflected as a time-weighted annual return. Income distributions, prior to deduction of applicable taxes are included in the performance calculation.

Underlying Performance Fees

In addition to earning fixed fees, the underlying manager(s)/investment(s) may also earn performance-based fees. Performance fees for each underlying mandate are calculated on outperformance in excess of the hurdle rate for that specific mandate, subject to a high watermark. The performance-fee methodology of the underlying manager(s) / investment(s) is incorporated in their respective mandates. More information on the underlying performance fee methodologies is available on request.

Service Providers

The Management Company (The MANCO)	Novare CIS (RF) (Pty) Limited (Novare CIS) Registration No.2013/191159/07, an authorized Management Company registered according to the Collective Investment Schemes Control Act (CISCA) and regulated by the Financial Sector Conduct Authority of South Africa. Contact details: P.O. Box 4742, Tyger Valley, 7736, South Africa. Call Centre: 0800668 273 (0800 Novare). Email: clientservice@novare.co.za. Website: www.novare.com First Rand Bank Limited Registration No.1929/001225/06 is the appointed trustee, contact number: 011 282 8000. PricewaterhouseCoopers is the auditor for the portfolio. Maitland Hedge Fund Services is the fund administrator of the portfolio. Risk management of the portfolio is done by Novare CIS. Should you have any queries or complaints please contact: Novare CIS (on 0800668273 (0800novare) or via email clientservice@novare.com Directors: Ms R Miles, Mr DA Roper, Mr L de Wit, Mr GL Carter and Mr JF Basson
Investment Manager	STANLIB Multi-Manager (Pty) Ltd is an authorised financial services provider in terms of section 8 of the Financial Advisory and Intermediary Services Act, 37 of 2002. FSP licence No.26/10/763.
Co-Named Agreement	The Management Company and the Investment Manager have entered into a co-naming agreement regarding the administration of the co-named Fund. The Management Company retains full legal responsibility for the co-named Fund and performs risk management over the portfolio.
Prime Brokers	N/A – all Prime Broker exposure is derived from the underlying mandates' exposure
Fund Auditor	PricewaterhouseCoopers
Administrator	Maitland Hedge Fund Services (Pty) Limited
Trustee	FirstRand Bank Limited (Registration No: 1929/001225/06) Telephone: +27 11 282 8000

STANLIB Multi-Manager does not provide financial advice

This information does not constitute financial advice as contemplated in terms of the Financial Advisory and Intermediary Services Act. Independent financial advice should always be sought before making an investment decision. If you appoint an adviser, advice fees are contracted directly between you and the adviser. We will facilitate the collection of advice fees (including initial advice fees of up to a maximum of 3.00%) only upon receiving your instruction. You may cancel the instruction to facilitate the payment of ongoing advice fees at any time.

Where can I find additional information?

Additional information such as brochures, application forms and annual or quarterly reports, can be obtained from the websites: http://www.stanlib.com or www.stanlibmultimanager.com.
The prices of Funds are calculated and published on each working day. These prices are also available on the websites and in South African printed news media.

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