

# Private Conversations

## From the Private Clients Head desk



Boitumelo Mogopa  
Head of Division  
FNBB Private Clients

June 2009 marks the year end since the public launch of FNBB Private Clients, Botswana's first Private Bank. It has been a long and exciting journey, with many challenges, but generally rewarding and full of lessons for the team.

FNBB Private Clients is a fully fledged Private Bank which offers transactional banking (powered by accountable relationship managers), structured lending and Wealth Management (engineered by specialists). This model has been borrowed from Private Clients South Africa but customized to meet local demands.

### Why a Private Bank?

The days of one size fits all are no more, FNBB saw it fit to segment its market, design and launch solutions that are segment specific. In that way the bank is able to stay relevant and competitive.

Private Banking is a global proposition, relatively new in Africa as it is mainly driven by the size of wealth in a particular market. Most banks overseas have the proposition, HSBC, Barclays, Stan chart to name but a few. Botswana is the first, outside South Africa within the First Rand Group to launch a Private Bank. As the group spreads its wings into Africa, Botswana will be well positioned to share the great story.

Private Clients has seen an overwhelming response from clients to date.

Existing clients who have been yearning for relationship based banking and one point of contact, more importantly value adding solutions that fit their lifestyle. For potential clients the excitement is about being part of something new in the market, internet banking (which is the best platform in the market) and value adding solutions which were lacking from their current banks.

### Key milestones:

- 0 Private Clients staff members to 10 currently
- Design and launch of a Private Clients current account
- Design and launch of a Private Clients branded debit and credit card
- Secured an agreement with Bid air to offer Private Clients access to airport lounges in South Africa using the credit card
- Design and launch of a Structured Facility for Private Clients
- Roll out of Wealth Management and Financial planning solutions
- Website launch
- Some of these milestones will be explained in a bit more detail in the newsletter

Enjoy the first issue of our newsletter, happy reading! We hope you find it informative.

Sincerely,

A handwritten signature in black ink, appearing to be 'BM', written over a white background.

*"FNBB Private Clients is a fully fledged Private Bank which offers transactional banking (powered by accountable relationship managers), structured lending and Wealth Management (engineered by specialists)."*



# Our Culture And Values

*Imagine dealing with a group of people who do what they do because they can, not because they are rewarded for it, but simply because they love it and have a clearly distinctive passion for it.*

This is what defines us at FNBB Private Clients; we are a group of highly motivated individuals who simply believe in providing the right solutions, service and products.

Exceptional service is part of our culture; it is our drive and our key measure of success. As Rudyard Kipling once said, "Only keep six honest men who will teach you all you need to learn in life, these men should be What, Why, When, How, Who and Where." This is what we keep in mind when dealing with

our clients. We answer, without hesitation, all the questions posed by our clients and demonstrate to them why we call ourselves Private Clients.

We respond by offering accurate products and solutions that will meet the needs of each individual, at the right time and just about anywhere. We are the A-team and invite you to come and experience a shining example of superior service.

Private Conversations would like to introduce you to the remarkable people behind the success of Private Clients.



**From left to right(Back):**

*Tshireletso Moatshe, Harold Matenge, Lesedi Keipeile*

**From left to right(Middle):**

*Boitumelo Mogopa, Setshwano Ngope, Kelebogile Disang,  
Gomolemo Manake*

**From left to right(Front):**

*Malebogo Tshwenyana, Onneile Maripe, Seapei Bogatsu*



# The Radiance Of Relationship Banking

***FNBB Private Clients Relationship model is dedicated to reducing if not eliminating the need for a Client to visit the branch or any of our product houses.***

***Traditionally, clients would visit the branch to get his or her needs met.***

***If a client needs to replace a cheque book or a debit card, request a loan or an overdraft facility, they would have to visit the branch.***

***The Relationship banking model has been designed to reduce this process as we are aware that time is of essence for our clients.***

The model bridges the gap; one may refer to Relationship Managers as gate keepers, in that it is our responsibility to ensure that our clients have full access to all banking services offered by FNBB, including solutions specially designed for them within segment.

The day in the life of a Relationship Manager would include the following;

- Acting as primary transactional banking contact to the clients, branches and other business units being secondary contact.
- Staying close to the client from the relationship perspective, making every effort to understand their environment and requirements.
- Facilitating an initial analysis of all clients to determine their needs primarily from a transactional banking viewpoint in view of the banks total service offering.
- Interacting with the various specialists in the Product houses in order to exploit cross-selling opportunities.
- Staying in constant communication with their respective business units, informing them of all pertinent new client developments.
- Successfully solving Private Client's complaints and queries.
- Maintain customer information and the extent to which the products are utilized.



Matilda Sebonego (Relationship Manager)  
FNBB Private Clients  
Northern Hub



Tshireletso Moatshe (Relationship Manager)  
FNBB Private Clients



Kelebogile Disang (Relationship Manager)  
FNBB Private Clients



Gomolemo Manake (Internal Relationship Officer)  
FNBB Private Clients



Seapei Bogatsu (Relationship Manager)  
FNBB Private Clients

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# Talking Structured Lending With Harold

*Yet another first from First National Bank of Botswana, this solution is geared towards every FNBB Private client.*



Harold Matenge  
Structured Lending Specialist  
FNBB Private Clients

As Robert Kiyosaki once said “make your money work for you.” We at FNBB Private Clients truly revere in this statement hence the structured facility. This facility epitomizes a true “ONE ACCOUNT” that augments all those years of building up equity with the intent of amassing more from it.

As Structured Lending specialists we expertly scrutinize your balance sheet so as to identify those vital assets you can use as a ticket to accumulating more wealth.

From experience, it is perhaps very deplorable to mention that many clients do not realize the potential that is carried in their balance sheet, therefore, our lending specialist will and with your collaboration as our valued client help you unearth that equity.

This equity will not only be collateral to the Bank, but also your trump card to a high mass consumption stage. This facility is structured to your specific needs. It is also a solution that gives you total control of your capital and even affords you the liberty to realize your true worth.

This is achieved through helping you, our valued client to consolidate your gearing into a portfolio that makes sense to you and frees up that which we always fail to keep track of; CASH.

*“From experience, it is perhaps very deplorable to mention that many clients do not realize the potential that is carried in their balance sheet, therefore, our lending specialist will and with your collaboration as our valued client help you unearth that equity.”*



# Meet the Financial Planner

*Now, more than ever, enlisting the services of a Financial Planner is paramount to our financial independence. Hence, we at Private Clients have engaged an in-house specialist to advise our clients on the myriad of financial solutions available to them.*

Ms Setshwano Ngope explains that Financial Planning isn't just for the wealthy, it is essential, irrespective of the level of income or the size of assets owned. It entails developing strategies to assist clients in managing their financial affairs to meet life's goals.

Being an industry still in its infancy in Botswana, many people do not know where to go to get independent financial advice, nor do they understand the long-term benefits that may stem from it.

Financial Planning aims to give structure to a client's financial affairs. It also gives the client control over their spending, saving and investments. It's a process that begins with the Financial Planner gathering all relevant financial information in order to personalize a plan for the client. It's a holistic process that is NOT product driven, but aims to give clients SOLUTIONS.

A Cash flow statement and Balance Sheet form the cornerstone of the financial plan, because it is after understanding the client's current financial position, that recommendations can be made. An analysis of the client's standing will cover their income & expenditure, savings & investments, risk management, tax planning, debt management, retirement provisions and estate planning.

Regarding the solutions we offer at Private Clients, we have created a one-stop-shop of solutions. So that instead of having recourse to a string of financial intermediaries, our clients can have their financial affairs run from a central point.

## An overview of financial planning

Financial planning is a process that will assist you to meet your life goals by properly managing your finances. This can include planning for your retirement, saving for your child's education, buying a home or planning your estate.

This process involves gathering information, setting life goals, examining your current financial status and coming up with a strategy for how you can meet your goals given your current situation and future plans.

At FNBB Private Clients, we will take you through the 6-step financial planning process and implement a strategy that will bridge the gap between where you would like to be and where you are right now.

## Do I need financial planning?

Financial planning has developed into a professional industry over the past 15 years. The complexities introduced by legislation have increased product choices and investment risk. While some personal-finance software packages and books can assist you to better understand financial planning, we recommend the services of a competent Financial Planner to guide you through this process.

*"This process involves gathering information, setting life goals, examining your current financial status and coming up with a strategy for how you can meet your goals given your current situation and future plans."*

Setshwano Ngope  
Financial Planner  
FNBB Private Clients

# The role of your Financial Planner

***Your Financial Planner is trained to advise you on a specific plan to suit your unique circumstances.***

***They can help you evaluate the level of risk in your investment portfolio, adjust your retirement plan or provide tax advice that will contribute to the success of your plan.***

It is the responsibility of our Financial Planner to ensure that you understand financial planning, and also to help you reach your goals. We undertake to:

- Give you advice and information
- Refrain from making any financial decision on your behalf
- Discuss detailed strategies to achieve your financial goals and objectives
- Design your financial plan and monitor its progress while focusing on:
  - Your risk profile
  - Tax
  - Inflation
  - Effects of delayed action
  - Disclose their remuneration

At Private Clients we already know that you are one of a kind. Your lifestyle, commitments and dreams (and your plan on how to make them a reality) are all unique to you.

That's why your Financial Planner spends time really getting to understand you and your circumstances in order to be able to guide you on one or more of the areas involved in planning for your future financial success.



# Surviving the Economic Downturn



**F**irst National Bank of Botswana's Private Clients recently hosted a cocktail at a local hotel with its theme dubbed: *SURVIVING THE ECONOMIC DOWNTURN*.

The aim of this essential gathering was to guide clients as to what to do in the meantime, and to give them practical tips on how to survive any economic meltdown. In attendance at the cocktail were key industry professionals from Investec, Bank of Botswana, Capital Securities and PriceWaterHouseCoopers to name a few.

The guest speaker, Product Development Manager at the Botswana Stock Exchange, Mr Thapelo Tsheole outlined the causes of this financial crisis and the effect it has had on the BSE. "The biggest culprit is the lenders, who extended credit to homebuyers with low credit ratings. The partners in crime were the homebuyers themselves, who took on mortgages they could barely afford" said Tsheole. This led to the bursting of the housing bubble. On what clients should do in the meantime, Mr Tsheole said, "it will

depend on your love for risk and return." He advised the risk averse to buy Bonds and Money Market instruments, and the risk-takers to be cautious in their accumulation of low valued stocks. "You should buy into companies that have strong management and clear growth and expansion plans" he said.

The Private Clients Division, having recently added personal financial planning to their bouquet of service offerings, emphasised the importance of being in control of one's finances. In her address to clients, Ms Setshwano Ngope – Financial Planner at FNBB Private Clients asked the all important question, "What has financial planning got to do with surviving an economic meltdown of this magnitude? EVERYTHING" she said. "When you have a financial plan that takes into account YOUR unique financial circumstances, nothing can faze you. If markets make a bull or a bear run, the happenings of the short-term cannot force you into a blind reaction. Because you are on course... on point, you will stick to your long-term plan" explained Ngope.



Head of FNBB Private Clients, Boitumelo Mogopa giving opening remarks



Mr Thapelo Tsheole, Product Development Manager at the Botswana Stock Exchange



The Hon. PHK Kedikilwe commenting during the Q&A session



Ms Setshwano Ngope, Financial Planner at FNBB Private Clients



# FNBB Private Clients keeps its head up



FNBB Deputy CEO, Mr Richard Wright interacting with the Private Clients team



Dr Bandawe of Bank of Botswana with Stephen Bogatsu, FNBB Chief Financial Officer



Mr Banda, Dr Antzen and Mr Paul Kaluba networking



Mr Modiri Mbaakanyi, Professor Anabwani and other guests listening attentively



Mr Philani Mazibuko, Mr Butler Phiri and Mr Odirile Merafhe sharing a light moment

*"When you have a financial plan that takes into account your unique financial circumstances, nothing can faze you."*

Ms Setshwano Ngope  
Financial Planner FNBB  
Private Clients

She encouraged Private Clients to have financial plans in place, explaining that the greater part of the working class will fail to realise one or more of their major life goals such as home ownership or early retirement because they've failed to develop a comprehensive financial plan.

Top of her list of things to embark on beyond this crisis is financial literacy. Ms Ngope explained that financial literacy is the ability to evaluate one's finances in order to make prudent decisions towards reaching life's goals. It includes understanding money, Cashflow, debt management and risk. It entails practicing sound financial management and understanding ways to build financial security, said Ngope.

Once you understand these basics, you can map out what you want your financial future to look like. Fortunately, you don't always have to do this alone. Ms Ngope

elaborated that, "amongst other things, my role as your Financial Planner is to help you gain better control over your financial affairs. To maintain a balance of capital and income, and to preserve their value and purchasing power. In drawing up your financial plan, together, we will determine what's important to you and define your goals. We will assess your current financial situation and evaluate the various alternatives available to meet your goals."

In conclusion, Mr Tsheole urged investors not to despair because of the current situation. He reminded them that recovery, growth and prosperity always follow market crashes.

Ms Ngope urged her Private Clients to adopt the boy scout credo "be prepared." She said Financial Planners the world over recommend that households

should maintain a liquid emergency fund equivalent to 3-6 months of income. This will cushion any unexpected blows like retrenchment and other effects of economic downturns.

In his vote of thanks, FNBB's Deputy CEO Mr Richard Wright highlighted the bank's role as an industry leader in strengthening long-term relationships. He added that FNBB Private Clients offers private banking, structured lending and wealth management services so as to be there for their clients, no matter where they are in their lifecycle.

The evening ended with a Q&A session and networking.



## Relationship Manager Fee

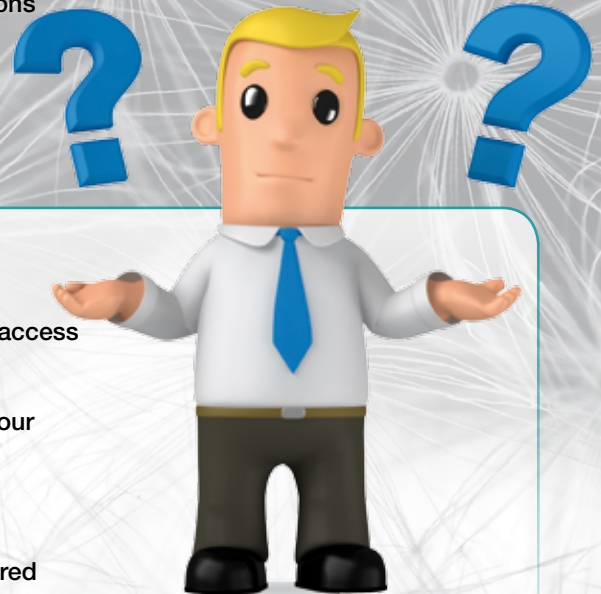
FNB Private Clients will now introduce a fee of P250 per month on all Private clients' current accounts. This fee is called a Relationship Manager fee and it will be effected from 1st of August 2009.

With this fee the following are included:

- All ATM transactions, local and international
- On line banking subscription
- Debit card purchases, local and international
- Transfer via Online Banking and ATM
- Payments via Online Banking and ATM
- Debit orders
- Cheque book fee
- Cheque deposits
- Lost card protection annual fee on debit card
- Facilitate forex requirements
- Delivery of forex( Travellers cheques)
- Cell phone banking instructions

Your Relationship Manager will not only attend to your day to day banking needs, but also attend to your specialist needs i.e. structured lending and Wealth Management.

Should you wish to remain on your current pricing option, please note that you will be assigned an internal relationship officer.



## Did you know?

- That when you pay for your air tickets using your credit card you can access free travel insurance?
- That you can get free access to South African airport lounges using your Private Clients credit card?
- That Private clients offers Financial planning to clients?
- That Private Clients is the only bank in Botswana that offers a Structured Facility?
- Not only can you make inter account transfers but also you can pay Wes bank, Property, Firstcard, Dstv, Air Botswana, BTC, Orange, Mascom, and pay accounts at other local banks using Internet banking?
- That you can use Cell phone banking to view and make transaction anywhere, anytime? (Mascom Orange and Be Mobile subscribers)
- That your relationship managers are always there to assist and facilitate your banking transactions
- That FNBB has just introduced Cordless Point of Sale machines which will be rolled out nationwide, this means you do not have to step out of the car to get your card swiped. Presently this can be found in all major restaurants and Shell Filling Stations.



For more information, please contact:

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How can we help you?