BRITISH AMERICAN BALANCED FUND — TERM SHEET

About the Fund

Fund Manager: British-American Asset Managers Ltd.

Launch Date: July 2005

Risk Profile : Low Medium High

Trustee /Custodian : KCB Custody Services

Auditors : PriceWaterhouseCoopers

Lump Sum Investment : Minimum: Kshs 250,000
Top-up : Kshs 100,000

Monthly Investment : Initial: Kshs 150,000
Regular: Kshs 25,000 p.m

Charges

Initial charge: 5.0%

Annual management fee: 2.0% p.a.

Contacts

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YOUR TRUSTED FINANCIAL ADVISOR

INVESTMENT OBJECTIVES

- The fund is a medium risk fund that aims to achieve a reasonable level of current income and offer investors long term capital growth. This would be achieved by investing in a diversified spread of equities and fixed income securities.
- A balanced portfolio can help lessen the volatility of each investment category as prices of equities and fixed income investments often move opposite direction.
- Recommended investment term: medium to long-term (over 2 years)
- The fund has a lower risk profile than pure equity funds.
- Offers protection against inflation.

INVESTMENT STRATEGY

- The fund will invest in listed shares and preference shares including property shares and property loan stock, bonds, cash and participatory interest of other Collective Investment Schemes. The fund will have a bias towards equities offering long term value.
- The portfolio may have a maximum of 10% direct and/or indirect exposure offshore as a hedge against inflation.

INVESTOR PROFILE

- Investors who seek to invest in a balanced portfolio offering exposure to all sectors of the market.
- It is also suitable for Individual Pensions Plans, Occupational Pension Schemes, treasury portfolios of institutional clients, co-operatives and high-net worth individuals amongst others.

Note. i. Investors should take independent financial advice from a professional financial planner in selecting the appropriate fund (s).
ii. Investors should read the fund particulars and assure themselves of the risks associated with the fund (s).

Past performance is not necessarily a guide to the future. The value of investments and any income from them may go down as well as up. In certain specified circumstances the right to redeem the units may be suspended.

British American Unit Trust Funds

Fund	Investment Horizon	Investment Instruments	Return Profile	Risk Profile
British-American Money Market	3 - 12 Months	T.Bills, T. Bonds, Call Accounts	8% - 10%	1
British-American Income Fund	12 - 24 Months	Corporate Bonds, Loan stock, Debentures	9% - 12%	2
British-American Balanced Fund	24 - 36 Months	Equity & Fixed Instruments (Property, Loan Stock)	11% - 13%	3
British-American Equity Fund	60 Months+	Equity (Local & Offshore Funds) Cash Funds & Deposits	13% - 16%	5

Risk Scale

1	2	3	4	5
LOW		MEDIUM		AGGRESSIVE

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