



15%

return* (before fees)
if the FTSE 100 is flat
or positive

Discovery Enhanced Yield Fund July 2018 Tranche



JUNE 2018

15%* return if the FTSE 100 is flat or positive



Fund Profile

The Discovery Enhanced Yield Fund is a structured product designed to pay a fixed return of 15%* before the deduction of fees after an investment period of one year if the FTSE 100 Index excluding dividends is flat or positive at the end of one year. In this case, the total amount will be paid into your Flexible Investment Plan and the Discovery Enhanced Yield Fund will close.

If the FTSE 100 index provides a negative return after one year, no amount will be paid after the first year. In this case, the fixed return on the Discovery Enhanced Yield Fund will be increased by another 15%* and the total will be paid after an investment period of two years if the FTSE 100 index return is flat or positive from inception at the end of the second year.

This will continue for up to five years. The Discovery Enhanced Yield Fund will provide a fixed return of 15%* multiplied by the number of years until a flat or positive return at a year end is achieved. The full amount will only be paid at the end of the year in which the FTSE 100 return was positive.

If the FTSE 100 index return is below 0% at the end of each of the years in the five year period, capital protection* is provided if the FTSE 100 has not fallen by more than 40%* at any stage over the five years. If the FTSE 100 index has fallen by more than 40%* at any stage, the capital protection* is not applicable and you will receive the return of the FTSE 100 index if negative.

The FTSE 100 index return is measured excluding dividends and currency movements.



Who should invest

The Discovery Enhanced Yield Fund is most suitable if you are looking for an investment that offers a high fixed return and you expect the FTSE 100 index to remain level or increase.



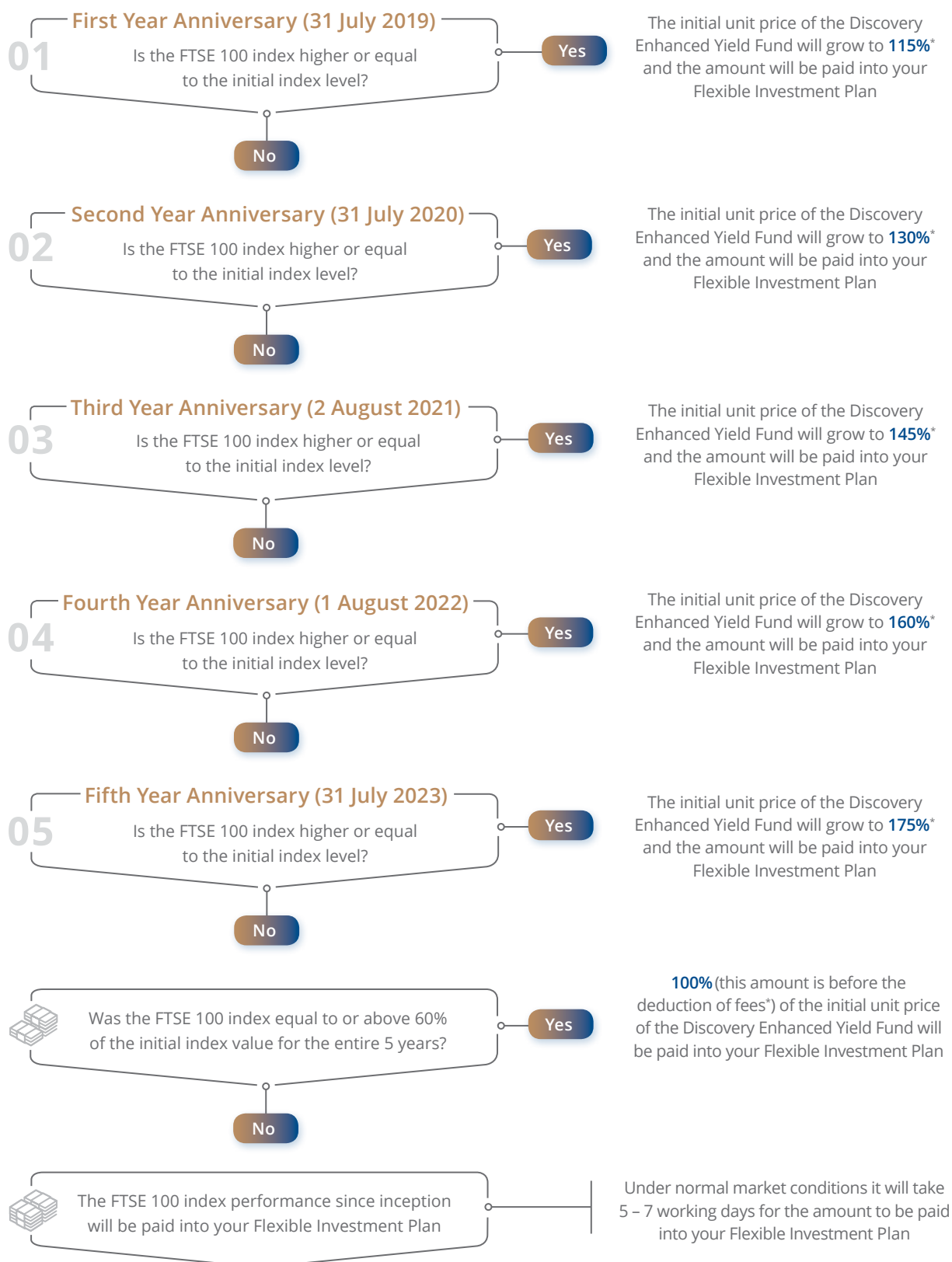
You should not invest in this fund if you:

- Need access to your capital within the next five years or you are not willing to risk a potential drop in your capital should there be a large fall in the index.
 - Want exposure to actual returns of the FTSE 100 index and you expect it to outperform the fixed return. The Discovery Enhanced Yield Fund does not provide upside above the fixed return.
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* Figures are indicative. Final terms are subject to market conditions at date of trade. Investors are also subject to the credit risk of Investec Bank Limited and Investec Bank PLC. The gross return and capital protection is before the deduction of fees. Financial advisers must hold a FAIS Product Category 1.10 license to sell the Discovery Enhanced Yield (July 2018). Fees encompass Discovery administration fees, initial and ongoing financial adviser fees, withdrawal fees and taxation, if applicable.

At the end of the investment period described above, if the FTSE 100 return is flat or positive, the full amount will be paid into your Flexible Investment Plan and the current tranche of the Discovery Enhanced Yield Fund will close. Discovery Invest will switch the proceeds into a new tranche of the Discovery Enhanced Yield Fund if one is available. The terms and criteria of the new tranche will be communicated to you at that point in time to help you make an informed decision. Should a new tranche not be available or you choose not to reinvest your proceeds, your money will be held in a cash account in your Flexible Investment Plan.

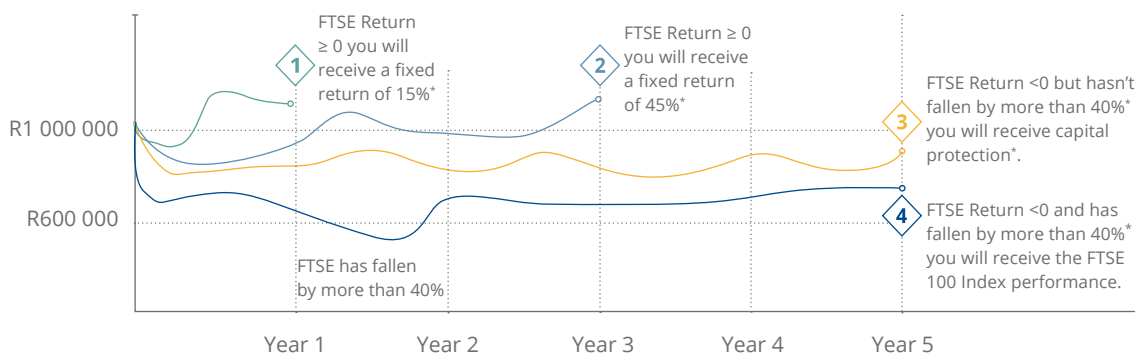
How the Discovery Enhanced Yield Fund works



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Example: Discovery Enhanced Yield Fund Scenarios

You invest R1 000 000 in the Discovery Enhanced Yield Fund. This leads to the following possible scenarios:



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01 | Enhanced Yield

At the first anniversary, the FTSE 100 index has grown. Since the index is higher than the initial index level, you will receive: $R1\,000\,000 + (15\% \times R1\,000\,000) = R1\,150\,000$. This amount will be paid into your Flexible Investment Plan.

02 | Cumulative Enhanced Yield

At the first anniversary, the FTSE 100 index level is below the initial index level.

Therefore, the Discovery Enhanced Yield Fund continues to the second anniversary.

At the second anniversary, the FTSE 100 index level is still below the initial index level, hence the Discovery Enhanced Yield Fund continues to the third anniversary. At this stage, the FTSE 100 index is higher than the initial index level. You will therefore receive: $R1\,000\,000 + (15\% \times 3 \times R1\,000\,000) = R1\,450\,000$. This amount will be paid into your Flexible Investment Plan.

03 | Capital Protection

The FTSE 100 index level is below the initial index level at every anniversary. However, the index has never fallen below 60% of the initial level of the index. You will therefore receive your full R1 000 000 at the end of five years.

04 | Non-Protected Capital

The FTSE 100 index level is below the initial index level at every anniversary. In addition, the index has fallen below 60% of the initial level of the index within the five year term.

Therefore, the capital protection does not apply and you will receive the negative performance of the FTSE 100 index at the end of five years.

The scenarios above are indicative and are based on figures which exclude administration fees, financial adviser fees and taxes.

Examples are based on a yield of 15%. The yield may be higher or lower depending on market conditions at the date of trade.

Fund Information

Availability	The Discovery Enhanced Yield is available as a limited offer on the Discovery lump-sum Core Flexible Investment Plan. Financial advisers must hold a FAIS Product Category 1.10 licence to sell the Discovery Enhanced Yield Fund
Term	Maximum of five years from trade date. However, it may close early on each anniversary from inception of the Discovery Enhanced Yield Fund.
Minimum investment size	R50 000.
Annual management fees	There are no additional ongoing fund fees within the Discovery Enhanced Yield Fund. Normal Discovery administration fees and financial adviser fees will apply. These will reduce the final return achieved. The Discovery Enhanced Yield Fund is considered a Discovery Fund.
Offer closing date and trade date	The fund will open on 18 June 2018 and close on 24 July 2018. Money received until the closing date will be held in a cash account until the date of trade which is 31 July 2018.
Tax	Returns are considered revenue under current tax practices. Discovery will provide you with the applicable tax certificate and you will be responsible for any tax payable on returns.
Issuer	The Discovery Enhanced Yield Fund is an inward listed note issued by Investec Bank Limited. You are subject to the credit risk of Investec Bank Ltd and Investec Bank PLC.

Technical details

Investments before the trade date

Money invested in the Enhanced Yield Fund before the trade date will first be invested in a cash account. Any interest earned together with the initial investment will then be moved into the Discovery Enhanced Yield Fund on the trade date, at which time the investment period will start. This may or may not coincide with the anniversaries of your Flexible Investment Plan.

Interim market value

The Discovery Enhanced Yield Fund is a maximum five year product with the full upside potential and partial downside protection only available to investors who remain from the trade date until expiry of the product. The Discovery Enhanced Yield Fund is not recommended for investors who will need their money within the five year period.

Withdrawals before the expiry of the product will receive the market value of the Discovery Enhanced Yield Fund at the time. This interim market value may differ from the final payout when the product ends.

How to invest

Please contact your financial adviser for more information. Alternatively, you can call us on 0860 67 5777. Our lines are open Monday to Friday from 08:00 to 17:00.

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Investors should be aware of the risks when purchasing a financial product. The value of units may go down as well as up and past performance is not necessarily a guide to the future. Returns are dependent on performance of underlying assets and other variable market factors. No guarantees are provided. This means the investor bears the credit risk for the following events: Bankruptcy, Failure to Pay, Obligation Default, Repudiation/ Moratorium and Restructuring on Investec Bank Ltd or Investec Bank PLC.

This is not a unit trust therefore this fund is not regulated by the Collective Investment Schemes Control Act.

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