STANBIC UNIT TRUST FUNDS

INFORMATION MEMORANDUM

DATED: 1st SEPTEMBER 2025

THIS DEED OF VARIATION is made the 1st day of September , 20.25

BY:

1. **SBG SECURITIES LIMITED**, a private company incorporated with limited liability in the Republic of Kenya registered as number C.41338 having its registered office situated in Stanbic Bank Centre, Chiromo Road, Westlands, for the purposes hereof of Post Office Box Number P.O Box 47198-00200 Nairobi (hereinafter referred to as **SBG** which expression shall include the SBG's successors in title and assigns)

AND:

2. **KCB BANK KENYA LIMITED**, a private company incorporated with limited liability in the Republic of Kenya having its registered office situated in Moi Avenue, Kencom House Building, Nairobi for the purposes hereof of Post Office Box Number 48400, G.P.O Nairobi (hereinafter referred to as **KCB** which expression shall, where the context so requires, include the KCB's successors in title and assigns)

relates (and is supplemental) to an Information Memorandum executed on 13th March, 2024 by SBG and KCB concerning **Stanbic Unit Trust Funds** (promoted by SBG)(the **Information Memorandum**).

IT IS AGREED as follows:

1. The parties refer to the Information Memorandum.

2. The terms in the Information Memorandum shall have the same meaning when used in this Deed.

3. This Deed is supplemental to the Information Memorandum and, in accordance with all enabling provisions of (i) the trust deed for Stanbic Unit Trust Funds executed by SBG on 13th March, 2024 and by KCB on 19th March, 2024 (the **Trust Deed**) and (ii) the Capital Markets (Collective Investment Schemes) Regulations 2023 (the **CIS Regulations**), evidences the variation of the Information Memorandum agreed to in this Deed by SBG and KCB (and approved by the Capital Markets Authority) in furtherance of the implementation of and to be in compliance with (i) the CIS Regulations stipulation that a fund manager shall not be related to the trustee or the custodian of a collective investment scheme (Regulation 49(3) of the CIS Regulations) and (ii) the CIS Regulations provisions concerning alterations to scheme documents (as defined in the CIS Regulations).

4. SBG and KCB both confirm that the Custodian for all purposes of the Information Memorandum is Standard Chartered Bank Kenya Limited (Company Number C11/89), a licensed banking institution whose registered office is situate at Standard Chartered Head Office Chiromo, 48 Westlands Road and whose registered postal office address is P.O. Box 30003-00100, Nairobi (the **Bank**). The Bank was appointed Custodian **on 06 November 2024 subject to contracting process.**

5. SBG and KCB both confirm that The Auditors for all purposes of the Information Memorandum is Deloitte Kenya (Registration Number KE2094), whose registered office is situate at Deloitte Place, Waiyaki Way, Muthangari, Nairobi and whose registered postal office address is P.O. Box 40092-00100, Nairobi (the **Auditor**). The Auditor was appointed on 06 Dec 2024.

6. SBG and KCB both confirm that the expression **Regulations** in the Information Memorandum means:

"the Capital Markets (Collective Investments Schemes) Regulations, 2023, as amended from time to time."

7. SBG and KCB both confirm that the amended definition of the expression **Stanbic Balanced Fund** in the Information Memorandum is:

"a scheme investing across asset classes in equities, fixed income and other securities, in a mix of low to medium risk for the time being held or deemed to be held upon trust pursuant to a trust deed establishing the Stanbic Balanced Fund or offering document of the Stanbic Balanced Fund and the Act"

8. SBG and KCB both confirm that the amended definition of the expression **Stanbic Fixed Income Fund USD** in the Information Memorandum is:

"a scheme investing in all US Dollar Denominated cash, money market and other fixed income instruments for the time being held or deemed to be held upon trust pursuant to a trust deed establishing the Stanbic Fixed Income Fund USD or offering document of the Stanbic Fixed Income Fund USD, and the Act"

9. SBG and KCB both confirm that the amended definition of the expression **The Auditors** in the Information Memorandum is:

"a person or firm qualified for appointment as auditor of a public company in Kenya and appointed by SBG Securities Limited as its auditor and as auditor of the Unit Trust Funds, subject to the provisions of the Act. A person shall not be qualified for appointment as auditor unless he is a member of and holds a valid practicing certificate issued by the Institute of Certified Public Accountants of Kenya."

10. SBG and KCB both confirm that the amended Benchmark Return for each of the **Stanbic Unit Trust Funds** in the Information Memorandum is as set out in the table below:

Fund	Benchmark Return
Stanbic Money Market Fund	Monthly Average *182 Day Treasury Bill Rate
Stanbic Fixed Income Fund USD	180 Day Average Secured Overnight Financing Rate (SOFR)
Stanbic Balanced Fund	S&P Kenya Bond Index 60%, NASI Index 30%, Monthly average *91 Day Treasury Bill 10%
Stanbic Equity Fund	Nairobi All Share Index 60%, Monthly average *91 Day Treasury Bill Rate 40%
Stanbic Fixed Income Fund	S&P Kenya Bond Index 60%, Monthly average *91 Day Treasury Bill 40%

11. SBG and KCB both confirm that the following **Investment Policy Statement** replaces the **Investment Policies** relating to the Stanbic Fixed Income Fund USD in the Information Memorandum:

"The Stanbic Fixed Income Fund USD shall be priced daily based on the Net Asset Value (NAV) per unit, calculated by valuing all portfolio securities at fair market value, including accrued interest, and deducting all applicable liabilities. Pricing shall follow a mark-to-market approach in line with regulatory guidelines to ensure accurate and transparent valuation for investors. This will entail:

- *Accounting for all changes in unit holders' value by declaring a daily yield on the fund, which may be expressed as an annualized yield.*
- *Accounting for interest income on an accrual basis.*
- *The Portfolio holdings will be marked to market and capital gains and losses will be factored in the daily yield distributions and Net Asset Value (NAV) per unit.*
- *The weightings of different asset classes and different securities will be adapted to create a portfolio that achieves the best risk-adjusted returns."*

12. SBG and KCB both confirm that the following **Investment Policy Statement** replaces the **Investment Policies** relating to the Stanbic Fixed Income Fund in the Information Memorandum:

"The Stanbic Fixed Income Fund shall be priced daily based on the Net Asset Value (NAV) per unit, calculated by valuing all portfolio securities at fair market value, including accrued interest, and deducting all applicable liabilities. Pricing shall follow a mark-to-market approach in line with regulatory guidelines to ensure accurate and transparent valuation for investors. This will entail:

- *Accounting for all changes in unit holders' value by declaring a daily yield on the fund, which may be expressed as an annualized yield.*
- *Accounting for interest income on an accrual basis.*
- *The Portfolio holdings will be marked to market and capital gains and losses will be factored in the daily yield distributions and Net Asset Value (NAV) per unit.*
- *The weightings of different asset classes and different securities will be adapted to create a portfolio that achieves the best risk-adjusted returns."*

13. SBG and KCB confirm that in the Information Memorandum:

13.1 the amended notice period relating to Meetings of Unit holders is **at least 14 days** (as opposed to at least 21 days);

13.2 notices of meetings of Unit holders may now be sent either through the post; electronic mail; digital channels or by publication in at least 2 daily newspapers;

13.3 the amended quorum for meetings of Unit holders is one-tenth (10%) of the Units in issue and one-tenth (10%) of the total number of Unit holders.

14. SBG and KCB both confirm that the Information Memorandum shall be marketed and distributed in Kenya, the East Africa Region and South Sudan.

15. Subject to the terms of this Deed, the Information Memorandum remains valid and effective and, from the Effective Date, the Information Memorandum and this Deed will be read and construed as one document.

The Effective Date means the date of this Deed or such other date as may be agreed by the parties to this Deed in writing.

16. This Deed shall be governed by and construed in accordance with the laws of the Republic of Kenya.

EXECTUED AS A DEED BY:

SIGNED by CHRISTIAN KAARIA..........]
and ....]
the duly authorised signatories of]
SBG SECURITIES LIMITED]
]
]
BEFORE ME:]

ERIC J. OMONDI
ADVOCATE, COMMISSIONER FOR OATHS
P. O. Box 14570 - 00100 NAIROBI, KENYA.
ADM. No. P.105/12485/16
PRACTICE NUMBER:

Advocate]

SIGNED by Florence Nduba]

the duly authorised attorney of]
KCB BANK KENYA LIMITED]
The Trustee]

PATRICIA A. ODONGO
ADVOCATE
P. O. Box 58025 - 00200
NAIROBI

In the Presence of (Advocate)]

FLORENCE NDUBA
IPA 70987/1