

YOU ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS PROSPECTUS. BEFORE SUBSCRIBING, PLEASE CONSULT YOUR STOCKBROKER, SOLICITOR, BANKER OR AN INDEPENDENT INVESTMENT ADVISER REGISTERED BY THE SECURITIES & EXCHANGE COMMISSION. THIS PROSPECTUS HAS BEEN SEEN AND APPROVED BY THE DIRECTORS OF THE FUND MANAGER AND/OR PROMOTERS OF THE UNIT TRUST AND THEY JOINTLY AND INDIVIDUALLY ACCEPT FULL RESPONSIBILITY FOR THE ACCURACY OF ALL INFORMATION GIVEN AND CONFIRM THAT, AFTER HAVING MADE ALL ENQUIRIES WHICH ARE REASONABLE IN THE CIRCUMSTANCES, AND TO THE BEST OF THEIR KNOWLEDGE AND BELIEF, THERE ARE NO OTHER FACTS, THE OMISSION OF WHICH WOULD MAKE ANY STATEMENT HEREIN MISLEADING.

FOR INFORMATION CONCERNING CERTAIN RISK FACTORS, WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, PLEASE REFER TO "RISK FACTORS" ON PAGE 18.

FSDH DOLLAR FUND

(Authorised and Registered in Nigeria as a Unit Trust Scheme)

OFFER FOR SUBSCRIPTION

OF

**2,000,000 UNITS of \$1.00 EACH
ISSUED AT PAR**

PAYABLE IN FULL ON APPLICATION

FUND MANAGER:



RC 434206

ISSUING HOUSE:



RC 199528

Application List Opens: June 15, 2020

Application List Closes: July 10, 2020

THIS PROSPECTUS AND THE UNITS WHICH IT OFFERS HAVE BEEN REGISTERED BY THE SECURITIES & EXCHANGE COMMISSION. THE INVESTMENTS AND SECURITIES ACT NO. 29 OF 2007 PROVIDES FOR CIVIL AND CRIMINAL LIABILITIES FOR THE ISSUE OF A PROSPECTUS WHICH CONTAINS FALSE OR MISLEADING INFORMATION. REGISTRATION OF THIS PROSPECTUS AND THE UNITS WHICH IT OFFERS DOES NOT RELIEVE THE PARTIES OF ANY LIABILITY ARISING UNDER THE ACT FOR FALSE OR MISLEADING STATEMENTS OR FOR ANY OMISSION OF A MATERIAL FACT IN THE PROSPECTUS.

THIS PROSPECTUS IS DATED {•}, 2020

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1. DEFINITIONS

Unless the context otherwise requires, the following expressions shall have the meanings respectively assigned to them:

Terms/Abbreviations	Description
“Allotment Date”	The date by which SEC clearance is obtained on the basis of allotment in connection with this Offer.
“Application Form”	The form for the subscription of Units of the Fund attached hereto.
“Auditors”	In respect of the Fund, the auditors for the time being of the Fund and if they are unable or unwilling to carry out any action requested of them pursuant to the Trust Deed, then in relation to that action such other firm of chartered accountants as may be approved or nominated; subject to the notification and approval, of the proposed auditors, by the Commission.
“Authorised Investment”	Investment in the Instruments and any other investment which is specifically authorised under section 171 of the ISA (defined below) and the Rules and Regulations of the Securities and Exchange Commission as may be amended from time to time or such other investments as the Commission may from time to time approve.
“Bid Price”	The price at which an investor can sell/redeem units of the Fund on any relevant day.
“Business Day” or “Working Day”	Monday to Friday excluding any day designated as a public holidays by the Federal Government of Nigeria by which banks are not open for regular banking business in Nigeria.
“CAMA”	Companies and Allied Matters Act. Cap C20, LFN 2004 as may be amended from time to time.
“Cash”	Cheques, bank drafts, money orders, postal orders, currency notes and coins.
“CBN”	Central Bank of Nigeria.
“Charges”	Any or all of the following fees and expenses accruing that will be charged in relation to the Fund, to the Expense Account of the Fund, after the advent of this Trust Deed: (i) The Manager’s remuneration; (ii) The Manager’s incentive fee; (iii) The Trustee’s remuneration; (iv) The Registrar’s remuneration; (v) The Custodian’s Fee; (vi) The Auditors’ remuneration; (vii) Fees payable to the SEC; and the Exchange; (viii) Fees payable to the rating agent (ix) Transaction charges; and (x) Any other charges that may be incurred by the Manager in connection with its management and administration of the Fund.
“CSCS”	Central Securities and Clearing Systems Limited.
“Custodian” or “Global Investor Services”	United Bank for Africa PLC’s Global Investor Services Division
“Custody Agreement” or “Safe Custody Agreement”	The agreement dated [.] between the Fund Manager, the Custodian and the Trustees
“Deposited Property”	All assets (including cash) for the time being held or deemed to be held in trust on behalf of the Fund by virtue of the Trust Deed.
“Directors” or “Board”	The Directors of the Fund Manager, who comprise those persons whose names are set out on pages 13 of this Prospectus.

“Distributions”	Income generated by the Fund and paid (less expenses and applicable taxes) to Unitholders.
“DMO”	Debt Management Office.
“Dollar”, “USD” or “US\$”	The United States Dollar, the official currency of the United States of America
“Exchange”	The FMDQ OTC Securities Exchange or any other recognised Stock Exchange or Bourse authorised by the SEC.
“Expense Account”	In relation to the Fund, the designated account(s) to be opened by the Custodian for the purpose of paying the Charges incidental to the administration of the Fund.
“FGN”	Federal Government of Nigeria.
“FMDQ”	FMDQ OTC Securities Exchange
“Fund Manager” or “Manager” or “FSDH AM”	FSDH Asset Management Limited.
“FSDH Dollar Fund”, or the “Fund”	The FSDH Dollar Fund designed, structured, issued and managed by the Fund Manager
“Holdings”	All or any of a Unitholder’s investments in the Fund.
“IPO” or “Offer” or “Offering”	The Initial Public Offer of 2,000,000 Units of US\$1.00 each at par, in the FSDH Dollar Fund.
“ISA”	Investments & Securities Act No. 29, 2007.
“Issuing House” or “FSDH”	FSDH Merchant Bank Limited.
“LFN”	Laws of the Federation of Nigeria.
“Listing Date”	The date on which units of the Fund issued to subscribers under the Offer for Subscription are to be listed on the FMDQ OTC Exchange
“Meeting”	A general meeting of the Unitholders of the Fund convened in accordance with the provisions contained in Schedule 5 hereto.
“Minimum Number of Units”	1000 Units initially and a minimum of 500 Units thereafter.
“Naira” or “N”	The Nigerian Naira, the official currency of the Federal Republic of Nigeria.
“NAV per Unit”	The Net Asset Value attributable to the Fund calculated by dividing the Net Asset Value of the Fund by the units of the Fund, as described in more detail under “Determination of Net Asset Value”.
“Net Asset Value” or “NAV”	In respect of the Trust, the Net Asset Value, as set out on page 19 of this Prospectus.
“NBS”	National Bureau of Statistics.
“NSE”	The Nigerian Stock Exchange
“Offer Documents”	This Prospectus, advertisements, notices and any other document registered with the Commission, which disclose relevant information in respect of the Fund as required by the ISA and the SEC Rules and Regulations for the purpose of inviting the general public to invest in the Fund.
“Offer”	Offer for Subscription of Units in the FSDH Dollar Fund
“Offer Price”	The price at which an investor can buy units of the Fund which shall be \$1.00 per unit
“Open-ended Fund”	A Fund that can create and offer additional units outside of its initial offering on a continuous basis throughout its life. Units of such a Fund can also be redeemed in line with the provisions of the trust deed constituting the Fund.

“Ordinary Resolution”	A resolution passed by a simple majority of votes cast by Unitholders entitled to vote at a Meeting in person or by proxy.
“PenCom”	National Pension Commission.
“PFAs”	Pension Fund Administrators.
“Prospectus”	This document, which is issued in accordance with the provisions of the ISA and the SEC Rules and Regulations and which discloses relevant information about the Fund and the Offer
“Rating Agency” or “Agusto & Co”	Agusto & Co. Limited
“Receiving Agents”	Banks and Stockbrokers authorised to receive applications from prospective investors in the Fund.
“Receiving Bank” or “Stanbic IBTC Bank”	Stanbic IBTC Bank Plc
“Record Date”	The date determined by Fund Manager for the purpose of determining the holders who are entitled to receive a distribution.
“Redemption Notice”	A notice issued pursuant to Clause 10 in the form set out in Schedule 3 of the Trust Deed.
“Register”	The Register of Unitholders.
“Registrar” or “EDC Registrars”	EDC Registrars Limited
“RTGS”	Real Time Gross Settlement, the CBN electronic platform for inter-bank transfer of funds.
“SEC Rules and Regulations”	The SEC Rules and Regulations, 2013 and any amendments and additional rules and regulations issued by the SEC pursuant to the ISA.
“SEC” or the “Commission”	Securities and Exchange Commission established pursuant to the provisions of the ISA.
“Special Resolution”	A resolution passed by not less than three-fourths of the votes cast by Unitholders that are entitled to vote in person or by proxy at a Meeting of which 21 days’ notice specifying the intention to propose the resolution as a Special Resolution has been duly given.
“Statement” or “Statement of Unitholding”	A document or statement issued in an electronic form by the Manager to a Unitholder confirming the number of Units and fractions thereof held by a Unitholder in the Fund.
“TIA”	Trustee Investments Act Cap T22, LFN 2004.
“Trading Account”	In relation to the Fund, the accounts to be opened by the Custodian in the name of the Trustee/the Fund and into which all proceeds of the sale of Units with all other property and assets of the Trust shall be paid.
“Trading Day”	A day in which trading takes place on the Exchange.
“Trust Deed”	The Trust Deed dated [.] constituting the Fund and any document supplemental thereto or executed in pursuance thereof
“Trust”	The Trust as constituted by the Trust Deed holding the Underlying Portfolio/Securities in respect of the Fund.
“Trustee”, “Custodian Trustees” or “CTL”	Custodian Trustees Limited
“Unit(s)”	The units of the Fund.
“Unitholder(s)”	The person(s) whose names are for the time being entered in the Register of Unitholders as holder(s) of Units of the Fund.
“Units Outstanding”	All the Units of the Fund that have been sold to Unitholders and have not been redeemed in accordance with Clause 10 of the Trust Deed.
“Valuation Day”	Any day on which the value of the Fund is calculated.

"VaR"	Value at Risk
"Year"	The calendar year.
"Yield"	The rate of income/loss generated from a unit of a fund through distributions and/or capital appreciation/depreciation.

2. IMPORTANT NOTICES

This Prospectus has been registered as such by the SEC. No person has been authorised to give any information or to make any representation other than those contained in this document in connection with the offering of Units of the Fund and, if given or made, such information or representations must not be relied upon as having been authorised by the Fund Manager or the Issuing House or the Trustee.

Neither this Prospectus nor any other information supplied in connection with the Fund (i) is intended to provide the basis of any subscription or other evaluation or (ii) should be considered as a recommendation by the Fund Manager, the Issuing House or the Trustee that any recipient of this Prospectus or any other information supplied in connection with the Offer or the Fund should purchase the Units of the Fund. Each investor contemplating purchasing any Units should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Fund Manager.

Neither the delivery of this Prospectus nor the offering, sale or delivery of the Units shall in any circumstances imply that the information contained herein concerning the Fund Manager is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Offer is correct as of any time subsequent to the date indicated in the document containing the same. The Issuing House and the Trustee expressly do not undertake to review the financial condition or affairs of the Fund Manager throughout the life of the Fund or to advise any investor in the Fund of any information coming to their attention.

This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Units in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Prospectus and the offer or sale of Units may be restricted by law in certain jurisdictions. The Fund Manager, the Issuing House and the Trustee do not represent that this Prospectus may be lawfully distributed, or that any Units may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Fund Manager, the Issuing House or the Trustee which is intended to permit a public offering of the Fund or distribution of this Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no units of the Fund may be offered or sold, directly or indirectly, and neither this Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Prospectus or the Units may come must inform themselves about, and observe any such restrictions on the distribution of this Prospectus and the offering and sale of the Units.

In making an investment decision, investors must rely on their own independent examination of the Fund Manager and the terms of the Units being offered, including the merits and risks involved. None of the Fund Manager, the Issuing House or the Trustee makes any representation to any investor regarding the legality of its investment under any applicable laws. Any investor should be able to bear the economic risk of an investment in the Fund for an indefinite period of time.

2.1. FORWARD LOOKING NOTICES

Certain statements included in this Prospectus may constitute forward-looking statements that involve a number of risks and uncertainties. Such forward-looking statements can be identified by the use of forward looking terminology such as “estimates”, “believes”, “expects”, “may”, “are expected to”, “intends”, “will”, “will continue”, “should”, “would be”, “seeks”, “approximately”, or “anticipates”, or similar expressions or the negative thereof or other variations thereof or comparable terminology, or by discussions of strategy, plans or intentions. These forward-looking statements include all matters that are not historical facts. They

appear in a number of places throughout this Prospectus and include statements regarding the Fund Manager's intentions, beliefs or current expectations concerning, amongst other things, the Fund's results of operations, financial condition, liquidity, prospects, growth, strategies and the markets in which it operates. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future.

Prospective investors should be aware that forward-looking statements are not guarantees of future performance and that the Fund's actual results of operations, financial condition and liquidity and the development of the market in which it invests may differ materially from those made in or suggested by the forward-looking statements contained in this Prospectus. Such forward-looking statements are necessarily dependent on assumptions, data or methods that may be incorrect or imprecise and that may be incapable of being realised.

The Fund Manager is not obliged to, and does not intend to, update or revise any forward-looking statements made in this Prospectus whether as a result of new information, future events or otherwise. All subsequent written or oral forward-looking statements attributed to the Fund Manager, or persons acting on the Fund Manager's behalf, are expressly qualified in their entirety by the cautionary statements contained throughout this Prospectus. A prospective subscriber to the Fund should not place undue reliance on these forward-looking statements.

2.2. PRESENTATION OF INFORMATION

Third Party Information

The Fund Manager has obtained certain statistical and market information that is presented in this Prospectus on such topics as the Nigerian economic landscape and related subjects from certain government and other third-party sources described herein. The Fund Manager has accurately reproduced such information and, so far as the Fund Manager is aware and is able to ascertain from information published by such third parties, no facts have been omitted that would render the reproduced information inaccurate or misleading. Nevertheless, prospective investors are advised to consider this data with caution. Prospective investors should note that some of the Fund Manager's estimates are based on such third-party information. Neither the Fund Manager nor the Issuing House has independently verified the figures, market data or other information on which third parties have based their studies.

Certain statistical information reported herein has been derived from official publications of, and information supplied by, a number of Government agencies and ministries, including the CBN, the Nigerian Debt Management Office ("DMO") and the Nigerian National Bureau of Statistics ("NBS"). Official data published by the Nigerian Government may be substantially less complete or researched than those of more developed countries. Nigeria has attempted to address some inadequacies in its national statistics through the adoption of the Statistics Act of 2007, which established the National Statistical System and created the NBS (which came into existence as a result of the merger of the Federal Office of Statistics and the National Data Bank) as its coordinator.

Rounding

Certain figures included in this Prospectus have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

3. ABRIDGED TIMETABLE

Date	Activity	Responsibility
June 15, 2020	Application List opens.	Issuing House
July 10, 2020	Application List closes.	Issuing House
{●}	Receiving Agent(s) submit returns	Receiving Bank
{●}	Forward allotment proposal and draft newspaper announcement to SEC.	Issuing House
{●}	Receive SEC authorisation of allotment.	Issuing House
{●}	Remit net proceeds of the Offer to United Bank for Africa PLC, Global Investor Services Division	Receiving Bank
{●}	Return Excess/Rejected Application Monies	Registrar
{●}	Allotment Announcement	Issuing House
{●}	Listing of the Funds with FMDQ	Issuing House
{●}	Credit CSCS Accounts / Distribute Statements of Unitholding	Registrar
{●}	Forward summary of Post Completion report to SEC.	Issuing House

All dates provided are subject to change by the Issuing House in consultation with the Fund Manager and subject to obtaining the necessary regulatory approvals from the SEC without prior notice.

4. SUMMARY OF THE OFFER

Investors are advised to seek information on the Fees, Charges & Operating Expenses before investing in the Fund.

1.	FUND NAME	FSDH Dollar Fund
2.	FUND MANAGER	FSDH Asset Management Limited
3.	ISSUING HOUSE	FSDH Merchant Bank Limited
4.	TRUSTEE TO THE FUND	Custodian Trustees Limited
5.	CUSTODIAN	United Bank for Africa PLC, Global Investor Services Division
6.	REGISTRAR	EDC Registrars Limited
7.	THE OFFER	2,000,000 Units of \$1.00 each at par in the Fund
8.	METHOD OF THE OFFER	Offer for Subscription
9.	NATURE OF THE FUND	<p>FSDH Dollar Fund (or the "Fund") provides investors with the opportunity to invest in a range of US Dollar denominated securities domiciled in Nigeria. The securities are registered with the Securities and Exchange Commission and for whom the Fund Manager has existing board approved trading lines with a minimum investment of \$1,000.</p> <p>The Fund is an open-ended Unit Trust Scheme. Investors will be free to subscribe to the Units through the Fund Manager or any other agent approved by the Fund Manager after the Initial Public Offer ("IPO"). Therefore, although the Fund has an initial target of 2,000,000 Units, the Fund Manager will issue additional Units of The Fund to subscribers - on demand - after the initial tranche of 2,000,000 Units have been fully subscribed, subject to SEC's approval and registration of the additional units.</p>
10.	OFFER PRICE	\$1.00 per Unit
11.	OFFER SIZE	\$2,000,000 (Two Million United States Dollars)
12.	UNITS OF SALE	1000 units minimum and subsequently multiples of 500 Units thereafter.
13.	PAYMENT TERMS	In full on application
14.	MANDATORY SUBSCRIPTION	As required under the SEC Rules & Regulations, pursuant to the ISA, the Fund Manager shall subscribe to a minimum of 5% of the initial issue
15.	HOLDING PERIOD	The Fund Manager is of the view that investors will yield optimal returns

from the Fund if investments are held for a minimum period of 180 days. In the event that a Unitholder redeems their investment within the first 180 days, an administrative fee of up to 20% of the income earned on the investment will be charged by the Fund Manager

16. **OPENING DATE** June 15, 2020
17. **CLOSING DATE** July 10, 2020
18. **LISTING DATE** An application will be made to FMDQ for the listing of the fund
19. **STATUS** The Fund qualifies as securities in which Trustees may invest under the Trustees Investments Act Cap T22 LFN 2004.
20. **REDEMPTION** Redemption payments will be made no later than 5 (Five) Working Days after the relevant Valuation Day at the prevailing Net Asset Value following the date of receipt of the Redemption Notice.

The minimum holding in the Fund is \$1,000. Redemption done prior to 180 days will attract the penalty fee of 20% of interest earned. A request for redemption may not be honoured if such redemption will reduce the current value held to below \$1,000 unless the Unitholder is redeeming the entire holding in the Fund.

21. **FORECAST OFFER STATISTICS**
(EXTRACTED FROM THE REPORTING ACCOUNTANTS' REPORT):

Year ending December 31st	2019 USD'000	2020 USD'000	2021 USD'000	2022 USD'000	2023 USD'000
ASSETS	1,988.30	2,119.20	2,153.90	2,165.00	2,181.90
Term Deposit	177.5	323.2	374.5	401.1	425.8
Eurobonds	1,810.80	1796.1	1779.5	1764	1756.1
LIABILITIES	1,988.30	2,119.20	2,153.90	2,165.00	2,181.90
Accrued operating expenses	16	45.3	48.4	50.1	51.7
NET ASSET	1,972.30	2,073.90	2,105.60	2,114.90	2,130.10
Financed by					
Total fund raised	2,000	2,000	2,000	2,000	2,000
Undistributed income	-27.7	73.9	105.6	114.9	130.1
Unit holders' interest	1,972.30	2,073.90	2,105.60	2,114.90	2,130.10

Investors are advised to seek information on the fees and charges before investing in the Fund

22. **SELLING RESTRICTIONS** Under no circumstances shall this Prospectus constitute an offer to sell or the solicitation of an offer to buy or shall there be any sale of these Units in any jurisdiction in which such offer or solicitation or sale would be unlawful.
23. **GOVERNING LAW** The Offer Documents will be governed by and construed in accordance with the laws of the Federal Republic of Nigeria

5. THE DIRECTORS OF THE FUND MANAGER AND OTHER CORPORATE INFORMATION

1.	DIRECTORS OF THE FUND MANAGER:	<p>Tosayee Ogbomo – Chairman UAC House, 8th Floor, 1-5 Odunlami Street, Lagos Island, Lagos</p> <p>Mayowa Ogunwemimo – Managing Director UAC House, 8th Floor, 1-5 Odunlami Street, Lagos Island, Lagos</p> <p>Folasade Ogunde – Director UAC House, 8th Floor, 1-5 Odunlami Street, Lagos Island, Lagos</p> <p>Hamda Ambah – Director UAC House, 8th Floor, 1-5 Odunlami Street, Lagos Island, Lagos</p> <p>Kelechi Okoro – Director UAC House, 8th Floor, 1-5 Odunlami Street, Lagos Island, Lagos</p> <p>Yasmin Belo-Osagie – Director UAC House, 8th Floor, 1-5 Odunlami Street, Lagos Island, Lagos</p>
2.	PRINCIPAL OFFICERS:	<p>Shehu Jamiu Tolulope Faboyede Oladapo Adekoya Osamudiame Iyamu</p>
3.	INVESTMENT COMMITTEE MEMBERS	<p>Olu Odugbemi - Independent Member Mayowa Ogunwemimo - Managing Director, FSDH AM) Mr. Robert Ajiamah. – FSDH Compliance / Risk Management Unit Chukwudi Nwaokeke – FSDH Treasury Oladapo Adekoya – Investment Management, FSDH AM Osamudiame M. Iyamu – Investment Management, FSDH AM Austin Akpe – Managing Director, Custodian Trustees Olubusola Ajayi – Head Legal Services, Custodian Trustees</p>
4.	FINANCIAL SUMMARY	<p>The Statement of Financial Position of FSDH Asset Management Limited can be found on page 35 of this Prospectus.</p>
5.	CORPORATE DIRECTORY OF THE FUND MANAGER:	<p>FSDH Asset Management Limited Corporate Headquarters: UAC House, 8th Floor, 1-5 Odunlami Street, Lagos Island, Lagos Telephone: +234-1-2809740-1 Website: http: www.fsdhaml.com</p>

6. THE OFFER

A copy of this Prospectus together with the documents specified herein, having been approved by the Trustee, has been delivered to the Securities and Exchange Commission ("the Commission") for registration.

This Prospectus is issued in compliance with the provisions of the Investments and Securities Act 2007 and the Rules and Regulations of the Securities & Exchange Commission for the purpose of giving information to the public with regards to the Offer for Subscription of Units of 2,000,000 Units in the FSDH Dollar Fund to be managed by FSDH Asset Management Limited.

The Directors of the Fund Manager individually and collectively accept full responsibility for the accuracy of the information contained in this Prospectus. The Directors have taken reasonable care to ensure that the facts contained herein are true and accurate in all respects and confirm, having made all reasonable enquiries that to the best of their knowledge and belief, there are no material facts the omission of which would make any statement herein misleading or untrue.



ON BEHALF OF



OFFER FOR SUBSCRIPTION

AND IS AUTHORISED TO RECEIVE APPLICATIONS FOR

2,000,000 UNITS OF \$1.00 EACH AT PAR

IN THE

FSDH DOLLAR FUND

(Authorised and Registered in Nigeria as Unit Trust Scheme)

Payable in full on Application

The Application List for the Units now being offered will open on June 15, 2020 and close on July 10, 2020

7. MANAGER, TRUSTEES AND OTHER PARTIES TO THE OFFER

THE FUND MANAGER		
FSDH Asset Management Limited UAC House (8th Floor) 1-5 Odunlami Street Lagos Island Lagos		
DIRECTORS OF THE FUND MANAGER		
Mr. Tosayee Ogbomo Chairman UAC House (8th Floor), 1-5 Odunlami Street Lagos Island, Lagos	Mrs. Olumayowa Ogunwemimo Managing Director UAC House (8th Floor), 1-5 Odunlami Street Lagos Island, Lagos	Mrs. Folasade Ogunde Director UAC House (8th Floor), 1-5 Odunlami Street Lagos Island, Lagos
Mrs. Hamda Ambah Director UAC House (8th Floor), 1-5 Odunlami Street Lagos Island, Lagos	Mr. Kelechi Okoro Director UAC House (8th Floor), 1-5 Odunlami Street Lagos Island, Lagos	Ms. Yasmin Belo-Osagie Director UAC House (8th Floor), 1-5 Odunlami Street Lagos Island, Lagos
ISSUING HOUSE		
FSDH Merchant Bank Limited UAC House (5th – 8th Floor) 1-5 Odunlami Street Lagos Island Lagos		
PROFESSIONAL PARTIES		
Custodian Trustees Limited 16A, Commercial Avenue Sabo, Yaba, Lagos	Udo Udoma & Belo-Osagie Solicitor St Nicholas House (10th & 13th Floor) Catholic Mission Street Lagos Island Lagos	
United Bank for Africa Plc (Global Investor Services Division) Custodian UBA House 57, Marina Lagos	Deloitte & Touche Reporting Accountant Civic Towers Plot GA 1 Ozumba Mbadiwe Avenue Victoria Island, Lagos	
Stanbic IBTC Bank Plc Receiving Bank IBTC House, Walter Carrington Crescent Victoria Island Lagos	EDC Registrars Limited Registrar 154 Ikorodu Road, Shomolu Lagos	
Agusto & Co. Limited Rating Agency UBA House (5th Floor) 57 Marina Lagos		

8. INFORMATION ON THE FSDH DOLLAR FUND

8.1. THE FUND

The FSDH Dollar Fund is an open-ended mutual fund that will invest in US Dollar denominated securities, which are registered with the Securities and Exchange Commission and may be determined by the investment advisory committee. The Fund is an open ended Unit Trust Scheme authorised by the SEC in accordance with the provisions of Section 160 of the ISA. The Fund has been constituted under a Trust Deed executed between the Fund Manager and the Trustee and is comprised of 2,000,000 Units with a value of \$1.00 per Unit.

The objective of the Fund is to provide investors with opportunity to invest in dollar denominated instruments in order to achieve consistent cash flows and capital appreciation over the long term. Investors are able to enjoy significant higher returns than what is obtainable from the average domiciliary account in local banks. The Fund will provide investors with the opportunity to purchase units of the Fund at different times, on a continuous basis, thus providing flexibility with regards to the timing of investments in, and redemptions from the Fund.

8.2. TARGET INVESTORS

The Fund is targeted towards retail investors, High Net Worth Individuals (HNIs), Africans in Diaspora, and Institutional Investors (both local and foreign), who desire exposure to US Dollar denominated fixed income securities.

Investors with domiciliary account with Nigerian Banks and Institutions or Individual that earn USD locally will form part of the target list. The Fund welcomes participation from institutional investors such as Pension Fund Administrators, not-for-profit organisations, and collective investment schemes.

8.3. INVESTMENT OBJECTIVE

The objective of the Fund is to provide investors with an opportunity to invest in dollar denominated instruments while providing regular cash flow and capital appreciation over the long term.

8.4. INVESTMENT POLICY

The Fund's assets shall be invested at the discretion of the Fund Manager in accordance with the Trust Deed, the investment objective and asset allocation framework of the Fund.

The Fund Manager shall be responsible for all the decisions regarding the investment strategies, types, amounts, and timing of the investments to be undertaken by the Fund. The investment strategy shall be reviewed periodically by the Fund Manager in light of prevailing market conditions and reviewed accordingly in the best interest of the Fund.

The Fund Manager shall take necessary steps to ensure that the asset allocation of the Fund is in line with the requirements of the Asset Allocation.

8.5. ASSET ALLOCATION

In line with the fund objectives and all applicable rules, the Fund Manager has established a target asset allocation. These target weights help manage risk and return in pursuit of the fund's investment objectives.

The Fund shall invest its assets in Nigeria Sovereign Eurobonds and Corporate Eurobonds registered with the SEC as may be determined by the investment advisory committee. The asset allocation on the fund of the fund shall be in the manner stated in the table below:

S/N	Asset Class	Maximum	Minimum
1	Fixed Income Securities Such As Nigerian Sovereign Eurobonds And Corporate Eurobonds Issued By Nigerian Entities Registered With The Securities And Exchange Commission	95%	75%
2	Cash Equivalent Such As USD Commercial Papers And Fixed Deposit With Banks Or Other Financial Institutions Whose Securities Are Registered With The Securities And Exchange Commission	25%	5%

8.6. THE INVESTMENT COMMITTEE

The Fund shall have an Investment Committee, which shall be responsible for reviewing and advising the Manager on proposed investments generally. The Investment Committee shall have a minimum of 3 (three) members comprising at least 1 (one) independent member, nominated by the Manager and with no affiliation to either the Manager, the Trustee, or the Custodian, together with a representative of the Manager and a representative of the Trustee.

At inception, the members of the Investment Committee will include the following:

- Olu Odugbemi - Independent Member
- Mayowa Ogunwemimo - Managing Director, FSDH AM
- Mr. Robert Ajiamah. – FSDH Compliance / Risk Management Unit
- Oladapo Adekoya – Investment Management, FSDH AM
- Chukwudi Nwaokeke – FSDH Treasury Unit
- Austin Akpe – Managing Director, Custodian Trustees
- Olubusola Ajayi – Head Legal Services, Custodian Trustees

8.7. INVESTMENT INCENTIVES

The Fund provides the following benefits to investors:

Liquidity: The Fund will provide investors with the flexibility of converting their investment in the Fund into cash at any time, as redemptions can be made through the Fund Manager upon receipt of all relevant documents.

Capital Appreciation: Investors will have access to earn returns from a pool of high-yielding investment instruments which will provide capital growth and income over the long term

Ease of Access: The Fund will provide retail investors with the opportunity to invest in US Dollar denominated securities with a minimum sum of \$1,000.

Professional Expertise: The Fund will be actively managed by a team of professional fund managers. In addition, an investment committee which consist of professionals with broad knowledge and experience which will help oversee the investment process of the Fund.

8.8. SUBSCRIPTION TO THE FUND

Following the conclusion of this Offer, Units of the Fund can be purchased exclusively from the Fund Manager or any other Agent appointed by the Fund Manager.

8.9. INCOME AND DISTRIBUTION

The Fund will seek to generate income and capital growth over the long term. The Fund Manager intends to make distributions of the Fund's net income on an annual basis. The income of the Fund less any sums properly chargeable thereon or deductible therefrom shall be distributed, to Unitholders in accordance with existing regulations. Unitholders may elect to either receive their distributions by electronic transfer to their domiciliary bank accounts or re-invest their distribution by purchasing additional units of the Fund. Where the Unitholder fails to indicate whether their distributions should be reinvested in the Fund or transferred to their domiciliary bank account, such distribution shall be re-invested, and used to purchase additional units of the Fund.

8.10. RISK ASSESSMENT POLICY

The Fund Manager will undertake an assessment of all risks, vulnerabilities and threats prior to undertaking all investments. The assessment will determine the respective issuer, market and counterparty risks of all instruments. The Fund Manager has established a system of controls over its risk management process to ensure compliance with risk management policies and procedures.

The Fund Manager will measure the issuer's exposure to identified risks (market & counterparty, for example) using best practice evaluation standards. The Fund Manager uses Value at Risk ("VaR") and risk rating models to measure market and counterpart risks.

8.11. RISK FACTORS

The Fund Manager will exercise prudence in undertaking investment of the Fund. However, there is a certain level of risk involved in every investment activity and no guarantees can be given that all of the Fund's objectives will be realised. The Fund may also not achieve its objective if the Fund Manager's expectations regarding particular securities or interest rates are not met.

A subscription to the Fund should be considered a calculated investment and is subject to factors such as political risk, market risk, third party risk and liquidity risk; all of which must be considered before investing in the Fund.

The Fund's Key Investment Risks

All mutual funds carry a certain amount of risk. However, investments in the Fund are subject to volatility based on economic conditions. Here are some specific risks of investing in the Fund. The Fund may not achieve its objective if the Fund Manager's expectations regarding particular securities or interest rates are not met.

a. Interest Rate Risk

The Fund's performance may be impacted by adverse movement in interest rates which can impact the value of securities which the Fund holds. Interest rate risk refers to the probability that market interest rates will rise significantly higher than the interest rate earned on investments such as bonds, resulting in lower market value. Interest rates have the biggest effect on debt instruments as they are highly sensitive to changes in interest rates. Depending on the Fund's portfolio mix, short-term and long-term interest rates movement have a converse relationship with the value of securities within the portfolio and ultimately, the performance of the Fund.

b. Currency Risk

Movement in exchange rates could result in a devaluation of the Dollar, which may affect the value of the underlying assets and in turn have a negative impact on the yields of the Fund.

c. Credit Risk

There is a risk that the issuer of a security, or the counterparty to a contract, will default or otherwise become unable to honour a financial obligation, and as a result the value of your investment could decline. The price and liquidity of a security can also be adversely affected as credit status deteriorates and the probability of default rises

d. Regulatory Risk

The Fund is subject to various forms of regulations. These regulations may have an adverse effect on the Fund. The CBN may from time to time, issue new regulations and guidelines which may have a direct or indirect impact on securities the Fund will invest in. Regulations issued by the CBN to defend the currency, manage the country's external reserves, inflation or spur economic growth may negatively impact the Fund's performance.

Additionally, regulators such as the SEC and the NSE may from time to time, issue circulars that may also impact the Fund's performance. These regulations may inadvertently, lead to higher cost impact on the Fund. This risk may arise from the possible breach of regulatory guidelines or requirements. There is also the risk that possible amendments to the local and foreign legislation (including tax legislation) may cause additional expenses for the Fund.

8.12. STATEMENTS OF UNITHOLDING

Unitholders will be issued Statements of Unitholding which will constitute evidence of their investment as well as title to the units stated on the Statements.

8.13. UNITHOLDERS' MEETINGS AND VOTING RIGHTS

The Fund shall hold General Meetings of Unitholders at least once every year. All Unitholders will, in accordance with the Trust Deed, be entitled to receive notice of, attend and vote at any General Meetings of the Fund. Each unit of the Fund entitles the Unitholder to one vote in respect of all matters requiring the decision of Unitholders where a poll is required. Copies of the Audited Annual Reports of the Fund will be mailed to Unitholders at their registered addresses after the approval of the audited accounts by the SEC.

The Fund's fiscal year ends on December 31 of every year.

8.14. VALUATION OF UNITS

The Fund Manager and Trustee of the Fund shall work to ensure that a stable NAV or accumulated net asset value of the Fund which is \$1 per Unit is maintained. The NAV of the Fund shall be determined on the basis of the amortised cost method in line with the SEC's rules as amended from time to time.

8.15. TRANSFER AND REDEMPTION OF UNITS

Redemption payments will be made no later than five (5) days after a redemption notice has been presented to the Fund Manager. The units will be redeemed at the prevailing Bid Price on the date of the redemption day.

All redemption requests must be duly signed by the respective Unitholder and the bank account details of the Unitholder must be clearly stated on the form. The Fund Manager will not process redemption request which is not duly signed and will not transfer redemption proceeds to a third party account.

The minimum holding in the Fund is \$1,000. A request for redemption shall not be honoured (or a lesser amount will be issued such that the balance unit remaining will not be less than) if such redemption will reduce the current value below \$1,000 unless the Unitholder is redeeming their entire holding in the Fund.

9. RATING REPORT

FSDH DOLLAR FUND (An Open-Ended Mutual Fund)

Fund Credit Quality Rating: B

This is a global scale rating, capped by Nigeria's sovereign rating of B+

Fund Volatility Rating: FV6

Issue Date: September 2019
Expiry Date: September 2020
Previous Rating: N/A

Industry:
Fund Management

Analysts:

Wonuola Kunle-Bello
wonuolabello@agusto.com

Adebisi Olukoya
biyiolukoya@agusto.com

Rita Emoefe, CFA
ritaemoefe@agusto.com

Agusto & Co. Limited
UBA House (5th Floor)
57, Marina
Lagos
Nigeria

www.agusto.com

RATING RATIONALE

- FSDH Dollar Fund (FDF or 'the Fund') is a proposed collective investment scheme to be managed by FSDH Asset Management Limited (FSDH AM or 'the Manager'). The Fund is expected to invest in dollar-denominated, fixed income instruments, registered with the Securities and Exchange Commission (SEC) and issued by entities domiciled in Nigeria. Upon launch, the Fund will be one of four public collective investment schemes managed by FSDH AM.
- FDF may invest in a mix of short, medium and long-term dollar-denominated bonds with a target duration of 10 years. This duration limit is over 40 times the weighted average maturity of cashflows we consider to have low exposure to interest rate risk. In addition, the Fund's assets are expected to be marked to market, given that FDF will be open-ended and bonds are unlikely to be held to maturity. The Fund will, therefore, be considerably exposed to volatility in net asset value (NAV) due to movements in interest rate risk. In our view, FDF's potential exposure to interest rate risk is high.
- The Fund is expected to invest in securities with credit ratings of at least a B- in foreign currency. We note that the FCY ratings of Nigerian entities are capped by a weak sovereign rating of B+¹, consequently, we consider FDF's potential exposure to credit risk (in foreign currency) moderate to high.
- At least 5% of the Fund's assets will be held in short-dated money market instruments, that can be liquidated with minimal impact on investment. FDF will also only invest in liquid, Euro-Clearable bonds with a minimum issue size of US\$200 million. We consider the Fund's potential exposure to liquidity risk to be low.
- Agusto & Co considers the Manager's investment processes to be well structured and adequate for the level of activities. However, we note the limited experience of the secondary portfolio manager in managing collective investment schemes while key operational processes such as pre-trade checks remain manual and prone to error.

¹ Agusto & Co, Public Information Rating

10. FINANCIAL FORECAST

LETTER FROM THE REPORTING ACCOUNTANT



8 July 2019

The Managing Director

FSDH Asset Management Limited
UAC House
1-5 Odunlami Street
PMB 12913
Lagos State

Dear Sir/Madam

Deloitte and Touche
Civic Towers
Plot GA 1, Ozumba Mbadiwe Avenue
Victoria Island
Lagos State
Nigeria

Tel +234 1 804 1700
www.deloitte.com.ng

Reporting Accountants' Report on the Financial Projections of the Proposed FSDH Two Million US Dollar Fund

We have examined the accounting bases and assumptions of the projected Statement of Financial Position, Statement of Profit or Loss and other Comprehensive Income, and Statement of Cash Flows for the proposed Two Million US Dollar FSDH Eurobond Fund (the "Fund") to be raised and managed by FSDH Asset Management Limited ("FSDH AML" or the "Fund Manager"). The projections cover the forecast period ending 31 December 2023 (31 December 2019; 31 December 2020; 31 December 2021; 31 December 2022 and 31 December 2023). This review was done in accordance with the International Standard on Assurance Engagements 3400 as applicable to the examination of prospective financial information.

The Fund Manager's Directors are solely responsible for preparing and ensuring that the financial projections for the forecast period ending 31 December 2023 contain no error or material misstatement; and that the assumptions as well as the policies and principles set out in the notes are consistent with the relevant financial reporting framework. Our responsibility is to express an opinion as to the proper compilation of the financial projections. The financial projections form part of the Prospectus for the proposed Fund for which the Fund Manager's Directors are responsible.

FSDH AML intends to raise the target amount by selling two million units of the proposed Fund at one US dollar per unit, and use the proceeds to purchase eurobonds issued by the Nigerian Federal Government or Nigerian corporate entities. The projections were prepared by the Fund Manager for this purpose using a set of assumptions that include hypothetical assumptions about future events and actions that may not necessarily occur. Consequently, readers are cautioned that these financial projections may not be appropriate for purposes other than those described above.

Based on our examination of the evidence supporting the assumptions, nothing has come to our attention which causes us to believe that these assumptions do not provide reasonable bases for the projections of the Fund Manager, assuming that the Fund Manager is able to raise the target sum (Two Million US Dollars). In our opinion, the projections, so far as the accounting policies and calculations are concerned, have been properly compiled based on the assumptions made by FSDH AML's Board of Directors, and are presented on a basis consistent with the accounting policies normally applied by the Fund Manager. Please note that the Directors of FSDH AML are responsible for the contents of the prospectus in which this report is included.

We wish to emphasize that no business is free from major risks, and that few financial projections are free from errors of commission or omission. Even if the Fund Manager is able to raise the target sum, actual results are still likely to be different from these financial projections since anticipated events frequently do not occur as expected. Please note that these variations may be material.

We have no responsibility to update this report for events and circumstances occurring after the date of this report.

Yours faithfully

For: Deloitte & Touche

Temitope Odukoya

Partner

FRC/2013/ICAN/0000000084

10.1. PROFIT FORECAST

FORECAST PROFIT AND LOSS ACCOUNT FOR THE YEARS ENDING 31 DECEMBER 2019 -2023

	31-Dec-19 USD'000	31-Dec-20 USD'000	31-Dec-21 USD'000	31-Dec-22 USD'000	31-Dec-23 USD'000
Income					
Interest income on bonds	48.2	144.3	142.7	143.6	150.9
Interest income on call placements	0.8	2.5	2.5	2.6	2.6
Gross investment income	49.0	146.8	145.2	146.2	153.5
Operating expenses					
Management fee	(6.6)	(19.8)	(21.1)	(21.4)	(21.6)
Custody fee	(0.2)	(0.6)	(0.6)	(0.6)	(0.6)
Registrar fee	(0.5)	(1.4)	(1.4)	(1.4)	(1.4)
Rating agency fee	-	(10.2)	(10.2)	(10.2)	(10.2)
Audit fee	(6.9)	(8.3)	(9.7)	(11.1)	(12.5)
Trustee fee	(0.3)	(1.0)	(1.1)	(1.1)	(1.1)
Issue cost	(60.9)	-	-	-	-
Other operating expenses	(1.3)	(4.0)	(4.2)	(4.3)	(4.3)
EBT	(27.7)	101.6	96.8	96.0	101.9
Tax expense	-	-	-	-	-
Net income	(27.7)	101.6	96.8	96.0	101.9
Proposed distributions	-	66.5	87.2	86.4	91.7

10.2. BASES AND ASSUMPTIONS FOR THE PROFIT FORECAST

Forecast Assumptions

The notes below summarise the bases and principal assumptions underlying the financial projections for the Two Million US Dollar FSDH Fund. The projections cover the forecast period ending 31 December 2023.

Reporting Entity

FSDH Asset Management Limited (FSDH AML) will be responsible for managing the proposed fund. FSDH AML has assumed that the fund will be invested in Eurobonds issued by the Federal Government of Nigeria or by Nigerian corporate entities.

Portfolio Allocation

The Fund Manager intends to allocate 50% of the investible funds in Nigerian Eurobonds whose time to maturity is in excess of five years, 30% in Nigerian Eurobonds that are due to mature between two and five years, and 15% in Nigerian Eurobonds that are due to mature in less than two years. The Fund Manager assumes that the settlement for the purchased Eurobonds would have taken place by the Fund's start date.

The Fund Manager further assumes that the balance of 5% will be maintained in an interest bearing term deposit account. It is assumed that the balance in term deposit account will earn interest at 2.5% per annum based on a commercial bank's quote for a 60-day term deposit.

For each of the three Nigerian Eurobond categories described above, the Fund Manager has assumed the following sample Nigerian Eurobonds for the purpose of the forecast.

Eurobond category	Sample Eurobonds	Range of time to maturity	Weight of category	Effective interest rate
Long-tenured Eurobonds	FGN 2049	5 years and above	50%	8%
Mid-tenured Eurobonds	Eco bank 2024	3 - 5years	25%	8%
Short-tenured Eurobonds	Fidelity 2022	0 - 3 years	15%	7%

The Fund Manager notes that the actual Nigerian Eurobonds purchased at the start of the Fund may differ from the samples shown above due to changes in market conditions. We also note such changes in bond selection may significantly affect realised returns and the forecast in general.

The Fund Manager further assumes that proceeds of any Eurobonds that matures within the life of the Fund will be used to purchase another Nigerian Eurobond such that the Fund's portfolio allocation structure is largely maintained. The Fund Manager further notes that the selection of any replacement Eurobond (from among a pool of Nigerian Eurobond with similar time to maturity) will depend on the prevailing and expected conditions at the time of replacement and the relative performance of Eurobonds within the category of Eurobonds.

Furthermore, the Fund Manager does not expect a material shift in short term US Dollar rates and yield on short-tenured Nigerian Eurobond within the forecast period. For the purpose of the forecast therefore, the Fund Manager has assumed the 2022 Fidelity Bank Plc. Eurobond will be replaced with another Nigerian Eurobond with similar characteristics (in terms of time to maturity, yield, price etc.)

Based on the experience with its Nigerian Naira-denominated fund, the Fund Manager estimated that not more than 10% of its closing Net Asset Value (NAV) may be redeemed by unit holder seeking to exchange their units for cash. The Fund Manager intends to settle such units a unit holders redeems, but also assumes, based on its experience, that the demand by new or existing investors will exceed the number of redeemed units. While the Fund Manager intends to issue additional units to cover this excess, its reckon that the number of such additional units will depend on future market conditions and expectations, and has therefore taken a conservative approach by not incorporating this growth into the forecast. Nevertheless, the Fund Manager assumes that additional Eurobonds investments will be made such that there are no material departures from the Fund's planned portfolio allocation structure.

We note the creation of additional units (in excess of projected annual unit redemptions) will increase the Fund's Net Asset Value (NAV), and may increase earnings and cash flows. The reverse will be the case if the number of existing units decrease over time.

Income

The Fund Manager assumes that it will hold the purchased Eurobonds to the maturity and that it will earn income at the respective effective interest rates on the Eurobonds within its portfolio. It is assumed that the Fund will earn additional interest on its US Dollar term deposits. Please see the table below for a summary of the projected income over the forecast period. We note however, that the projected income may change depending on the effective interest rates of the actual Eurobonds purchased per time. Please see page 24 for note on Reporting entity for further details.

Interest income over the forecast period (USD'000)

Asset category	2019	2020	2021	2022	2023
Long-tenured Eurobonds	26.1	78.4	78.1	78.0	78.0
Mid-tenured Eurobonds	7.0	21.0	20.6	20.3	20.0
Short-tenured Eurobonds	15.1	45.0	44.0	45.2	53.0
Term deposits	0.8	2.5	2.5	2.6	2.6
Total	49.0	146.8	145.2	146.2	153.6

Operating Expenses

Operating expenses include management fees, custody fees, registrar fees, rating agency fees, audit fees, trustee fees, and other operating expenses. For the year ending 2019, the Fund Manager estimated all operating expenses (except audit fees) by prorating the annual estimated operating expenses for the months

of operations. Further details relating to the assumptions on operating expenses are discussed in subsequent notes.

The exchange rate for Naira-denominated expenses is estimated at ₦360/\$1 throughout the forecast period.

Management Fees

This relates to the amount charged by FSDH AML for managing the fund on behalf of its subscribers. The Fund Manager estimated its annual management fee as 1% of the difference between closing Gross Asset Value (GAV) and the preceding year's operating expenses. The management fee for the first year is estimated as a percentage of the closing GAV but prorated for the four months for which the Fund was managed.

Custody Fees

This represents amount to be paid to the custodian of the fund. The fee is calculated by applying a standard rate of 0.03% per annum on the Net Asset Value of the fund.

Registrar Fees

The registrar for the fund is EDC Registrars Limited. The Fund Manager noted that the fee of ₦500,000.00 has been agreed with the registrar, and is assumed constant throughout the forecast period.

Rating agency Fee

This relates to the amount that will be paid to the rating agency, Agosto and Co Limited. The Fund Manager has estimated this cost as ₦3.5 million based on the fee negotiated with the rating agency.

Audit Fees

The Fund Manager estimated the cost of annual audit exercise based on the amount currently paid by the Fund Manager to the auditors of its existing funds. The annual audit cost is estimated at ₦2.5 million in the first forecast year, and is expected to increase by ₦500,000 every year thereafter.

Trustee Fees

The Fund Manager estimated trustee fee to 0.05% of each year's Net Asset Value (NAV).

Other Operating Expenses

Other operating expenses comprise bank charges, opening and annual maintenance of CSCS accounts, depository accounts etc. The Fund Manager noted that the percentage used in estimating these expenses is based on experience from managing funds of similar size.

Tax Expense

Management assumed that the income from this investment is not taxable; hence, no tax expense was calculated.

Proposed distributions

The Fund Manager has assumed that distributions will be paid in arrears and that 90% of the net income will be paid out as distribution.

Issue cost

Offer costs relate to costs associated with the raising of the proposed fund. These mainly include; issuing house, legal, reporting accountant and rating agency costs. Total forecast issuance costs amount to USD55,900

Gross Investment Income

This represents interest income from bond investments and term deposit. Management assumed that interest income will be generated mostly from the investment in Eurobonds held to maturity. Please see Note 3.2 for further details.

Term Deposits

This relates to the cash placed in term deposit. The Fund Manager assumed that 5% of total investable funds would be invested in term deposit. Please see Note 3.2 for further details.

Undistributed income	31-Dec-19	31-Dec-20	31-Dec-21	31-Dec-22	31-Dec-23
Bal b/f	-	(27.7)	73.9	105.6	114.9
Profit for the year	(27.7)	101.6	96.8	96	101.9
Distributions		-	(65.1)	(86.8)	(86.4)
Total	(27.7)	73.9	105.6	114.9	130.1

10.3. LETTER FROM THE ISSUING HOUSE



10 October 2019

The Managing Director
FSDH Asset Management Limited
UAC House, 8th Floor
1-5 Odunfami Street,
Lagos Island,
Lagos

Dear Madam,

OFFER FOR SUBSCRIPTION OF 2,000,000 UNITS OF \$1 EACH ISSUED AT PAR IN
THE FSDH DOLLAR FUND

We write further to the Prospectus issued in respect of the Offer for Subscription of 2,000,000 Units in the FSDH Dollar Fund ("the Fund"), the draft of which we have had the privilege of reviewing. The Prospectus contains financial forecasts of the Fund for the years ending 31 December 2019, 2020, 2021, 2022 and 2023.

We have discussed the bases and assumptions upon which the forecasts were made with you and with Deloitte & Touche, the Reporting Accountants. We have also considered the letter dated 8 July 2019 from the Reporting Accountants regarding the accounting bases and calculations upon which the forecasts were compiled.

Having considered the assumptions made by you as well as the accounting bases and calculations reviewed by Deloitte & Touche, we consider that the forecasts (for which you as Directors are solely responsible) have been made by you after due and careful enquiry.

Yours faithfully,
For: FSDH Merchant Bank Limited


Ekoh Sagoe
Investment Banking


Taiwo Olatunji
Head, Investment Banking

Head Office: UAC House (5th - 8th Floors), 1/5 Odunfami Street, P.M.B. 12913, Lagos, Nigeria. RC 195528
Telephone: 01 - 2702880 - 2, 2802111, 2802112, 2770275-9; Dealing Only: 01 - 2716280-3, Fax: 01 - 2716284, 2702885
Website: <http://www.fsdhgroup.com> e-mail: fsdh@fsdhgroup.com

Port-Harcourt Office: 2nd Floor, Skye Bank Building, 5, Trans Amadi Road, Port-Harcourt, Rivers State, Nigeria. Telephone: 08034061331

Abejo Office: Ground Floor, Leadway House Plot 1061, Herbert Macaulay Way, Central Business District, Abejo. Tel: 234-9-2918821

DIRECTORS: Mr. Ferri Agbaje (Chairman), Mrs. Hamda Ambah (Managing Director), Mrs. Nuhbat Abbas, Mr. Dan Agbat, Mr. Sobandele Soborjo, Ahaji Ballo Garba, Mr. Vincent Omoike, Mr. Tosi Ogbomo, Mr. Patrick Backer, Mr. Papa Ndoye, Mr. Godwin Ize-Iyemu, Mr. Oluksin Oluksin (Executive), Mr. Taiwo Olatunji (Executive)

11. INFORMATION ON THE FUND MANAGER AND THE TRUSTEE

11.1. THE FUND MANAGER

FSDH Asset Management Limited (“FSDH AM”) is a wholly owned subsidiary of FSDH Merchant Bank Limited and one of Nigeria's leading asset management and financial advisory firm. FSDH AM is registered with the Securities and Exchange Commission to provide financial advisory and Fund management services. FSDH AM commenced offering asset management services in 1997, as a department in First Securities Discount House Limited, now FSDH Merchant Bank Limited. In 2001, this department became a full- fledged company. The company’s objective as an investment manager is to achieve consistent long-term growth for clients’ funds while effectively managing the balance between risk and returns.

FSDH AM product offerings are:

- a. SEC registered Unit Trust Schemes;
- b. Segregated & pooled portfolios and structured products;
- c. Employee savings, gratuity and severance schemes;
- d. Endowment funds.

The SEC. regulates the activities of FSDH AM. The governing rules and regulations include the ISA, SEC Rules, the NSE Rules, the CAMA and the Money Laundering (Prohibition) Act 2011 (as amended).

11.2. DIRECTORS OF THE FUND MANAGER

FSDH AM’s strategic direction is driven by a board of six (6) directors who are highly experienced professional.

a. Tosayee Ogbomo - Chairman

Tosayee Ogbomo holds an MBA from Harvard Business School, an MSc in Finance with High Distinction from Bentley College in Waltham, MA. and a B.Sc. in Accountancy from the University of Benin. He is the founder and Managing Partner of Vine Capital Partners, a firm focused on investing in key sectors in Nigeria and sub-Saharan Africa. strategic investment in growth and infrastructure sector. Prior to founding Vine Capital Partners in 2009, he was a Managing Director at Goldman Sachs & Co, and a director at Merrill Lynch & Co. Mr. Ogbomo has over 27 years of international and local finance and investment experience. He has executed and advised on numerous transactions. His transaction profile includes: strategic acquisitions and divestitures and private equity buy outs.

b. Olumayowa Ogunwemimo – Managing Director

Olumayowa Ogunwemimo holds a Bachelor’s of Science in Accounting from Obafemi Awolowo University (2000) and is a fellow of the Institute of Chartered Accountants of Nigeria (2001). She rose through the corporate ladder at FSDH Asset Management to become Managing Director having served in various units of FSDH Merchant Bank such as Risk Management, Research and FSDH Asset Management Ltd.

c. Folashade Ogunde – Director

Folashade Ogunde graduated with a B.Sc. (Hons) degree in Economics from the University of Ife (1984) (now Obafemi Awolowo University, Ile-Ife). She is a Fellow of the Institute of Chartered Accountants of Nigeria (ICAN) (2005) and an associate member of the International Facility Management Association (IFMA) (2015). She started her professional career with the firm of Deloitte Haskins & Sells (Chartered Accountants) (now part of Deloitte Akintola Williams) (1985 to 1990), where she gained accounting and audit experience, and had a stint in treasury management at Bancroll Savings & Loans Limited from 1993 to 1995 and International Funding Group (Nig.) Limited from 1991 to 1992 before joining UAC of Nigeria Plc in 1997. She has held such positions as Management Accountant, UAC Foods; Divisional Commercial Director, Mr. Bigg's (now UAC Restaurants), Group Treasurer, UAC of Nigeria Plc and Executive Director, Finance at UACN Property and Development Company.

d. Hamda Abimbola Ambah - Director

Hamda Ambah holds a Bachelor of Science in Computer Science from the University of Lagos (1980), a Diploma of Imperial College (D.I.C) from the Imperial College of Science and Technology, University of London (1982) and a Master's of Science in Management Science from the Imperial College of Science and Technology, University of London (1982). Mrs. Ambah began her banking career at the International Merchant Bank (IMB) in 1982 and after 6 years moved on to work at Reuters Limited (1989 to 1993) until she joined FSDH. Since joining as an Assistant General Manager (1993 to 1998) with responsibility for the Corporate and Energy Group, she has moved up the corporate ladder as her responsibilities grew to include Corporates (comprising multinational, middle tier corporations, telecoms and energy sector), as well as the Port-Harcourt and Abuja Regional Offices. She is a member of the Nigerian Chartered Institute of Stockbrokers and was awarded the 1999 IBTC award for the best examination candidate in Corporate Finance.

e. Kelechi Okoro - Director

Kelechi Okoro holds an MBA from Lagos Business School, and a B.Sc. in Human Physiology from the University of Ibadan. He is an Investment Manager at AFIG Funds and is responsible for sourcing, executing and managing investments for the funds under management. Prior to joining AFIG in 2013, he worked at Argentil Capital Partners where he sourced, appraised and executed opportunities in the energy and infrastructure space, with a particular focus on gas and power. He also has also worked in the Infrastructure and Natural Resources Group of the International Finance Corporation ("IFC") and at ARM Investment Managers.

f. Yasmin Belo-Osagie - Director

Yasmin Belo-Osagie graduated from Princeton University (2011) with a BA, in History and a minor in Finance. She is currently in the process of acquiring an MBA/JD from Stanford Business School and Harvard Law School. She is a Co-Founder and Co-CEO of She Leads Africa, where she built a digital community of 350,000 women. She was voted by Fast Company as one of the most creative people in business in 2016, was on Forbes Africa's "Africa's 20 youngest power women" list in 2014. She worked as a Business Analyst at McKinsey & Co. a company focused primarily on developing strategies for consumer goods companies and financial institutions. Prior to joining McKinsey & Co, she interned at Fulcrum Asset Management and Metis Capital.

She is currently a Board Member on the United World College Nigerian National Committee and a Consultant and Co-Producer of Minek Productions.

11.3. THE FUND MANAGEMENT TEAM

The Fund Management team of FSDH AM is led by Mrs. Ogunwemimo (Managing Director). Other members of the Fund Management team are:

a. Oladapo Adekoya – Investment Management & Administration

Mr. Adekoya holds a Bachelor of Science in Banking and Finance from the University of Lagos (2008), a Master's of Finance in International Finance from the University of Glasgow (2009) and he has passed his CFA Level I. Oladapo is a portfolio/fund manager within the FSDH AM team. He is an associate member of the Association of Chartered Certified Accountants (ACCA), an associate member of the Chartered Institute of Stockbrokers (ACS) and an associate member of Association of Chartered Accountants (ACA).

b. Tolulope Faboyede – Business Development

Mrs. Faboyede holds a Bachelor of Science in Economics from the University of Lagos (2006) and has completed a CFA Institute Investment Foundations Program (2015). She has attended various professional courses and training in Asset and Portfolio Management and Wealth Management.

c. Jamiu Shehu – Operations

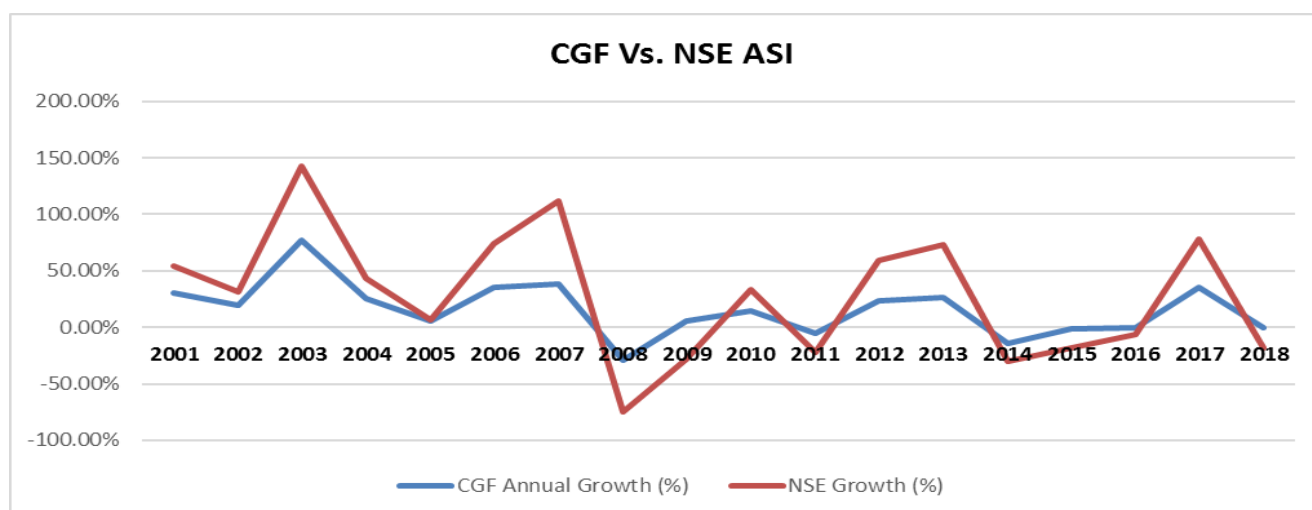
Mr Shehu Jamiu holds Masters in Business Administration (MBA) from Bayero University, Kano and he is an Associate Chartered Accountant (ACA), member of The Institute of Chartered Accountants of Nigeria (ICAN).

11.4. FUND MANAGER'S TRACK RECORD

The Fund Manager currently manages three Unit Trust Schemes namely the Coral Growth Fund, Coral Income Fund and the UPDC REIT.

The Coral Growth Fund

The Coral Growth Fund ("CGF") is the flagship fund of the Fund Manager which was established in 2001. The Fund is an equity based Fund and must invest a minimum of 35% and can invest a maximum of 65% in quoted equities. Since its inception, the annual average return of the CGF has been **15.94%** thus outperforming the NSE All share index (NSE ASI) which has returned **12.45%** over the same period.



The Coral Income Fund

The Coral Income Fund ("CIF") was launched in 2006. The Trust deed of the Fund allows the Fund to invest a maximum of 35% in quoted equities and the balance in money market and other fixed income securities.

The CIF had exposure to equities until 2014 when we wound down the equities portion of the Fund in order to meet clients demand for a risk free investment product. From January 2015 to date, the Coral Income Fund has invested solely in fixed income securities. The objective of the Fund is to preserve capital and provide stable and consistent income to investors.

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
CIF Annual Growth (%)	10.44%	18.53%	(3.68%)	11.65%	4.01%	9.50%	10.15%	7.95%	7.32%	11.63%	11.16%	17.38%	11.85%
CIF Annual Average Growth (%)	9.84 %												

The UPDC REIT

The UPDC REIT is the largest equity REIT listed on The Nigerian Stock Exchange with a Net Asset Value of ₦32.55billion as at December 31, 2018. The primary objective of the REIT is to provide consistent income to Unit holders as a REIT is mandated to distribute 90% of its income to its unit holders. The Trust has earned a total of ₦9.6billion from inception to December 31, 2018.

11.5. PREMISES

FSDH Asset Management Limited is located at UAC House (8th Floor), 1/ 5 Odunlami Street, Lagos Island, Lagos.

11.6. FINANCIAL STATEMENTS

FSDH Asset Management Limited

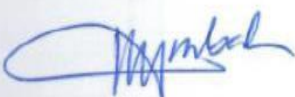
STATEMENT OF COMPREHENSIVE INCOME	Note	31 December 2018 N '000	31 December 2017 N '000
Continuing operations			
Income			
Fees and commissions	5	325,170	268,022
Net gains on held for trading financial instruments	6	123,540	110,653
Interest income on financial assets at amortised cost/held to maturity	7(a)	4,654	11,533
Interest income on financial assets FVOCI/available for sale	7(b)	69,801	121,468
Intermediation income		70,212	64,740
Other income	8	37,967	29,033
Total income		631,344	605,449
Expenses			
Impairment charge for credit losses	9.	(449)	-
Operating expenses	10	(211,944)	(229,445)
Profit before tax		418,951	376,004
Income tax expense	11	(92,079)	(48,306)
Profit for the year		326,872	327,698
Other comprehensive income:			
Items that will not be reclassified to profit and loss			
Actuarial gains in defined gratuity scheme (net of tax)		-	1,946
Items that may be subsequently reclassified to profit and loss			
Net (loss)/gain on FVOCI financial assets			
- Unrealised net (loss)/gains arising during the period		(10,330)	35,255
- Net reclassification adjustments for realised loss		889	-
Net changes in impairment allowance on FVOCI financial assets		182	-
Other comprehensive income for the year, net of tax		(9,259)	37,201
Total comprehensive income for the year		317,613	364,899
Earnings per share per profit attributable to equity holders			
Earnings per share from continuing operations - basic/diluted (kobo)	25	163	164

FSDH Asset Management Limited

STATEMENT OF FINANCIAL POSITION

	Note	31 December 2018 N '000	31 December 2017 N '000
ASSETS			
Balances with banks	12	243,732	439
Loans to banks	13	-	299,871
Financial instruments measured through profit or loss	14	348,581	-
Loans and advances to employees at amortised costs	15	14,950	15,310
Investment securities	16	683,525	954,219
Other assets	17	146,327	132,808
Intangible assets	18	20,650	36,443
Total assets		1,457,765	1,439,090
LIABILITIES			
Current income tax liability	11	147,143	148,884
Other liabilities	19	70,264	77,447
Total liabilities		217,407	226,331
EQUITY			
Share capital	20	200,000	200,000
Retained earnings	21	1,040,889	1,039,875
FVOCI reserve	21	(531)	(27,116)
Total equity		1,240,358	1,212,759
Total equity and liabilities		1,457,765	1,439,090

The statement of accounting policies and accompanying notes as set out from notes 1 to 30 were approved by the Board of Directors on 20 March 2018



..... Hamda Ambah - Director
FRC/2013/CISN/00000001749



..... Olumayowa Ogunwemimo - Managing Director
FRC/2013/ICAN/00000001742

Additional certification:



..... Wasiu Shafe - Group Chief Financial Officer
FRC/2015/ICAN/00000012973

11.7. BRIEF PROFILE OF THE TRUSTEE

Custodian Trustees Limited (“CTL”) is a Trust Company registered in 1994 and duly licensed by the Securities and Exchange Commission to provide trusteeship services. It is a subsidiary of the Custodian Investment Plc, an Investment Company quoted on the Nigerian Stock Exchange with significant holdings in companies including Custodian and Allied Insurance Limited, Custodian Trustees and Crusader Sterling Pensions Limited all rendering the best in their respective sectors.

CTL aims to ensure that the interests of Lenders and Investors are adequately protected. We also keep custody of assets, documents, rights, shares, funds and other holdings in fiduciary transactions.

CTL possess the requisite skills and knowledge to handle a wide range of money and capital market transactions, as well as to ensure professionalism and efficiency in its service delivery to achieve clients’ objectives.

11.8. DIRECTORS OF THE TRUSTEE

a. Mr. Gboyega Asabia – Director

A 1983 graduate of the London School of Economics [University of London] and 1989 graduate of the University of Wales, Cardiff, UK, Gboyega Asabia holds a Bachelors Degree in Law and a Masters Degree in Business Administration. He is a qualified Barrister and a Fellow of the Chartered Institute of Stockbrokers.

He served at various times as a Director on the Boards of First Interstate Bank Plc, Banque Internationale Du Benin, Future Unity Glanvills Limited and as Chairman, Crusader Nigeria Plc. He is Managing Director/CEO of Interstate Securities Limited and currently sits as a Director on the Board of CrusaderSterling Pensions Limited and as Independent Director of Unity Bank Plc. He is also the Chairman of Custodian Life Assurance Limited [CLA].

b. Mr. Adeniyi Falade – Director

Mr. Falade is a fellow of the Institute of Chartered Accountants of Nigeria. He started his career at Z.O. Osansanya and Co. He joined LeadCapital Plc in 2005 as the Chief Executive Officer from where he moved to Ecobank Nigeria Limited as the Country Manager in 2006. After leaving EcoBank Nigeria Limited, he became the Managing Director of CrusaderSterling Pensions Limited in 2007.

c. Mr. Olatoye Odunsi - Director

Mr. Odunsi is an Insurance graduate of the University of Lagos and also an alumnus of the Senior Management Programme of the Lagos Business School and Wharton AMP University of Pennsylvania.

He started his career with Financial Assurance Company Limited in 1989. He was a foundation staff of Cornerstone Insurance Plc in 1991 where he rose to the position of Deputy General Manager, before leaving to set up Signal Insurance Company Limited in 2002 as the Managing Director. He held this position until the merger of Signal Insurance with Custodian & Allied Insurance Plc in

2006.

He also acted as the Group Managing Director for Crusader Nigeria Plc briefly and currently serves as the Managing Director of Custodian & Allied Insurance Limited.

d. Mr. Austin Akpe – Managing Director/Chief Executive Officer

Mr. Austin has over twenty four years’ experience in the financial services industry, out of which sixteen years have been in Sales/Marketing and relationship management He graduated top of the class, with a Bachelor of Arts degree in English and Masters in International Law & Diplomacy from the University of Lagos and Masters in Industrial & Labour Relations from the University of Maiduguri.

He commenced his career at Diamond Bank in 1994, where he had varied experiences across departments and functions in Operations, Corporate Services and Credit/Marketing. He joined Access Bank in 2005, where he was a Branch Manager at various locations and left as Team Lead in charge of Public Sector, Federal in 2007. He later joined UBA Plc in 2007 as a Branch Manager, from where he was seconded in 2010 to UBA Trustees [now United Capital Trustees Limited] as AVP, Business Development and rose to Director, South East Region/CIS, before joining Custodian Trustees Limited in 2017. While he was in United Capital Trustees, he was part of the Team that obtained the mandate for the biggest Nigerian capital market transaction to date; the N4.5 Trillion AMCON Bonds. He was also instrumental in obtaining various Sub-Sovereign Mandates in excess of N350 Billion.

He is an Associate Member of the Nigerian Institute of Management and member of Investment Advisers and Portfolio Managers.

11.9. MANAGEMENT OF THE TRUSTEE

a. Mr. Austin Akpe – Managing Director/Chief Executive Officer

Mr. Austin has over twenty four years’ experience in the financial services industry, out of which sixteen years have been in Sales/Marketing and relationship management He graduated top of the class, with a Bachelor of Arts degree in English and Masters in International Law & Diplomacy from the University of Lagos and Masters in Industrial & Labour Relations from the University of Maiduguri.

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He is an Associate Member of the Nigerian Institute of Management and member of Investment Advisers and Portfolio Managers.

b. Mr. Adeyinka Jafojo - Chief Operating Officer

Adeyinka Jafojo is a graduate of the Lagos State University, Ojo, Lagos State where he obtained an LLB in Law. He is a member of the Nigerian Bar and an Associate of the Chartered Institute of Arbitrators. He also has an LLM from University of Lagos and was part of the Senior Management Programme at the Lagos Business School (SMP57) in 2015. He started his career with Animal Care Services Konsult in 1999, from where he proceeded to Ayoola Jacob & Co.

He joined the Crusader group in 2006 and was seconded to Crusader Trustees Limited [Company Secretary to Crusader (Nigeria) PLC, Crusader Life Insurance Limited, Crusader General Insurance Limited, CrusaderSterling Pensions Limited and Capital Bancorp Limited] to work in the Legal and Company Secretarial Services Department. Following the merger of Crusader (Nigeria) Plc and Custodian and Allied Insurance Plc he was seconded as the Chief Operating Officer of Custodian Trustees.

c. Mrs. Oluwabusayo Ajayi - Legal Manager

Busayo Ajayi is a graduate of the Obafemi Awolowo University, Ile-Ife, Osun State where she obtained an LLB in Law. She is a member of the Nigerian Bar and the Institute of Chartered Secretaries and Administrators of Nigeria. She has ten (10) years post call experience, both in private and public listed companies. She has previously worked with Aelex, Legal Practitioners & Arbitrators and in the Legal/Company Secretariat Department of Sankore Investments Limited and Chams Plc before joining Custodian Trustees Limited.

12. STATUTORY AND GENERAL INFORMATION

12.1. INDEBTEDNESS

As of the date of this Prospectus, the Fund Manager has no outstanding debentures, mortgages, loans, charges or similar indebtedness, except in the ordinary course of business.

12.2. COST AND EXPENSES

The costs, charges and expenses of and incidental to the Offer including fees payable to the Securities & Exchange Commission, professional parties' fees, brokerage commission and printing and distribution expenses are estimated at ₦20.13 million, which is approximately 2.80% of the gross proceeds and are payable by the Fund. The Offer expenses will be charged to the profit and loss account for the first year of the Fund's operation.

12.3. CLAIMS AND LITIGATION

As at the date of this Prospectus, there are no claims and/or litigation for or against the Fund Manager.

12.4. MATERIAL CONTRACTS

The following agreements have been entered into and are considered material to this Offer:

- a. A **Trust Deed** dated {●} between FSDH Asset Management Limited and Custodian Trustees Limited under which the Fund was constituted and Custodian Trustees Limited has agreed to act for the benefit of the Unitholders.
- b. A **Vending Agreement** dated {●} between FSDH Asset Management Limited and FSDH Merchant Bank Limited under the terms of which the Issuing House has agreed to offer 2,000,000 Units of \$1 each of the FSDH Dollar Fund.
- c. A **Safe Custody Agreement** dated {●} between FSDH Asset Management Limited, Custodian Trustees Limited and United Bank for Africa PLC (Global Investor Services Division) pursuant to which the Fund Manager and the Trustee have appointed the Custodian to act as custodian of the Fund's investments, cash and other assets and to accept responsibility for the safe custody of the Deposited Property which is delivered to and accepted by the Custodian.

Other than as stated above, the Fund Manager has not entered into any material contracts except in the ordinary course of business.

12.5. CONSENTS

The following have given and not withdrawn their written consents to the issue of this Prospectus with their names included in the form and context in which they appear:

Directors of the Fund Manager		
1.	Mr. Tosayee Ogbomo	Chairman
2.	Mrs. Olumayowa Ogunwemimo	Managing Director
3.	Mrs. Folasade Ogunde	Director
4.	Mrs. Hamda Ambah	Director
5.	Mr. Kelechi Okoro	Director
6.	Ms. Yasmin Belo-Osagie	Director

Parties to the FSDH Fund		
1.	FSDH Merchant Bank Limited	Issuing House
2.	Custodian Trustees Limited	Trustee
3.	United Bank for Africa Plc (Global Investor Services Division)	Custodian
4.	Deloitte & Touche	Reporting Accountant
5.	Udo Udoma & Belo-Osagie	Solicitor
6.	Stanbic IBTC Bank Plc	Receiving Bank
7.	EDC Registrars Limited	Registrar to the Offer
8.	Agusto & Co. Limited	Rating Agency

12.6. RELATIONSHIP BETWEEN THE FUND MANAGER AND THE TRUSTEE

The Fund Manager and the Trustee do not have any common shareholder and neither is any a subsidiary or holding company of another. They do not have common directors.

12.7. RELATIONSHIP BETWEEN THE FUND MANAGER AND THE ISSUING HOUSE

The Fund Manager and the Issuing House are affiliated companies (i.e. the Fund Manager is a subsidiary of the Issuing House). The Chairman of the Fund Manager, Mr. Tosayee Ogbomo is a Director of the Issuing House. A Director for the Fund Manager, Mrs. Hamda Ambah is the Managing Director of the Issuing House.

12.8. RELATIONSHIP BETWEEN THE FUND MANAGER AND THE CUSTODIAN

The Fund Manager and the Custodian do not have any common shareholder and neither is any a subsidiary or holding company of another. They do not have common directors.

12.9. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected at the offices of FSDH Merchant Bank Limited, at UAC House (5th - 8th Floors), 1/5 Odunlami Street, Lagos during normal working hours on any Business Day:

- a. The Certificate of Incorporation of the Fund Manager;
- b. The Memorandum & Articles of Association of the Fund Manager;
- c. The Certificate of Incorporation of the Trustee;
- d. The Memorandum & Articles of Association of the Trustee;
- e. The Resolution of the Board of Directors of the Fund Manager authorising the creation of the FSDH Dollar Fund and the ensuing Units of the Fund thereof;
- f. The Prospectus and Abridged Prospectus issued in connection with this Offer;
- g. The Reporting Accountant's Report on the financial forecast for the first five years of the Fund ending 31st December 2019, 2020, 2021, 2022 & 2023;
- h. The Material Contracts referred to above;

- i. The Written Consents of the Directors of the Fund Manager and Parties to the Offer referred to above;

12.10. EXTRACTS FROM THE TRUST DEED

2 THE TRUST DEED

The provisions of this Deed and of any duly executed Supplemental Trust Deed or Deed of Variation shall be binding on the Trustee, the Manager, the Unitholders and on all persons claiming through them respectively as if such persons were Parties to this Deed or such Supplemental Deed.

3 CONSTITUTION AND STRUCTURE OF THE FUND

3.1 Appointment of Trustee

The Trustee agrees to act as the trustee of the Fund and shall hold the same upon and subject to the provisions of this Trust Deed.

3.2 Establishment of the Trust

The Trustee hereby declares itself as trustee for the Unitholders with effect from the date of this Deed to hold the Deposited Property, and the benefit of the covenants and other obligations on the part of the Manager herein contained, in trust for the Unitholders and themselves, subject to the terms of this Deed

3.3 Constitution of the Fund

3.3.1 The net proceeds of the Offer with all other property and assets of the Trust shall be paid directly into the Trading Accounts to be opened and managed by the Custodian in the name of the Trustee. The title to such assets shall, at all times be vested in the Trustee and shall constitute the Trust in the first instance.

3.3.2 The ownership of the Deposited Property shall be vested in the Trustee subject to the terms of this Trust Deed.

3.3.3 The Deposited Property of the Fund shall be held separate and distinct and shall not be co-mingled with any other fund.

3.4 Division of the Fund into Units

3.4.1 The beneficial interest in the Fund shall be divided into interests of equal value referred to as "Units"; and the units and fractions thereof shall be issued at a price calculated in accordance with Clause 6.

3.4.2 The Units, and fractions thereof, shall be issued only as fully paid units.

3.4.3 No Unit of the Fund or fraction thereof shall have any rights, preferences or priorities over any other Unit of the Fund, except that no holder of a fraction of a Unit, as such, shall be entitled to notice of, or to attend or to vote at, meetings of Unitholders.

3.4.4 The Trustee may be a Unitholder of the Fund and the Manager shall be a Unitholder of the Fund.

4 APPOINTMENT OF THE CUSTODIAN AND THE DESIGNATED ACCOUNTS

4.1 The Manager has, with the consent of the Trustee, appointed the Custodian for the purposes contemplated in this Clause 4 and shall enter into a Custody Agreement with the Custodian.

4.2 Where the Commission or the Manager, in consultation with the Trustee, for valid reasons, is of the opinion that a change of Custodian is desirable in the interest of the Unitholders, the custodial arrangement with the Custodian shall be terminated in accordance with the custodial agreement and the Custodian shall, for no consideration, convey the Deposited Property to the newly appointed custodian as instructed by the Manager or the Commission. The Manager will immediately thereafter take such steps as may be necessary to appoint a new Custodian for the Fund PROVIDED however that any appointment of a new Custodian will be subject to the prior approval of the Commission and the termination of the Custodian shall not take effect until the appointment of the new custodian.

4.3 The Custodian shall open and operate 2 (two) accounts in the name of the Trustee/the Fund which shall be held in trust for the Unitholders, in respect of the Fund. These accounts shall be designated as the "Trading Account" and the "Expense Account" respectively.

4.4 All cash proceeds of the sale of Units shall be paid into the Trading Account or into such other designated cash account with the Custodian PROVIDED THAT for public offering of the Units, the Manager may open and maintain "receive only" bank accounts in respect of the Fund with certain banks to be approved by the Trustee ("Receiving Banks") into which the proceeds of the sale of Units of the Fund shall be paid. The "receive only" accounts opened with the Receiving Banks shall be utilised only for the purpose of receiving subscription payments from the public and all sums received in such accounts shall be transferred to the relevant Trading Account.

4.5 A portion of the proceeds from the sale of Units will from time to time, as hereinafter provided for, be paid from the Trading Account into the Expense Account of the Fund (the "Expense Account") to be used for the payment of charges incidental to the administration of the Fund.

4.6 The Designated Accounts shall be operated by the Custodian, who shall provide the Manager and the Trustee with monthly and quarterly reports thereon as well as monthly and quarterly valuations of the investments held by the Fund, and file quarterly returns to the Commission.

4.7 All investments shall be made with monies drawn from the Trading Account of the Fund and such investments shall be in the name of the Fund and the Trustee.

4.8 Monies paid to the Trustee for Units pursuant to Clause 6 hereof shall be paid into the Trading Account and shall form part of the Deposited Property.

4.9 All stamp duty and all other duties and charges payable in respect of this Deed or upon the constitution of the Units of the Fund and expenses incurred in respect of the Fund shall be payable out of the Expense Account.

4.10 The Manager and Trustee shall not mortgage, pledge, charge or otherwise provide the assets of the Fund as security for any borrowing, facility, guarantee, indemnity, lease or other contractual

obligation, whether on their own behalf or on behalf of the Fund or the Unitholders and monies may not be lent out of the investments or assets of the Fund.

- 4.11 The Manager shall at any time and at the request of a Unitholder, exchange all or a stated portion of his units in the Fund for units of any other unit trust or mutual fund in which the Manager at that time acts as fund manager provided however that such exchange will be effected using an exchange ratio that takes account of the prevailing offer price of the units of the other unit trust or mutual fund and the prevailing bid price of the Units of the Fund being exchanged (less any statutory deductions whether in respect of tax or otherwise that may be applicable to an exchange of units).
- 4.12 The Manager, as promoter of the Fund, shall subscribe to and hold a minimum of 5 per cent of the Initial Public Offer of Units of the Fund.

5 DESCRIPTION AND OBJECTIVE OF THE FUND

- 5.1 The Fund is an actively managed open-ended unit trust scheme that will primarily invest in US Dollar denominated securities.
- 5.2 Details of the Investment objectives and authorised investments of the Fund are contained in Schedule 1 of this Deed.

6 SALE AND ISSUE OF UNITS

- 6.1 Upon the establishment of the Fund and its division into Units, the Fund shall market and maintain the unit of the Fund at a stable net asset value of \$10.00 per unit. The Net Asset Value of the Fund shall be determined on the basis of the amortised cost method in line with the SEC Rules.
- 6.2 The minimum investment one or joint Unitholder(s) may make in the FUND is as set out in Schedule 1 of this Trust Deed.
- 6.3 A person who wants to subscribe for Units may do so at the Offer Price of the Fund and must complete and deliver to the Manager an application form in the format prescribed by the Manager. Every application in whatever form shall be accompanied with the subscription money, or the document of transfer of the property to be vested in the Trustee. The Manager shall apply its reasonable discretion in accepting or rejecting an application for Units.
- 6.4 Subject to any prescribed minimum investment requirement as agreed by the Trustee and the Manager, the Manager may make offers of Units in the Fund to the public of such number, and of such value, as the Manager may from time to time determine, subject to the registration of such Units with the Commission. The Fund shall be open to the public for the entire period of the existence of the Fund save for the periods where the Register is closed for the purpose of making distributions to the Unitholders.
- 6.5 The Manager upon receipt of a subscription form shall accept or reject such subscription within six (6) Business Days of such receipt and upon such acceptance or rejection will, in the case of rejection, forthwith return the subscription form and any payment made without interest thereon; and, in the case of acceptance, the Manager will forthwith forward a notice to the subscriber indicating the number of Units of the Fund and fractions thereof, if any, purchased by such subscriber.

- 6.6 Any new Units issued pursuant to Clause 6.4 above, shall rank *pari passu* in all respects with the Units issued pursuant to this Trust Deed and shall represent an undivided part of the Deposited Property.

7 FINANCIAL YEAR

- 7.1 The Financial Year of the Fund shall be 1st January to 31st December. The year-end of the Fund will be 31st December in each year.

8 RIGHTS OF UNITHOLDERS

- 8.1 The Unitholders shall not have or acquire any right against the Manager or the Trustee in respect of their investments except such rights as are expressly conferred upon them by this Trust Deed.
- 8.2 The ownership of all Property of the Fund shall be vested in the Trustee and, subject to the terms of this Trust Deed, the right to conduct the affairs of the Fund will be exercised independently by the Trustee on behalf of the Unitholders. The Unitholders of the Fund shall have no interest other than the beneficial interest provided for in this Trust Deed and no Unit of the Fund shall confer any interest or share in any particular part of the Deposited Property of the Fund. The Unitholders shall have no right to call for any partition or division of any portion of the property of the Fund nor shall they be called upon to share or assume any losses of the Fund or suffer any assessment or further payments to the Fund or the Trustee of any kind by virtue of their ownership of Units of the Fund.
- 8.3 A Unitholder shall have the right to share in the assets of the Fund proportionate to the number of Units held by him in the Fund.
- 8.4 Only persons who have been duly registered as Unitholders shall have the right to be recognised as such.
- 8.5 The Manager shall be treated for the purposes of this Deed as the Unitholder of each Unit during such time that neither the Manager nor any other person is registered or entitled to be registered as the Unitholder but nothing herein contained shall prevent the Manager from subscribing for and becoming a registered holder of Units in the Fund.
- 8.6 Subject as hereinafter provided, a Unitholder shall be entitled to require payment of the Fund Bid Price of all or any of his Units of the Fund by giving notice (either written or via agreed electronic means) to the Manager.
- 8.7 A Unitholder shall have the right to pledge, charge, mortgage, or otherwise offer his units to secure a debt, a loan or an obligation and in any such case shall notify the Manager of the pledge, charge, mortgage or obligation.
- 8.8 A Unitholder shall have the right to receive the notice of meetings and attend such meetings either in person or by proxy.

9 PAYMENT OF REMUNERATION AND FEES

9.1 The remuneration of the Manager and all other administrative fees shall accrue on a daily basis. At the end of each quarter, all such sums as have accrued shall be transferred from the Trading Account into the Expense Account of the Fund from which the relevant sums will be paid to the Manager and respective service providers. The respective fees payable shall be as follows:

9.1.1 management fee of 1.00% per annum of the Net Asset Value of the Fund payable quarterly in arrears;

9.1.2 custodian fee of 0.03% per annum of the Net Asset Value of the Fund shall be payable quarterly in arrears;

9.1.3 annual Trustee's fee of 0.05% per annum of the Net Asset Value of the Fund shall be payable quarterly in arrears; PROVIDED that the rate of remuneration shall be reviewed on every second anniversary of the date of appointment.

9.2 The Auditors' and the Rating Agency's fees shall be due for payment at the end of the financial year, and in the case of the Auditors' fees, upon the completion of the audit of the accounts of the Fund. Such fees shall be paid from the Expense Account.

9.3 The Manager shall pay or cause to be paid from the Expense Account all brokerage fees to agents on the sale or issue of the Units as, and when, applicable.

9.4 Payment to the Trustee

9.4.1 The Manager shall on behalf of the Fund pay all travelling and other costs charges and expenses that the Trustee shall reasonably incur in connection with the execution of this Trust Deed and in the exercise of the powers and discretion hereby vested in it.

9.4.2 All such costs, expenses, charges or remuneration due to the Trustee shall be payable upon demand. However, the Trustee shall provide the Manager with invoices/receipts for all expenses incurred.

9.4.3 The Manager shall, on behalf of the Fund, pay the Trustee all sums owing to the Trustee in respect of the remuneration cost stated in Clause 9.1.3 above which shall be paid in accordance with the clause 9.1 above except as otherwise directed by the Commission.

9.5 Management, Advisory & Administrative Expenses

The Fund will pay the Manager 1.00% of the Net Asset Value plus expenses quarterly in arrears,. This fee represents the remuneration due to the Manager for the management, advisory and administrative roles involved in the day to day management of the Fund. The Fund will also pay an incentive fee to the Manager, equivalent to 10% of total returns in excess of 10% of the Fund's Net Asset Value per annum.

10 REDEMPTION AND TRANSFER OF UNITS

Redemption of Units

- 10.1 Except as provided herein there is no restriction on Unitholders' access to their investment proceeds by way of redemption of Units.
- 10.2 All redemptions shall be made through the Manager or any of its agents as may be appointed from time to time.
- 10.3 Subject to Clause 10.4 below, Units shall be redeemed at the Bid Price and in the event that a Unitholder redeems its investments within the first 180 days of subscription, an administrative fee of up to 20% of the income earned on the investment will be charged by the Manager.
- 10.4 Notwithstanding anything contained in this Clause 10, a Unitholder shall not be entitled to redeem part of his holding of Units if such redemption would result in his holding being reduced to less than the Minimum investment requirement as determined by the Fund Manager and the Trustees. Provided that in such instance, the Unitholder shall redeem the entirety of his Unitholding.
- 10.5 Unitholders can redeem their Units in the Fund within 5 (Five) Working Days of the Manager or any of its agents receiving a Redemption Notice from such Unitholders.
 - 10.5.1 The form of Redemption Notice shall be as set out in Schedule 3 of this Deed and the Manager will notify the Unitholder of any deficiencies in the notice of redemption.
 - 10.5.2 The Redemption Notice must be issued to the Manager between the hours of 9am and 5pm on Business Days.
 - 10.5.3 Redemption shall be effected, at the Bid Price subject to Clause 10.3 above and Clause 10.6 below.
 - 10.5.4 Unitholders seeking to redeem only a part of their holding shall be required to maintain the Minimum investment requirement as determined by the Fund Manager and the Trustees.
 - 10.5.5 Payments in respect of each redemption shall be by electronic transfer sent within 5 (five) Business Days of receipt of the Unitholders Redemption Notice.
- 10.6 Where only part of the Units comprised in a Statement of Unitholding are to be redeemed, the Unitholders shall pay to the Manager the stamp duty (if any) arising upon the issue of a new revised Statement of Unitholding and thereupon the Manager shall procure a new Statement of Unitholding to be issued free of charge reflecting the current balance of the Units owned by such Unitholder.
- 10.7 The Trustee shall use all reasonable endeavours to ensure that the calculations with respect to Unitholders' interests are correct and where a Unitholder notifies it of an error in any computation of such Unitholder's interest, any such error shall be rectified within 2 business (two) days. The Trustee shall be entitled at any time to require the Manager to justify any errors in the computation of the Unitholders interests.

- 10.8 In no event shall the Trustee be bound to make any payment to the Manager or any Unitholder except out of the Deposited Property held by it for that purpose under the provisions of this Deed.
- 10.9 The Manager shall be entitled, in the name and on behalf of the Unitholder, to execute an instrument of transfer in respect of any Units to be redeemed hereunder and to provide an amended Statement of Unitholding, in respect of the Units to be redeemed. The amended Statement of Unitholding shall serve as evidence that the Unitholder no longer has any interest in the said Units PROVIDED that in either event, the Manager shall within a reasonable period thereafter furnish the Trustee with the authority under which it acted.
- 10.10 Units redeemed may be re-sold to existing or incoming Unitholders.
- 10.11 All Units which the Fund is required to redeem shall be deemed to be outstanding until payment for such units is made in accordance with the Clause 10.

Transfer of Units

- 10.12 Every Unitholder shall be entitled to transfer the Units or any of the Units held by him through the Manager upon the execution by the transferor and the transferee and the delivery to the Manager of such transfer instrument as may be prescribed by the Manager from time to time. Provided, however that no transfer of part of a holding of Units shall be registered if in consequence thereof either the transferor or the transferee would hold less than the Minimum investment requirement as determined by the Fund Manager and the Trustees.
- 10.13 Every instrument of transfer must be signed by the transferor and the transferee and the transferor shall be deemed to remain the holder of the Units transferred until the name of the transferee is entered in the Register in respect thereof. The instrument of transfer need not be a deed.
- 10.14 Every instrument of transfer must be duly stamped and lodged with the Manager for transmission to the Registrar accompanied by any necessary declarations or other documents that may be required in consequence of any regulation or legislation for the time being in force and by the Statement of Unitholding(s) relating to the Units to be transferred and or such other evidence as the Registrar may require to prove the title of the transferor or his right to transfer the Units and thereupon the Registrar shall register the transferee as holder of the Units referred to in such instrument of transfer and shall issue to such transferee a new Statement of Unitholding representing the Units so transferred.
- 10.15 All instruments of transfer that shall be registered may be retained by the Manager or by the Registrar on its behalf.
- 10.16 A receipt signed by the Unitholder in respect of any monies payable in respect of the Units shall be a good discharge to the Trustee and the Manager and if several persons are registered as joint Unitholders or in consequence of the death of a Unitholder, are entitled so to be registered, any one of them may give an effectual receipt for any such monies.

11 INVESTMENT OBJECTIVES AND POLICY

- 11.1 The Investment Objectives and Policy of the Fund is set out in Schedule 1 of this Trust Deed.
- 11.2 The Manager shall not alter the Investment Objectives Policy of the Fund as set out in Schedule 1 of

this Trust Deed without the consent of the Trustee and the prior approval of the SEC.

12 RIGHT TO SELECT INVESTMENTS

- 12.1 The Fund shall have an Investment Committee which shall be responsible for reviewing and advising the Manager on proposed investments generally. The Investment Committee shall have a minimum of 3 (three) members comprising at least 1 (one) independent member with no affiliation to either the Manager, the Trustee, or the Custodian, nominated by the Manager and approved by the Trustee, together with a representative of the Trustee and the Manager.
- 12.2 Subject to section 12.1 above and Section 171 of the Investments and Securities Act and such other investments as the Commission may from time to time approve, the Manager shall be responsible for decisions as to the purchase, selection, sale or alteration of any investments under the provisions of this Trust Deed. The investments of the Fund shall be in accordance with investment guidelines established by an Investment Committee and shall be approved by the Trustee(s).
- 12.3 Save pursuant to an offer made jointly to all holders of units of another authorised unit trust scheme (as defined by Section 152 of the Investments and Securities Act) for the exchange of such units or the cash or other property represented thereby for Units of this Fund, neither the Trustee nor the Manager nor any affiliate of either shall as principal sell or deal in the sale of investments to the Trustee for account of the Fund or vest Authorised Investments in the Trustee upon the issue of Units, and the Trustee and the Manager shall use their best endeavours to procure that no such sale or dealing or vesting shall be made by any director of the Trustee or the Manager or of any associate PROVIDED that the restriction imposed by this Clause shall not apply to any sale or dealing or vesting in connection with the provision of the initial portfolio of investments by the Manager.
- 12.4 The Manager shall not undertake any dealing in or retention of any underlying securities of any company if the individual officers of the Manager or any of its affiliates or subsidiaries each have beneficial ownership of more than $\frac{1}{2}$ of 1 per cent (0.5%) of the securities of such company and together more than 5 per cent of the securities of that particular company.
- 12.5 The Manager, Trustee and their affiliates shall not deal as principals in the sale of underlying assets to the trust scheme.

13 REALISATION OF INVESTMENT

- 13.1 Any monies accruing from investments of the Fund shall be treated as realised investments. The Manager shall have the discretion subject to the agreed investment guidelines to reinvest any realised investment comprised in the Deposited Property in other Authorised Investments at any time PROVIDED ALWAYS THAT the Manager acts with diligence and prudence in exercising this discretion.

14 INVESTMENT RESTRICTIONS

- 14.1 No investment by the Manager in respect of the Fund shall be made which would result in either the value, or the aggregate of the values of any investment in any one company or body or in any one security exceeding one-twentieth (1/20th) of the value of the Fund immediately after such investment has been made or such other limits provided by the rules of the Commission from time to time.
- 14.2 The Manager shall not invest any part of the Fund in its in-house, Trustee's or associates' instruments or securities that are not transferable.
- 14.3 In addition, no part of the Fund shall be invested in the units or securities of another collective investment scheme being managed by the Fund Manager.
- 14.4 No more than 10% of the Fund's total assets may be invested in any single investment except those issued by the Federal Government of Nigeria or the Central Bank of Nigeria.

15 CHANGE IN INVESTMENTS

- 15.1 It shall not be necessary for either the Manager or the Trustee to effect any change in investments by reason of any appreciation in the value or the aggregate value of any investments in any one company or body or of any security or any depreciation in the value or the aggregate of the value of any investments causing the limits referred to in Clause 14 to be exceeded.
- 15.2 If and so long as the said limits shall be exceeded, the Manager shall within 3 (three) months of exceeding the limit, sell so much of the investment or investments in respect of which any of the said limits is exceeded thereby bringing it into conformity with Clause 14.

16 APPOINTMENT OF REGISTRAR

- 16.1 The Manager shall, with the consent of the Trustee appoint a registrar for the Fund for the purposes contemplated in this Clause 16 and the Fourth Schedule hereto.
- 16.2 Where the Manager, in consultation with the Trustee, for valid reasons, is of the opinion that a change of Registrar is desirable in the interest of the Unitholders it shall notify the Registrar accordingly and the Registrar shall, within 30 (thirty) Business Days transfer all records, documents and registers kept or maintained by it with regard to the Fund to the Manager and the Manager will thereafter take such steps as may be necessary to appoint a new Registrar for the Fund PROVIDED however that any appointment of a new Registrar will be subject to the prior approval of the Commission and notice of such change or appointment shall be advised to Unitholders in the manner provided in Clause 38 herein within 5 (five) business days of the date such change or appointment takes effect.

17 REGISTRATION OF UNITHOLDERS

- 17.1 The Manager, shall, pursuant to Clause 16 above, keep and maintain the Register of Unitholders and carry out such duties as may be required of a registrar for the Fund.

- 17.2 The Register shall contain the names of Unitholders, the respective number of Units held, the nominal value of the Units, the date of purchase, and any other information that may be deemed necessary by the Manager.
- 17.3 The Registrar shall immediately be notified in writing of any change of name or address on the part of any Unitholder and upon the Registrar's satisfaction thereof and in compliance with all such formalities as it may require shall cause the Register to be altered or the change to be registered accordingly.
- 17.4 All Unitholders shall be entitled during business hours to freely inspect the Register at no cost. However, a nominal fee may be payable where copies of any documents from the Register are required by the Unitholder.
- 17.5 The Register shall be conclusive evidence of the persons entitled to the Units. Any person claiming to be interested in any Units or the dividends on them may protect his interest by serving on the Manager a notice and an affidavit of interest whereupon the Registrar shall cause to be entered on the Register the existence of such notice and shall not register, transfer or make a payment or return(s) in respect of the relevant Units contrary to the terms of the notice until the expiration of thirty (30) days' notice to the claimant of the proposed transfer or payment.
- 17.6 A body corporate may be registered as a Unitholder or one of joint Unitholders.
- 17.7 In the event of the death of a Unitholder only the legally appointed executors or administrators of the estate of the deceased Unitholder (not being one of joint Unitholders) or the surviving Unitholder(s) of joint Unitholders shall be recognized by the Registrar as having any title to or interest in the Units of the deceased Unitholder.
- 17.8 Any person becoming legally entitled to any Units in consequence of the death or bankruptcy or dissolution or winding up of any Unitholder or upon the order of a court or upon a declaration that a Unitholder is a lunatic shall upon producing such evidence to the satisfaction of the Registrar substantiating his claim and on delivering up such documentary evidence of the deceased, bankrupt or lunatic Unitholder or resolution of dissolution or winding up to the Registrar for cancellation, be entitled to elect either to be registered himself or to have some other persons nominated by him registered as entitled to such Unit(s) and to have a new Statement of Unitholding issued accordingly. If the person becoming so entitled shall elect to be registered himself, he shall deliver or send to the Registrar a duly signed written notice in a form to be prescribed by the Registrar stating that he elects to be so registered, or if he shall elect to have some other person nominated by him shall testify such election as if the death, bankruptcy or lunacy or the dissolution or winding up of the Unitholder had not occurred and the notice or transfer were a transfer executed by such Unitholder. Until such production is made, the Unitholder of record shall be deemed to be the holder of such Units for all purposes hereof and the Trustee and the Manager shall not be affected by any notice of such bankruptcy, insolvency or other event, and in particular shall not be affected by reason that the Bid Price of the Units for the purposes of redemption is calculated on the day when actual redemption occurs and not on the day when notice of bankruptcy, insolvency or other event is received by the Trustee and the Manager.
- 17.9 Any person becoming entitled to Units in consequence of the death or bankruptcy or dissolution or winding up of a Unitholder shall, once he has provided sufficient evidence of such entitlement to the Registrar, even if actual registration has not yet taken place, be entitled to receive and may give a

discharge for monies payable in respect of the Units. However, such person shall not be entitled to all the other rights of a Unitholder until his name is entered in the register of Unitholders.

- 17.10 The number of Units held by a Unitholder shall be registered and recorded by the Registrar as a book entry.
- 17.11 The Manager may, upon giving notice to the Unitholders by advertisement in a widely circulated daily newspaper, close the Register, such periods of closure shall not, in aggregate, exceed 30 (thirty) days in each year.

18 VOTING RIGHTS ON FUND ASSETS

- 18.1 All rights of voting conferred by any investments forming part of the Deposited Property shall be exercised by the Trustee who may delegate it to the Manager in writing. The Trustee may refrain at its own discretion from the exercise of any voting rights and no Unitholder shall have any right to interfere or complain. Upon written request and at the expense of the Manager, the Trustee shall from time to time execute and deliver or cause to be executed or delivered to the Manager or its nominees such powers of attorney or proxies in such name and names as the Manager may request authorising such attorneys and proxies to vote, consent or otherwise act in respect of all or any part of the Deposited Property.
- 18.2 Upon delegation by the Trustee, the Manager shall be entitled to exercise the said rights in what it considers to be the best interest of the Unitholders. Subject to section 168 of Investments and Securities Act, neither the Manager nor the Trustee shall be under any liability or responsibility thereof in respect of the management of the investment in question nor in respect of any vote, action or consent given or taken or not given or taken by the Manager whether in person or by proxy and neither the Trustee, the Manager, the Unitholder or any such proxy or attorney shall incur any liability or responsibility by reason of any error of law or mistake of fact or any matter or thing done or omitted or approval voted or given or withheld by the Trustee or Manager or by the Unitholder and the Trustee shall be under no obligation to anyone with respect to any action taken or caused to be taken or omitted by the Manager or by any such proxy or attorney.
- 18.3 The phrase “right of voting” or the word “vote” used in this Clause shall be deemed to include not only a vote at a meeting but any consent to or approval of any arrangement, scheme or resolution or any alteration in or abandonment of any rights attaching to any part of the Fund’s assets and the right to requisition or join in a requisition to convene any meeting or to give notice of any resolution or to circulate any statement.
- 18.4 The Trustee shall, when necessary, forward to the Manager, all notices of meetings, reports, circulars and other documents of a like nature received by it or its nominee with regard to any investment of the Fund.

19 ISSUANCE OF STATEMENTS OF UNITHOLDING

- 19.1 Upon the issue of Units, the Manager shall notify the Unitholder of the number of Units and fractions thereof, if any, purchased by such Unitholder by issuing a Statement of Unitholding which shall indicate the total holding of that Unitholder in respect of the Fund including any Units held prior to the issue of such Units.

- 19.2 A Unitholder shall be issued with the electronic Statement of Unitholding, via e-mail, evidencing its ownership of the Units of the Fund unless the Unitholder elects to receive a physical Statement of Unitholding.
- 19.3 All Unitholders will be sent quarterly statements indicating their Unitholding and any sale or purchase of Units recorded in the period covered by the Statement of Unitholding.
- 19.4 Joint Unitholders shall be entitled to only one electronic Statement of Unitholding for Units held jointly by them. Where a Statement of Unitholding is issued to the Joint Unitholders, it shall be issued in the names of the joint Unitholders and delivery of a Statement of Unitholding to one of the joint Unitholders shall be sufficient delivery to all such Unitholders.
- 19.5 Notwithstanding anything contained in these presents, a Unitholder shall only be entitled to the issuance of a physical Statement of Unitholding upon an express request.
- 19.6 For all electronic statements that are issued, such statement shall be duly issued in United States Dollars provided that a person shall not be registered in respect of less than 500 Units or any other number of Units as may otherwise be prescribed by the Manager except where such Units are issued pursuant to a reinvestment of the distributions for the Funds.

20 RIGHT OF ASSIGNMENT

Every Unitholder is entitled to assign, by way of security, all or any part of his or her investments to third parties provided that the Manager is duly informed of such assignment so that necessary documentation can be effected to reflect the change in the Unitholder's holding in the Fund. Such documentation shall be as prescribed by the Manager.

21 INCOME DISTRIBUTION/REINVESTMENT

The income of the Fund less any sums properly chargeable thereon or deductible therefrom shall be distributed annually. Unitholders may, at the time of subscription, elect to receive their distributions either by electronic transfer to their bank accounts or re-invest their distribution by purchasing additional Units of the Fund. Where the Unitholder fails to indicate whether their distributions should be reinvested in the Fund or transferred to their bank account, such distribution shall be re-invested, and used to purchase additional units of the Fund.

22 INDEMNITIES, RIGHTS AND DISCRETION OF TRUSTEE AND MANAGER

Without prejudice to any indemnity allowed by law or elsewhere herein given to the Trustee or to the Manager the following provisions shall apply:

- 22.1 The Trustee, the Manager and the Registrar shall not be responsible for the authenticity of any form of application, endorsement or other documents affecting the title to or transmission of Units or be in any way liable for any forged or unauthorized signature on or a seal affixed to such endorsement, transfer or other document or for acting on or giving effect to any such forged or unauthorized signature or seal affixed PROVIDED that they have exercised due care and diligence in examining the signature and/or document.

- 22.2 The Trustee, the Manager and the Registrar shall not incur liability in respect of any action or omission by them in good faith in reliance upon any notice, resolution, direction, consent, certificates, affidavit, statement, certificate of stock, plan or scheme of reorganisation or other paper or document believed to be genuine and to have been passed, sealed or signed by the proper parties.
- 22.3 Neither the Trustee nor the Manager shall incur liability to the Unitholders for doing or failing to do any act or thing which by reason of any provision of any present or future law or regulation made pursuant thereto or of any decree, order or judgment of any Court or by action (whether of binding legal effect or not) which may be taken or made by any person or body acting with or purporting to exercise the authority of any government (whether legally or otherwise) where the Trustee or Manager shall be directed or requested to do or perform or to forbear from doing or performing any act or thing.
- 22.4 The Trustee and Manager shall be entitled to require that the signature of any Unitholder or joint Unitholder to any document required to be signed by him under or in connection with this Deed shall be verified by a banker or broker or other responsible person or otherwise authenticated to their reasonable satisfaction.
- 22.5 The Trustee, or a company affiliated with the Trustee shall not by reason of its office be precluded from purchasing, holding, dealing in or disposing of Units nor from contracting or entering any financial, banking or other transaction with the Manager, a company affiliated with the Manager or any Unitholder or any company or body with an interest in any Unit(s) or from being interested in any such contract or transaction or from holding any shares or any investment in any such company or body. The Trustee shall not except as otherwise herein provided be in any way liable to account either to the Manager or to the Unitholders or any of them for any profits or benefits made or derived by the Trustee thereby or in connection therewith.
- 22.6 The Trustee shall prosecute or defend any action or suit in respect of the provisions hereof or in respect of the Deposited Property or any part thereof or take part in or consent to any corporate action, provided that it is furnished with such reasonable indemnity against costs, as it may require to carry out such action, by the Fund.
- 22.7 Subject to the prior consent of the Trustee in each case the Manager may from time to time for the account of the Fund enter into underwriting and sub-underwriting contracts in relation to the subscription or purchase of Authorised Investments upon such terms in all respects as it shall think fit (but subject always to the SEC's consent and the provisions of this Trust Deed and so that no such contract shall relate to an investment which if acquired would constitute a holding in excess of the limits specified in Clause 14 hereof) and all commissions or other fees received by the Manager and all Authorised Investments or cash acquired pursuant to any such contract shall form part of the Deposited Property.
- 22.8 Save for instances where the Trustee has been negligent, the Trustee shall not be liable to account to any Unitholder or otherwise for any payment made or suffered by the Trustee in good faith to any duly empowered fiscal authority of Nigeria or elsewhere for taxes or other charges in any way arising out of or relating to any transactions under these presents notwithstanding that any such payments need not have been made or suffered.
- 22.9 The Trustee shall not be under any liability on account of anything done or suffered by them in good faith in accordance with or in pursuance of any request, notice, direction or advice of the Manager.

Whenever a notice or other communication is to be given by the Manager to the Trustee, the latter accepts as sufficient evidence thereof, a document signed on behalf of the Manager by any person whose signature the Trustee is for the time being authorized in writing by the Manager to accept.

- 22.10 The Trustee may exercise all the powers and discretion vested in it by these presents and, in the absence of fraud or negligence shall not in any way be responsible for any loss costs or damages that may result from the exercise or non-exercise thereof.
- 22.11 The Trustee may act upon the advice of or statement or information obtained from stockbrokers, accountants, lawyers, bankers or other persons believed by the Trustee in good faith to be experts in the matters on which they have been consulted whether instructed by the Trustee or Manager and the Trustee shall not be liable for anything done or omitted or suffered to be done by it in reliance upon such advice statement or information.
- 22.12 The Trustee shall be responsible for the acts of its duly appointed lawyer, banker, accountant, broker or any other agent acting on the instruction of the Trustee within the course and scope of its appointment.
- 22.13 The Manager shall in no way be liable to make any payment hereunder to any person except out of the monies of the Fund set aside for that purpose.
- 22.14 If for any reason it becomes impossible or impracticable to carry out any of the provisions of these presents neither the Manager nor the Trustee shall be under any liability. Neither shall they incur liability for any error of law in the absence of fraud or negligence in connection with any matter or thing done or suffered to be done or omitted to be done by them in good faith hereunder PROVIDED ALWAYS that nothing in this section may be construed as exempting the Trustee from or indemnifying the Trustee against liability for breach of trust arising from any fraudulent or negligent act or omission on its part or any other breach of duty hereunder.
- 22.15 The Manager shall not be under any liability except such liability as may be expressly assumed by it under this Deed or imposed by law nor shall the Manager (save as herein otherwise appears) be liable for any act or omission of the Trustee or for anything except its own breach of duty hereunder.
- 22.16 Under no circumstances shall the Trustee be bound to make any payment to any person except out of the funds held by it for that purpose under the provisions of this Deed.
- 22.17 The Trustee shall not be responsible for acting upon any resolution passed at a Meeting of the Unitholders in respect of which minutes shall have been made and signed even though it may be subsequently found that there was some defect in the constitution of the Meeting or the passing of the resolution or that for any reason the resolution was not binding upon all the Unitholders PROVIDED HOWEVER that nothing in this sub-clause 22.17 shall be construed to relieve the Trustee from an obligation to exercise due care and diligence in carrying out its obligation as trustee or to relive the Trustee from liability for any breach of trust.
- 22.18 With the exception of the selection of investments and except as otherwise set out herein, the Trustee covenants that effective control over the affairs of this Fund shall be vested in the Trustee and will be independently exercised by the Trustee on behalf of the Unitholders.

- 22.19 The Trustee undertakes to notify the Commission of any proposed change in the management of the Fund during the entire period of existence of the Fund.
- 22.20 Subject to the provisions of this Deed, the selection of all investments, shall, in all respects, be the sole responsibility of the Manager who shall exercise due diligence and prudence in its selection process having due regard to the Investment Policy of the Fund in such selection.
- 22.21 The Manager shall be entitled, subject to the consent of the Trustee, to delegate to any person, firm or corporation upon such terms and conditions as it may think fit, all or any of their powers and discretion in relation to the selection, acquisition, holding and realisation of investments and the application of any monies forming part of the Deposited Property PROVIDED THAT the Manager shall remain liable hereunder for any act or omission of any such person, firm or corporation in relation to the exercise or non-exercise of any powers or discretion so delegated as if the same were an act or omission of the Manager.

23 DUTIES AND FUNCTIONS OF THE TRUSTEE AND MANAGER

23.1 Duties of the Trustee

The Trustee shall:

- 23.1.1 ensure that the basis on which the sale, issue, repurchase or cancellation, as the case may be, of the Units effected by or on behalf of the Fund is carried out in accordance with the Investments and Securities Act, the SEC Rules and this Deed;
- 23.1.2 ensure that the selling or repurchase price or participatory interests is calculated in accordance with the Investments and Securities Act, the SEC Rules and this Trust Deed;
- 23.1.3 carry out the instructions of the Manager unless they are inconsistent with the Investments and Securities Act, the SEC Rules or this Trust Deed;
- 23.1.4 verify that, in transactions involving the assets of the Fund any consideration is remitted to it within time limits which are acceptable market practice in the context of a particular transaction;
- 23.1.5 verify that the income accruals of the Fund are applied in accordance with the Investments and Securities Act, the SEC Rules and this Trust Deed;
- 23.1.6 enquire into and prepare a report on the administration of the Fund by the Manager during each annual accounting period, in which it shall be stated whether the Fund has been administered in accordance with the provisions of the Investments and Securities Act, the SEC Rules and this Trust Deed;
- 23.1.7 if the Manager does not comply with the limitations and provisions referred to in Clause 23.1.6 of this Trust Deed, state the reason for the non-compliance and outline the steps taken by the Manager to rectify the situation;
- 23.1.8 send the report referred to in Clause 23.1.6 of this Trust Deed to the Commission and to the Manager in good time to enable the Manager include a copy of the report in its annual report;
- 23.1.9 ensure that there is legal separation of assets held in trust and that the legal entitlement of investors to such assets is assured;

- 23.1.10 ensure appropriate internal control system are maintained and that records clearly identify the nature and value of all assets held in trust, the ownership of each asset and the place where documents of title pertaining to each asset are kept;
- 23.1.11 whenever it becomes necessary for the Trustee to enforce the terms and conditions of this Trust Deed, the Trustee shall do so within 10 (ten) working days and shall inform the Commission not later than 10 (ten) working days after the breach;
- 23.1.12 satisfy itself that every income statement, balance sheet or other return prepared by the Manager in terms of section 169 of the Investments and Securities Act fairly represents the assets and liabilities, as well as the income and distribution or income, or every portfolio of the Fund administered by the Manager;
- 23.1.13 ascertain that the monthly, quarterly and other periodic returns/reports relating to the Fund are sent by the Manager to the Commission;
- 23.1.14 ascertain the investment rationale for investment decision-making of the Manager;
- 23.1.15 monitor the Register of the Unitholders; and
- 23.1.16 generally monitor the activities of the Manager on behalf of and in the interest of the Unitholders.
- 23.2 The Trustee may request that every director or employee of the Manager shall submit to the Trustee any book or document or information relating to the administration of the Fund by the Manager which is in its possession or at its disposal, and which the Trustee may consider necessary to perform its functions and no person shall interfere with the performance by the Trustee of its functions under the Investments and Securities Act, the SEC Rules and this Trust Deed.

23.3 Duties of the Manager

The Manager shall have the following duties:

- 23.3.1 selection and management of the portfolio of investment in accordance with this Trust Deed;
- 23.3.2 redemption and issue of Units of the Fund;
- 23.3.3 maintenance of a schedule of Unitholders;
- 23.3.4 preparation of periodic accounting records of the Fund in accordance with the ISA and the SEC Rules;
- 23.3.5 keeping of books of the Fund (excluding books or documents relating to investments of the Fund).
- 23.3.6 filing of monthly and other periodic returns /reports with the Commission, the Trustees, the Registrars and the Unitholders;
- 23.3.7 organising the Meetings of the Fund;

- 23.3.8 representing the interest of the Fund in both the national and the global market;
- 23.3.9 complying with the Investments and Securities Act, the Trustee Investments Act, the SEC Rules and this Trust Deed;
- 23.3.10 avoiding conflict of interests between the Manager and the Unitholders;
- 23.3.11 disclosure of the interests of its directors and management to the Unitholders;
- 23.3.12 maintenance of adequate financial resources to meet its commitments to manage the risks to which the Fund is exposed;
- 23.3.13 organise and control the Fund in a reasonable and responsible manner expected of a fund manager;
- 23.3.14 keeping proper records in relation to the Fund;
- 23.3.15 employment of adequately trained staff for the operation of the Fund; and
- 23.3.16 establishing well defined compliance procedures.

24 MANAGER AND TRUSTEE ACTING FOR OTHER TRUSTS

The Manager and Trustee shall be entitled whether in conjunction or separately to establish and act as Manager or Trustee for other trusts separate and distinct from this Trust.

25 CONDITIONS FOR EFFECTING TRANSACTIONS OR DEALINGS

Notwithstanding anything herein contained, neither the Trustee nor the Manager and/or any other party shall be required to effect any transaction or dealing with any Unitholder or with any part of the investments of the Deposited Property on behalf of or for the benefit of or at the request of any Unitholder unless such Unitholder shall first have paid to the Trustee, the Manager or such other party to its or their satisfaction, as the case may be, such amount sufficient to cover all duties and charges and any necessary stamp duty which may have become or may be payable in respect of or prior to or upon the occasion of such transaction or dealing PROVIDED ALWAYS that the Trustee, the Manager or such other party shall be entitled to, as it or they may think fit, pay and discharge all or any of such duties charges or stamp duty on behalf of the Unitholder and to retain the amount so paid out of any money or property to which such Unitholder may be or become entitled in respect of his Unit or otherwise however hereunder.

26 VARIATION OF PAR VALUE OF UNITS

Subject to the approval of the Trustee and the prior consent of the Commission, the Manager shall have the right by notice to the Unitholders to vary the par value of the Units and in consequence thereof to effect reductions or increases in the number of Units Outstanding of the Fund. Such notice shall state the number of Units to be cancelled and the new par value of the Units.

27 COVENANTS BY THE MANAGER

The Manager hereby covenants with the Trustee as follows:

- 27.1 It shall not make a profit for itself from transactions in any assets held under the Fund.
- 27.2 It shall not borrow money on behalf of the Fund for the purpose of acquiring securities or other property for the Fund.
- 27.3 It shall not lend money that is subject to the trust of the Fund to any person to enable it purchase Units of the Fund.
- 27.4 Further to clause 4.10 above, it shall not mortgage, charge or impose any other encumbrance on any securities or other property subject to the trust of the Fund.
- 27.5 It shall not engage in any transactions with respect to or for the Fund that are not, in its reasonable opinion, in the best interests of Unitholders and of the Fund.
- 27.6 It shall not deviate from or alter the Investment Policy of the Fund without due recourse to the provisions of this Deed, and without the prior approval of the Commission, regarding the same.
- 27.7 It shall exercise due prudence in all its dealings with the monies of the Fund.
- 27.8 It shall give written notice to the Commission of any proposal to alter the Trust Deed or replace the Trustee as required by section 187 of the Investments and Securities Act.

28 REMOVAL, RETIREMENT AND APPOINTMENT OF MANAGER

- 28.1 In the event of the Manager desiring to retire, the Trustee shall use its best endeavours to find a new Manager. If within 6 (six) months of notice by the Manager seeking to retire, no suitable replacement is identified, the Trustee may terminate the Trust by giving 6 (six) months' notice to this effect to the Unitholders, the Manager and the Commission.
- 28.2 The Manager shall be subject to removal by notice in writing given by the Trustee in any of the following circumstances PROVIDED THAT in every case the proposed removal has been approved by the Commission or one month has passed since notice was served on the Commission without the Commission having notified the Trustee that the proposed removal is not approved before service on the Manager:
 - 28.2.1 if the Unitholders representing more than 75% of the Units for the time being outstanding of the Fund deliver to the Trustee a request in writing that the Manager should retire or;
 - 28.2.2 if the Manager goes into liquidation (except for a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the Trustee) or if a receiver is appointed over any of its assets; or
 - 28.2.3 if the Trustee certifies and provides evidence to the satisfaction of the Commission to the effect that the Manager has been fraudulent or has acted with gross misconduct in its management of the Fund and it is in the best interests of the Unitholders that the Manager should be removed; or
 - 28.2.4 if the licence of the Manager is suspended or withdrawn by the Commission.

- 28.3 In any of the cases, the Manager shall, upon notice by the Trustee, immediately cease to be the manager and the Trustee shall by writing under its seal subject to approval by the Commission appoint some other qualified corporation to be the manager. Such corporation shall enter such Deed or Deeds as the Trustee may advise are necessary or desirable to be entered by such corporation in order to secure the due performance of its duties as manager which deed or deeds shall, if so required by the retiring manager, provide that the Fund shall as soon as practicable cease to use the word "FSDH" in its name and that neither the Trustee nor the new manager shall hold themselves out as being connected with the retiring manager in any way and furthermore shall provide that the manager to be appointed hereunder shall purchase from the retiring manager all Units of which it is Unitholder or deemed to be Unitholder at the realisation price.

29 REMOVAL, RETIREMENT AND APPOINTMENT OF TRUSTEE

- 29.1 In the event of the Trustee desiring to retire, it shall give not less than 3 months' notice in writing to the Manager of its desire to retire, and the Manager shall use its best endeavours to appoint a new Trustee within 3 (three) months of notice to both the Commission and the Manager by the Trustee of its intention to retire. The new Trustee shall be an incorporated company registered with the Commission and approved by a majority of the Unitholders. If no new Trustee can be identified within that period, the Manager may terminate the Trust.
- 29.2 The Trustee shall be subject to removal by notice in writing from the Manager in any of the following circumstances PROVIDED THAT in either case the proposed removal has been approved by the Commission or 1 (one) month has passed since notice was served on the Commission without the Commission having notified the Manager that the proposed removal is not approved before service on the Trustee:
- 29.2.1 if Unitholders holding not less than 75% of the Units outstanding of the Fund deliver to the Manager a request in writing that the Trustee should retire; or
- 29.2.2 if the Trustee goes into liquidation (except for a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the Manager) or if a receiver is appointed over any of its assets; or
- 29.2.3 if in the opinion of the Manager, which opinion is confirmed by Unitholders holding a simple majority of the Units Outstanding attending the meeting in person or by proxy, the Trustee shall be incapable of performing or shall have in fact failed to perform its duties satisfactorily or shall have done any other thing which is calculated to bring the Fund into disrepute or be harmful to the best interests of the Unitholders or is a breach of the Trustees fiduciary duties to the Fund. Upon removal of the Trustee, the Manager shall by writing under its seal subject to the approval of the Commission, appoint some other qualified corporation to be the Trustee and such corporation shall enter such Deed or Deeds as the Manager deems it necessary or desirable to be entered by such corporation in order to secure the due performance of its duties as Trustee; or
- 29.2.4 if the licence of the Trustee is suspended or withdrawn by the Commission.
- 29.3 The new Trustee taking the place of the Trustee retiring pursuant to Clause 29.1 or 29.2 above shall sign a deed of accession.

30 PREPARATION OF NOTICES AND OTHER DOCUMENTS

The Manager shall prepare all notices, accounts, offers or statements which the provisions of this Trust Deed require to be prepared, issued served or sent to either party or the Unitholders.

31 AUDITING OF THE FUND'S ACCOUNTS

- 31.1 At least once in every financial year, the Manager shall cause to be audited and certified by the Auditors the accounts relating to the management of the Fund. The audited accounts of the Fund shall be signed by the Manager and the Trustee.
- 31.2 The results of the audits together with any other accounts relating to the Fund including accounts of the Manager in relation to the Fund, statements of remuneration in connection therewith and performance reports shall be circulated to the Unitholders of the Fund no later than 1 (one) month after the approval of the SEC.
- 31.3 A copy of the Auditor's Report in respect of the Fund shall be sent by the Manager to the Commission and shall also be published in a national newspaper within 1 (one) month after the accounts have been approved by the SEC or as the Commission may from time to time specify.
- 31.4 The Manager may appoint tax consultants or such other accounting or tax professionals as it may determine from time to time.

32 AUDITORS

- 32.1 The Auditors shall be appointed by the Manager with the approval of the Trustee. No Auditor shall be a person who is not qualified for appointment as an Auditor of a company under Section 358 of the CAMA.
- 32.2 Within 30 days of the date of appointment of the Auditor, the Manager shall apply to the Commission for approval of the appointment of the Auditor; and the Commission may at any time withdraw its approval of the appointment of an Auditor;
- 32.3 Any Auditors appointed may be removed by the Manager with the approval of the Trustee, by notice thereof to the Auditors. Provided that the SEC shall be notified of such removal.
- 32.4 Any Auditors appointed may be removed by the Trustee in agreement with the Manager, by notice thereof to the Auditors. Provided that the SEC shall be notified of such appointment.
- 32.5 The remuneration of the Auditors shall be fixed by the Manager.
- 32.6 The Auditors of the Fund may resign their office by serving a notice in writing to that effect at the registered office of the Trustee and any such notice shall operate to determine their office on the date on which notice is received or on such later date as may be specified therein.
- 32.7 The Auditors' notice of resignation shall not be effective unless it contains either:
 - 32.7.1 a statement to the effect that there are no circumstances connected with their resignation which they consider should be brought to the notice of the Unitholders of the Fund; or

32.7.2 a statement setting out the circumstances connected with their resignation which they consider should be brought to the notice of the Unitholders of the Fund.

32.7.3 Where a notice under this section is served at the Trustee's registered office the Trustee shall within 14 (fourteen) days send a copy of the notice to the Manager.

33 DURATION AND TERMINATION OF THE TRUST

33.1 The Trust constituted by this Deed shall be for a period of 99 (ninety-nine) years subject only to the provisions for termination as are herein contained.

33.2 The Trust may be terminated upon no less than 6 (six) months' notice by the Trustee in writing to the Manager, Unitholders of the Fund and the Commission, if the Trust becomes illegal or if in the opinion of the Trustee it is impracticable or inadvisable to continue the Trust.

33.3 The Trust may at any time be terminated by a resolution of the Unitholders holding not less than 90% of the Units at a joint meeting of the Fund duly convened and held in accordance with the provisions herein contained in respect of the Fund regarding meetings and such termination shall take effect no less than 6 (six) months from the date on which the said Special Resolution is passed or on such later date (if any) as the said Special Resolution may provide.

33.4 The Trust may be duly terminated by the Commission where any of the activities of the Trust is outside the ambit of permissible activities as provided for by the Investments and Securities Act, any relevant regulations enacted thereunder and/or any other applicable laws or where the Commission's approval of the Fund is withdrawn.

33.5 The Manager may, by notice to the Commission, Unitholders and the Trustee terminate the Fund if, in the opinion of the Manager, the investment objective of the Fund is no longer achievable or the value of the Fund's assets is insufficient to justify the continued operation of the Fund or if, due to a change in law or other circumstance deemed appropriate by the Manager, the continued operation of the Fund is no longer justified.

33.6 In the event of termination, the liquidation of the Fund and redemption of the Unitholders' Units will be satisfied solely out of the assets of the terminated Fund without recourse to the assets of any other constituent Fund or the assets of the Manager.

34 PROCEDURE AFTER TERMINATION OF THE TRUST

Upon the Trust being terminated, the Trustee shall proceed as follows:

34.1 procure the sale of all investments remaining as part of the Deposited Property and pay therefrom all liabilities properly payable. Such sale shall be carried out in such manner and within such period after the termination of the Trust as the Trustee deems fit.

34.2 distribute or effect the distribution to the Unitholders, in proportion to their Units, of all net cash proceeds derived from the realisation of the Deposited Property available for the purpose of such distribution. The Trustees may request for any additional information/document for the purpose of making such terminal distribution. PROVIDED THAT the Trustee shall be entitled to retain out of any monies in its hands as part of the Deposited Property a provision for all costs, charges, expenses, claims and demands incurred or made by the Trustee in connection with or arising out of the

termination of this Trust and out of the monies so retained to be indemnified against any such costs, charges, expenses, claims and demands.

34.3 Pursuant to clause 34.2 above, a comprehensive report, providing details of the distribution of the net cash proceeds deriving from the realisation of the Deposited Property, shall be delivered to the Commission.

34.4 keep the unclaimed money (if any) in an interest yielding account for the purpose of meeting investor's claims.

35 MEETINGS

Meetings of the Fund shall be held as provided in the Fifth Schedule to this Deed.

36 CIRCULARS AND ADVERTISEMENTS

36.1 No advertisement circular or other document of that nature containing any statement with reference to the price of Units or containing any invitation to buy Units shall be issued by or on behalf of the Manager unless such documents also contains a statement with respect to the yield/proposed yield from the Unit.

36.2 No advertisement circular or other document of that nature containing any statement with respect to the price of Units or the payments of other benefits received or likely to be received by Unitholders or containing any invitation to buy Units shall be issued by or on behalf of the Manager until the Trustee has had a reasonable opportunity to consider the terms of the document. No such document shall be issued if within 10 (ten) days after the document first comes under the Trustee's consideration, the Trustee notifies its disapproval of the terms thereof in writing to the Manager. All such documents shall also be subject to the approval of the Commission before they are issued.

36.3 In all letters circulars, advertisements or other publications referring to the issue or sale of Units reference shall be made to the Trustee only in terms previously consented to by the Trustee and the Commission.

37 NOTICES

37.1 All notices or other documents directed to be given or sent by the Trustee or the Manager to a Unitholder shall (unless the Trustee or the Manager be otherwise directed in writing) be sent by post, via the internet or courier to him at his address as appearing in the Register. Any notice shall be deemed to have been received by the Unitholder on the 3rd day following the day on which the notice was sent by post or courier or on the same day if such notice is sent via the internet.

37.2 A notice required to be given to the Trustee or the Manager shall be sent to the registered office of the Trustee or the Manager as the case may be.

38 PAYMENT

38.1 Any monies payable by the Trustee or by the Manager to a Unitholder or former Unitholder under the provisions of these presents shall be paid by electronic money transfer (e-dividend), made payable to the nominated account or the registered address of such Unitholder as the case may be. Where an authority in writing shall have been received by the Manager from the Unitholder or former

Unitholder in such form and signed or sealed in such manner as the Manager shall direct, authorising the Manager to pay any monies due to him by electronic or any other mode of payment to a banker, agent or nominee, the Trustee, Manager or Registrar shall pay the monies payable to the Unitholder as the case may be in the same manner and with the same effect as hereinbefore provided as if such banker, agent or nominee were the Unitholder and such payment shall be a good discharge of the Trustee and Manager.

- 38.2 Without prejudice to the application of sub-clause 38.1 above, a receipt signed or purported to be signed by a Unitholder or former Unitholder for any monies payable in respect of Units held or formerly held by him shall be a good discharge to the Trustee and Manager.

39 COPIES OF TRUST DEED TO BE MADE AVAILABLE

- 39.1 A copy of this Deed and of any Deed supplemental hereto shall, at all times, during usual business hours be made available by the Manager and the Trustee at their respective head offices and any Unitholder shall be entitled to receive from the Manager a copy of such Deed(s) as aforesaid on production of such evidence satisfactory to the Manager or Trustee, including a Statement of Unitholding, and making payment to the Manager of the prescribed amount for each copy of the document.
- 39.2 The Trustee shall keep the original of the Trust Deed.

40 RECONSTRUCTION AND AMALGAMATION

- 40.1 The Trust may be reconstructed or amalgamated upon the following conditions being satisfied:
- 40.1.1 the Manager has agreed with the manager of some other trust the terms and conditions of a scheme of reconstruction and amalgamation;
- 40.1.2 the Trustee has not dissented from the proposed reconstruction or amalgamation;
- 40.1.3 the Unitholders have been informed of the particulars of the proposed reconstruction or amalgamation in a manner approved by the Trustee and a Special Resolution has been passed at a Meeting of the Unitholders approving such proposed reconstruction or amalgamation; and
- 40.1.4 the Manager has duly notified the Commission of the proposed reconstruction and amalgamation and the Commission has approved the proposed reconstruction and amalgamation.
- 40.2 If the conditions provided in Clause 40.1 above have been fulfilled the proposed reconstruction or amalgamation shall take effect upon the date on which such conditions are satisfied or such later date as the Trustee may provide whereupon the terms of the Trust shall be binding upon all the Unitholders who shall be bound to give effect thereto accordingly and the Manager and the Trustee shall do all such acts and things as may be necessary or requisite for the implementation thereof.

41 POWER OF MODIFICATION BY SUPPLEMENTAL DEED

- 41.1 The Trustee and Manager shall be entitled by supplemental deed to consolidate, modify, alter or add to the provisions of this Trust Deed in such manner and to such extent as they may consider necessary or expedient having regard to any issues that they may consider relevant PROVIDED THAT the Trustee shall certify in writing that in its opinion such consolidation, modification, alteration or

addition does not operate to release the Trustee or Manager from any responsibility to the Unitholders. No such consolidation, modification, alteration or addition shall be made without the sanction of a Special Resolution passed at a Meeting of Unitholders duly convened and held. No such consolidation, modification, alteration or addition shall impose any further payment on the Unitholder in respect of his Units or any liability in respect thereof. PROVIDED ALWAYS that notwithstanding this Clause the Manager and the Trustee shall seek the approval of the Commission for any proposed modification to the Trust Deed by service of notice on the Commission. Such proposed change shall not be given effect until the proposed change has been approved by the Commission or until a period of one month has elapsed since the date the notice was given to the Commission without the Commission having notified the Trustee or Manager that it does not approve.

42 COMPLIANCE

- 42.1 The Trustee shall at all times in the course of administering this Trust comply and also monitor compliance by the Manager with the provisions of this Trust Deed, the ISA and the rules and regulations made thereunder. The Trustee shall ascertain that periodic statutory reports and audited annual accounts relating to the Fund are filed on a timely basis by the Fund Manager with the Commission.

43 GOVERNING LAW

- 43.1 This Deed shall be governed by and construed in all respects in accordance with the laws of the Federal Republic of Nigeria.

44 ARBITRATION

- 44.1 Except as hereinbefore expressly provided, any claims, differences or disputes under, arising out of, or with regard to this Trust Deed which cannot be amicably resolved by the Parties within 20 (twenty) Business Days after notice of such dispute, claim or difference shall be referred to and determined by a sole arbitrator. Such arbitration shall be held in Lagos, Nigeria, under the Arbitration Rules of the United Nations Commission on International Trade Law otherwise described as the UNCITRAL Arbitration Rules pursuant to Section 53 of the Arbitration and Conciliation Act, Cap A18, LFN, 2004. Provided that a notification of any dispute arising out of or relating to or connected with this Deed shall be given to the SEC within 5 (five) Business Days of the occurrence of such dispute.
- 44.2 The sole arbitrator shall be appointed by agreement between the parties PROVIDED THAT if the parties are unable to agree on a sole arbitrator within 2 (two) weeks of the notification of a declaration of dispute by the party initiating the arbitral proceedings, the sole arbitrator shall be appointed by the Director General of the Commission within 2 (two) weeks of a request failing which such arbitrator may be appointed by the Chairman of the Chartered Institute of Arbitrators CI Arb United Kingdom, Nigerian Branch.
- 44.3 In the event that the matter cannot be resolved by arbitration, the matter shall be referred to the Commission for resolution.
- 44.4 Any Party aggrieved by the decision of the SEC reached in accordance with Clause 44.3 may then refer the matter to the Investments and Securities Tribunal established in accordance with the provisions of the Investments and Securities Act, for resolution.

45 MISCELLANEOUS

- 45.1 This Trust Deed may be executed in any number of counterparts all of which taken together shall constitute one and the same instrument and any of the parties hereto may execute these presents by signing any counterpart.
- 45.2 Without prejudice to any other provision hereof, if any provision of this Deed is prohibited or unenforceable or rendered unenforceable, unlawful, invalid or illegal, such invalidity, illegality, unenforceability, prohibition or unlawfulness shall not to the extent permitted by law render invalid, unenforceable, unlawful, illegal or prohibited the other provisions of this Deed.
- 45.3 If the performance of this Deed or any obligation under it is prevented, restricted or interfered with by reason of circumstance beyond the reasonable control of the party obliged to perform it, the party so affected shall be excused from performance to the extent of the prevention, restriction or interference, but the party so affected shall use his best endeavours to avoid or remove the causes of non-performance and shall continue performance under this Agreement with utmost dispatch whenever such causes are removed or diminished.

12.11. EXTRACTS FROM THE SAFE CUSTODY AGREEMENT

2. Appointment and Role of the Custodian

- 2.1 The United Bank for Africa Plc (Global Investor Services Division) is hereby appointed Custodian of the Fund and United Bank for Africa Plc (Global Investor Services Division) hereby accepts the said appointment, to do the following:
- (a) The settlement of Securities issued by entities in the Federal Republic of Nigeria from time to time and to hold unto the said Fund on behalf of the Trustee/Fund upon terms and conditions hereof.
 - (b) To keep in its custody all funds and assets (including all cash, securities, Money Market Instruments and other property transferred to the custodian for safekeeping under the terms of this Agreement) from time to time on behalf of Unit holders.
 - (c) To ensure that all funds and assets held by it pursuant to this Agreement are at all times immediately identifiable by third parties as custody assets by the inclusion of such words in the title to sufficiently describe same as such.
 - (d) The collection of dividends, interests and principal amounts due for redemption on due date.
 - (e) The exercise or sale of subscription rights and attending to other related corporate actions, provided that, it shall be liable to the Trustee/Fund in full for any losses incurred due to its failure to carry out its obligation in relation to any corporate action affecting all or any part of the funds or assets covered by this Agreement.
 - (f) Transaction processing/settlement, monthly and quarterly reporting of status of Fund's assets to the Fund Manager, Trustee and the Commission.
 - (g) Carry out monitoring, oversight, administrative and other functions required in accordance with the terms and conditions of this Agreement.
 - (h) Act independently of the Fund Manager and the Trustee in the management of the Fund and

solely in the interest of the Unit Holders in the Fund and of the Fund itself.

- (i) Be accountable to the Fund Manager, the Trustee and the Commission in the performance of its obligations herein and such other functions it may reasonably be expected to perform pursuant to upholding the best interest of Unit holders and the Fund.
- (j) The Custodian's role includes all the obligations as provided in Rule 456 of the Securities and Exchange Commission Rules and Regulations 2013.

3. Role of the Fund Manager

3.1 The Fund Manager is the investment manager whose role is to administer its Financial Assets by doing the following:

- (a) Make investment decisions in relation to the funds and assets under the scheme or Fund to which this Agreement relates
- (b) Keep proper books of account and prepare financial statements.
- (c) Ensure that appropriate internal controls are established for the Fund.
- (d) Maintain adequate financial resources to meet its commitments and manage the risks thereon.

4. Compliance with Relevant Regulation

Holding of Securities by the Custodian or any Securities Depository or Sub-Agent shall be subject to Relevant Regulation and reasonably accepted practices. In the event of conflicting regulations with the terms hereof, the regulations shall prevail. The Custodian may take or omit to take any action it deems in its absolute discretion fit in order to ensure compliance with any Relevant Regulation and neither the Custodian nor any of its associates, directors, officers, agents, delegates or employees shall be liable in respect thereof.

5. The Account(s) and Record Keeping

5.1 The Custodian shall maintain the following Accounts/books for the Fund:-

- (a) A Securities Account for all securities from time to time received by the Custodian which have been designated for such Securities Account. Each Securities Account will be titled 'Custody Securities Account "CUSTODIAN TRUSTEES/FSDH DOLLAR FUND"'. The Fund assets will be separate from that of the custodian in line with Rule 456(b) of the rules and regulations of the Securities & Exchange Commission and
- (b) A Cash Account shall be designated to receive all sums due to the Fund and shall be titled "CUSTODIAN TRUSTEES/FSDH DOLLAR FUND".
- (c) Ensure that applicable accounting standards are maintained in preparation of the Fund's books.
- (d) Ensure the financial statements are prepared on a going concern basis.

5.2 The Custodian shall hold the Fund's Assets in the Account on behalf of the Trustee/Fund.

- 5.3 The Assets held in the Account shall be clearly recorded on the books of the Custodian as belonging to the Trustee/Fund. The Custodian may treat Securities as fungible and therefore identification of the specific Securities held by the Custodian on behalf of the Trustee/Fund for a particular Unit holder may not be possible. The Custodian shall, however, maintain a complete record of the number and type of Securities held by the Trustee/Fund for the account of the Fund.

5.4 Registration of Securities

- (a) The Cash Account shall be a sub-account within the Custodian's own United States Dollar bank account for the purpose of receiving and distributing dividends and interest payments and other income, payments, proceeds of sale, redemption monies, or cash equivalent associated with the Trustee/Fund's Securities. The Custodian shall use its reasonable efforts to procure the receipt by it of the relevant evidence as soon as practicable, whereupon the Custodian shall procure the remittance of such monies to the Account in the name of the Trustee/Fund or as otherwise instructed by the Fund Manager.
- (b) The Custodian shall maintain records of the details of the Assets, including date and amount, of debits and credits to the Property held in its custody. The Custodian shall maintain a record in its own books of the Trustee/Fund and the number and type of Property held by the Custodian for the Trustee/Fund.
- (c) The Custodian shall provide the Trustee and the Fund Manager with a confirmation of every change in the proportion of Property due to the Trustee/Fund since the last date of such confirmation.
- (d) The Custodian shall render the relevant reports in line with Rule 456(g) of the new rules and amendments to the rule and regulations of the Securities & Exchange Commission.

6. Use of Securities Depositories and Agents

- 6.1 The Custodian may upon giving the Fund Manager prior written notice and furnishing details of the contemplated transaction thereof engage the services of a Securities Depository to hold funds and assets deposited in the Account provided that the Fund Manager may generally object to the use of any Securities Depository or agent which it has reason to believe may not uphold the fundamental objective of this Agreement. Provided further that the Custodian shall not, without the prior written approval of the Trustee/Fund Manager, deposit Securities in any Securities Depository, incorporated under the Nigerian Law and all investment shall be made in securities issued by a Nigerian Issuer.
- 6.2 If the Custodian deposits Property in a Securities Depository, the Custodian shall identify the Property so deposited on the Custodian's books as belonging to the Trustee/Fund and shall require that such

Securities Depository identifies the Property so deposited on its books as belonging to the Custodian for the benefit of the Trustee/Fund.

7. Authorised Signatories

- 7.1 Upon the execution of this Agreement the Fund Manager/ Trustee shall supply to the Custodian a list of persons who are authorised to give instructions in respect of the Fund's accounts, operated by the Custodian and the said persons' relative specimen signatures.
- 7.2 The Fund Manager and Trustee shall promptly notify the Custodian of any changes that may be made to the persons authorised under Clause 7.1 above and shall in the case of new signatories provide duly completed specimen signature cards in respect thereof.

8. Actions upon Authorised Instructions

- 8.1 Upon the receipt of Authorised Instructions (as hereinafter defined) the Custodian is authorised to sell, assign, transfer, deliver or exchange, or to receive or purchase for the Account, Securities, but only as provided in such Authorised Instructions.
- 8.2 Notwithstanding anything herein stated to the contrary, the Custodian shall not be responsible for the performance of such duties as are set forth in this Agreement or contained in Authorised Instructions given to the Custodian which are contrary to Relevant Regulation(s). The Custodian shall promptly notify the Fund Manager if it cannot comply with Authorised Instructions.
- 8.3 For the purposes of this Agreement, Authorised Instructions means:
- (a) Instructions issued by the Fund Manager to the Custodian by SWIFT;
 - (b) Instructions issued by the Fund Manager to the Custodian via Electronic Mail;
 - (c) Instructions issued by the Fund Manager in writing signed by such persons as are designated in writing by the Trustee;
 - (d) Tested telex instruction of the Fund Manager;
 - (e) Other forms of instruction issued by the Fund Manager in computer readable form as shall be customarily utilised for the transmission of like information and acceptable to the Custodian; and
 - (f) Such other forms of communication issued by the Fund Manager as from time to time to be agreed upon by the Fund Manager and the Custodian.
- 8.4 Subject to Clause 7 hereof, the Custodian shall undertake to examine carefully the signatures of the authorised signatories but shall not be bound to make any further examination with respect to identity.
- 8.5 Authorised Instructions shall continue in full force and effect until cancelled or superseded.
- 8.6 The Fund Manager shall be responsible for safeguarding any testkeys, identification codes or other security devices, which the Custodian may make available to the Fund Manager.
- 8.7 The Custodian shall only act upon written authorised instructions given by the Fund Manager.

8.8 If an Authorised Instruction is incomplete, unclear, ambiguous, and/or in conflict with another Authorised Instruction, the Custodian must request for resolution, where the Fund Manager is unable to provide clarification within 2 hours, the Custodian may in its reasonable discretion act upon what it believes in good faith such Authorised Instructions to be or refuse to act on such Authorised Instructions until any incompleteness, unclearness, ambiguity or conflict has been resolved to its satisfaction.

8.9 Any Authorised Instructions validly given by the Fund Manager in accordance with this agreement and received by the Custodian in such manner that it is reasonable to believe that it is authentic (notwithstanding any error in the transmission thereof), shall, as against the Fund Manager and in favour of the Custodian be conclusively deemed to be valid Authorised Instructions from the Fund Manager to the Custodian provided however that the Custodian may in its reasonable discretion decline to act upon any Authorised Instructions where the Custodian has reasonable grounds for concluding that the same have not been accurately transmitted or are not genuine. The Fund Manager is responsible for any loss, claim or expense incurred by the Custodian for following or attempting to follow the Authorised Instructions, provided that there are grounds to conclude that same was validly issued by the Fund Manager.

9. Actions without Authorised Instructions

9.1 Unless the Custodian receives Authorised Instructions of the Fund Manager to the contrary, the Custodian is authorised to:-

- (a) Exchange Securities when the exchange is purely ministerial (including, without limitation, the exchange of interim receipts or temporary Securities for Securities in definitive form and the exchange of warrants, or other documents of entitlement to Securities, for the Securities themselves);
- (b) Surrender Securities at maturity or when called for redemption upon receiving payment therefore;
- (c) Take non-discretionary action on mandatory corporate actions; and
- (d) In general, attend to all non-discretionary details in connection with the custody, sale, purchase, transfer and other dealings with the Property.

10. Settlement

In accordance with Authorised Instructions and subject to the receipt by the Custodian of any outstanding fees, costs or expenses in connection with this Agreement the Custodian will arrange for the settlement of the sale or other disposition of any security for the account of the Fund and for the purchase of any securities for the account of the Fund (which securities, when so purchased, will form part of the Securities) which have been executed by the Trustee.

Instructions shall be given to the Custodian for the settlement of any Securities transactions within a reasonable time and in any case not less than 2 (two) business days' notice shall be given to the Custodian for the withdrawal of the Securities from the Accounts or from any eligible depository.

11. Scope of Custodian's Responsibility

- 11.1 The Custodian shall be under no duty to take or omit to take any action with respect to the Property or otherwise except in accordance with the terms of this Agreement.
- 11.2 The Custodian will exercise reasonable care and diligence in performing its obligations under this Agreement acting in the best interest of Unit holders and the scheme to which this Agreement relates.
- 11.3 The Custodian shall maintain adequate policies of insurance covering any loss or damage to the Property whilst under its possession. Provided that prior to the full execution of this Agreement it furnishes the Fund Manager evidence of a guarantee or other insurance policies covering the full value of all funds and assets to be transferred to the custodian.
- 11.4 The Custodian shall have a duty to make reasonable enquiries as to safekeeping arrangements, collection thereof, delivery and/or transfer procedures of any Securities Depository or Agent that it may appoint to act in any capacity in relation to the funds and assets to which this Agreement relates.
- 11.5 Although The Custodian shall have no duty of supervision or monitoring of any Securities Depository or Agent other than to perform reasonable due diligence as to their selection as herein provided, it shall take all reasonable steps to ensure that insofar as the acts and omissions of such depository or agent affects the safekeeping and other custody roles regarding all or any part of the funds or assets to which this Agreement relates, the agent or securities depository shall act in the best interest of Unit Holders and the Fund.
- 11.6 Subject to the Agreement of both parties, the Custodian will use its best endeavours to obtain double tax treaty exemption certificates or otherwise provide tax reclamation services.

12. Reporting

The Custodian shall provide the Fund Manager and the Trustee with monthly and quarterly reports, transaction advice and/or statements of accounts relating to the Property, the dates and depth of reporting level of which shall be as expressly agreed in writing between the Custodian and the Fund Manager from time to time. In the absence of the filing with the Custodian by the Fund Manager of exceptions or objections to any information, report statement, confirmation, note or other document within 21(Twenty-One) days of the date of receipt thereof, the Custodian shall have no responsibility for any errors or omissions therein and the Fund Manager shall be deemed to have approved the contents thereof and accepted responsibility for all of its obligations appearing therein.

13. Lien

The Custodian shall have no right of set off or right of lien with respect to all or any part of the funds or assets to which this Agreement relates. Provided further that where this Agreement is terminated pursuant to a notice given to the Fund Manager by the Custodian terminating the Agreement, the Custodian shall take reasonable steps to obtain its fees and shall not be entitled to exercise a right of lien or set off in respect hereof. Provided further that where the termination of this Agreement is pursuant to the directives of the Commission or an order of court having an immediate effect, the Custodian also has no right of lien or set off hereof.

14. Liability and Indemnity

- 14.1 Each party shall indemnify the other in respect of claims, demands, costs and expenses made, suffered or sustained to the extent that the claims, demands, costs and expenses arise directly out of the negligence or default of the offending party or its employees, agents or representatives.
- 14.2 In any event of negligence or default, the liability of the Custodian will be tied to the market value at the date of occurrence or discovery, whichever is higher
- 14.3 The Custodian shall only be liable to the Fund Manager for any expense, loss or damage suffered by or occasioned to the Fund Manager to the extent that the Custodian has been negligent, or is in any default whatsoever, of its duties under this Agreement in which event the extent of the liability of the Custodian shall be limited to the market value of the Securities at the date of discovery of the loss without reference to any special circumstances and in no event shall the Custodian be liable for any special, general or consequential damages, except the Custodian has been advised directly or indirectly of the possibility of such damages.
- 14.4 The Custodian shall not be liable to the Trustee/Fund for any expense, loss or damage suffered by or occasioned to the Fund by:
- (a) (without prejudice to Clause 14.1 hereof), any act or omission, or insolvency of any third party; or
 - (b) No fault of the custodian, the collection or deposit or crediting to the Securities Account of invalid, fraudulent or forged Securities or any entry in the Securities Account or Cash Account which may be made in connection therewith provided that the Custodian has made reasonable efforts in connection with the collection, deposit or crediting of the Securities Account as herein provided; or
 - (c) Delay arising by no fault of the custodian from obtaining clarification of Authorised Instructions which are unclear; or
 - (d) the Custodian acting on what in good faith it believes to be Authorised Instructions or in relation to notices, requests, waivers, consents, receipts, corporate actions or other documents which the Custodian in good faith believes to be genuine.
- 14.5 For the avoidance of doubt, the Custodian accepts no liability whatsoever for any expense, loss or damage suffered by or occasioned to the Fund Manager resulting from the general risks of investment, or the holding of securities, including but not limited to, losses arising from nationalisation, expropriation or other governmental actions, including changes in market rules, currency restrictions, devaluations or fluctuations, and market conditions affecting the execution or settlement of transactions or the value of securities or delays in registration or failure to register securities owing to the registrar's default outside the control of the Custodian, fraud or lack of corporate governance by issuers or fraud or negligence of registrars or delays in or failures to repatriate income or principal arising from the Property.
- 14.6 The Custodian shall not be liable to the Trustee/Fund for any partial or non-performance of its obligations hereunder by reason of any cause beyond the reasonable control of the Custodian, including without limitation, any breakdown or failure of transmission known and acceptable to all parties, communication or computer facilities, industrial action, acts or regulations of any governmental or supranational bodies and the failure of any Agent or Securities Depository.
- 14.7 The Custodian shall use reasonable endeavours to communicate to the Fund Manager any of the events

detailed in 14.5 and 14.6 above as soon as the Custodian becomes aware of such events. The Custodian shall also take cognizance of section 168 of the ISA on its liability under the scheme.

15. Confidentiality

The Custodian shall not disclose and shall procure that its employees, agents or directors (unless and to the extent ordered so to do by a court of competent jurisdiction) be required to not disclose to any other person apart from the Trustee and the Fund Manager any information of a confidential, financial or price sensitive nature) obtained as a result of entering into this Agreement, unless required to do so by any relevant legislation, a regulatory authority or an order of court, and will not make use of any such information in a manner which would or might have a material adverse effect on the rights and interests of the Trustee and the Fund Manager in relation to the Property or this Agreement. The Custodian shall whenever practicable inform the Trustee and the Fund Manager as soon as such request is made.

16. Right of Inspection

The books, records, documents, accounting procedures and practices of the Custodian relevant to this Agreement are subject to examination by the Trustee, the Fund Manager or their lawful representatives during normal business hours. No notice is required to be given for such inspections.

17. Charges

The Custody Fee shall be 3 basis points (bp) of assets under custody in line with Rule 456(h) of the rules and regulations of the Securities & Exchange Commission.

18. Representations and Warranties

18.1 The Custodian hereby represents and warrants to the Trustee and the Fund Manager that:

- a. It is a public limited liability company under the Laws of the Federal Republic of Nigeria with company registration number 2457
- b. It is an authorized depository registered in accordance with the Laws of the Federal Republic of Nigeria and further covenants that it shall adhere to all regulations regarding the operations of such depository
- c. It has taken all statutory corporate actions to enter into this Agreement
- d. This Agreement is valid, binding and legally enforceable against it

18.2 In the event that the Custodian no longer qualifies as an authorised depository, it shall notify the Fund Manager and the Trustee in writing or by other authorised means of such event upon receipt of which the Trustee may terminate this Agreement immediately.

18.3 The Fund Manager hereby represents and warrants that it has full capacity and authority to effect investments and to consent to the appointment of the Custodian by the Trustee to act in accordance with this Agreement.

19. Amendment

This Agreement may from time be amended only by agreement in writing between the Custodian, the Fund Manager and the Trustee. However, all amendments shall be subject to prior review and approval

of the Commission.

20. Termination

This Agreement remains valid until its termination upon 30 days prior written notice from any of the Parties subject to prior notice to the Commission. The Trustee may terminate this Agreement with immediate effect if the Custodian is in breach of its duties hereunder and the Custodian has failed to remedy such breach after a notice period at the sole discretion of the Trustee has been given to it to remedy the breach.

- 20.1 Any such notice whether given by the Custodian or the Trustee shall be followed within 30 (thirty) days by instructions specifying the names of the persons to whom the Cash in the Accounts shall be paid and securities in the name of the Trustee/Fund shall be transferred. If within 30 (thirty) days following the giving of such notice of termination the Custodian does not receive such instructions, the Custodian shall continue to hold such Securities and Cash subject to this Agreement until such instructions are given.
- 20.2 Upon receipt of any instructions as aforesaid the Custodian shall for no consideration effect any payment or transfer as specified in the instruction after payment to the Custodian of all amounts due and outstanding to it under this Agreement. The transfer shall be without prejudice to the custodian rights to payments of any lawfully due fees due to them.

21. Assignment

The rights and obligations of the parties to this Agreement shall not be assigned, charged or otherwise dealt with by any of the parties without the prior written consent of all the parties.

22. Dispute Resolution

- a) Whenever a dispute arises between the parties, the Commission shall be notified within 5 working days.
- b) A maximum period of 10 working days will be allowed for the parties to resolve the dispute themselves or to appoint arbitrators.
- c) The dispute will be settled by a sole arbitrator mutually appointed by the parties. Provided that if the parties fail to agree on the appointment of a sole arbitrator, the Chief Judge of the Federal High Court shall appoint one for the Parties.
- d) Any party aggrieved by the decision of the Commission may refer the matter to the Investment and Securities Tribunal.
- e) Arbitration pursuant to this Agreement shall be in accordance with the Arbitration and Conciliation Act CAP A18, Laws of the Federation of Nigeria and the place of arbitration shall be Lagos, Nigeria.

13. PROCEDURE FOR APPLICATION AND ALLOTMENT

The process for participating in this offering involves the key steps discussed below:

13.1. APPLICATION

- a. Prospective investors to whom this prospectus has been addressed are hereby invited to apply for Units through the Fund Manager and Receiving Agents.
- b. Applications for Units being offered must be made in accordance with the instructions set out at the back of the application form. Care must be taken to follow these instructions, as applications which do not comply will be rejected.
- c. The Application List for the Units will be open June 15 to July 10, 2020. The minimum to be applied for is indicated on the relevant application form. The number of Units for which an application is made and the value of the cheque or bank draft attached should be entered in the boxes provided.
- d. The Applicant should make only one application, whether in his/her name or in the name of a nominee. Multiple or suspected multiple applications will be rejected.
- e. A single applicant should sign the form; write their names, address, daytime telephone number and other information as indicated in the boxes provided. A corporate applicant should affix its seal and state its Incorporation (RC) Number in the boxes provided, or in the case of a corporate foreign subscriber, its appropriate identification number in the jurisdiction in which it was constituted.
- f. Applications in Dollars below \$1 thousand should be forwarded together with a cheque, bank draft or proof of transfer for the full amount of the purchase price to any of the Receiving Banks or via NEFT or NIBBS to the issue proceeds account indicated below. The cheque or draft must be drawn on a bank in the same town or city in which the Receiving Bank is located and crossed “FSDH DOLLAR FUND” with the name, address and daytime telephone number of the applicant written on the back. All transfer charges if any, must be paid by the applicant and no application will be accepted unless this has been done. All cheques and drafts will be presented upon receipt and all applications in respect of which cheques are returned unpaid will be rejected and returned through registered post at the applicant’s risk.
- g. Applications in Dollars above \$1 thousand should be transferred via RTGS into the Offer Proceeds Account provided below:

Bank Name:	Stanbic IBTC Bank Plc
Bank Branch	IBTC House, Walter Carrington Crescent, Victoria Island, Lagos
Account Name:	FSDH Dollar Fund – Proceeds Account
Account Number:	0035845079
Applicant/Sender	Complete as appropriate

13.2. ALLOTMENT OF UNITS

The Issuing House and the Directors of the Fund Manager reserve the right to accept or reject any application in whole or in part for not meeting the conditions of the Offer. All irregular or suspected multiple applications will be rejected. The allotment proposal will be subject to the clearance of the Securities & Exchange Commission. Please note that the Directors reserve the right to allot the units on a “first come first serve” basis.

13.3. APPLICATION MONIES

All application monies will be retained in a separate interest bearing bank account by the Receiving Bank pending allotment. If any application is not accepted, or is accepted for lesser Units than the number applied for, a bank draft, a crossed cheque or an electronic transfer for the full amount, accrued interest or the balance of the amount paid (as the case may be) will be returned by registered post or effected to the applicant’s bank account within 5 working days of allotment. An electronic statement will be sent to the applicants’ email address not later than 15 working days from the date of allotment approval.

14. RECEIVING AGENTS

Application Forms may be obtained free of charge from any of the Stanbic IBTC Bank Plc branches and FSDH Asset Management Limited's office as stated below:

FSDH Asset Management Limited



UAC House (8th Floor)

1-5 Odunlami Street

Lagos Island

Lagos

15. APPLICATION FORM

<p>APPLICATION LIST OPENS June 15, 2020</p>	<p>OFFER FOR SUBSCRIPTION FOR 2,000,000 UNITS</p>	<p>APPLICATION LIST CLOSES July 10, 2020</p>
<p>Fund Manager:</p>  <p>RC 434206</p>	<p>IN THE FSDH DOLLAR FUND (Authorised and registered in Nigeria)</p> <p>PAYABLE IN FULL ON APPLICATION</p> <hr/> <p>Applications must be made in accordance with the instructions set out on the reverse side of this Application Form. Care must be taken to follow these instructions as applications that do not comply will be rejected. If you are in doubt as to the action to take, please consult your Stockbroker, Accountant, Banker, Solicitor or any other professional adviser for guidance immediately.</p>	<p>Issuing House:</p>  <p>RC 199528</p>

MINIMUM SUBSCRIPTION SIZE	AMOUNT PAYABLE
Cash Subscription - 1000 units minimum and subsequently multiples of 500 units	At the offer price of \$1 per Unit.

[illegible]

APPLICANT'S DETAILS (INDIVIDUAL/CORPORATE/JOINT) (Please use one box for one alphabet leaving one box blank between words)																														
SURNAME/CORPORATE NAME																														
FIRST NAME (FOR INDIVIDUALS ONLY)															OTHER NAMES (FOR INDIVIDUALS ONLY)															
JOINT APPLICANT'S FIRST NAME (IF APPLICABLE)															OTHER NAMES (FOR JOINT APPLICANT ONLY)															
SURNAME (IF APPLICANT IS A MINOR)																														
FIRST NAME (IF APPLICANT IS A MINOR)															OTHER NAMES (IF APPLICANT IS A MINOR)															
DATE OF BIRTH OF APPLICANT (DD/MM/YYYY)															GENDER: MALE FEMALE															
			/			/																								
ADDRESS IN FULL (PLEASE DO NOT REPEAT APPLICANT(S)' NAME. POST BOX NO. ALONE IS NOT SUFFICIENT)																														
CITY															STATE					E-MAIL										
CONTACT PERSON (FOR CORPORATE APPLICANT OR ADULT APPLYING ON BEHALF OF MINOR) / NEXT OF KIN (FOR INDIVIDUAL APPLICANT)																														
CONTACT ADDRESS OF NEXT OF KIN IN FULL (POST BOX NO. ALONE IS NOT SUFFICIENT)																														
CITY															STATE					E-MAIL										

CONTACT DETAILS - (to be filled by all applicants)	
OFFICE TEL.:	RESIDENCE TEL.:
MOBILE:	FAX:
EMAIL ADDRESS:	
DISTRIBUTION OPTION	
Please tick <input checked="" type="checkbox"/> in the box to indicate preferred option - PAY-OUT <input type="checkbox"/> / REINVESTMENT <input type="checkbox"/>	

BANK ACCOUNT DETAILS FOR E-DISTRIBUTIONS (Please refer to instructions)	
Bank Account No.:	
Account Name: _____	
Bank Name: _____	Bank Branch: _____
State: _____	Sort Code: _____
Account Type: <input type="checkbox"/> Savings <input type="checkbox"/> Current <input type="checkbox"/> Others (please specify) _____	

INVESTMENT DETAILS: (PLEASE TICK APPROPRIATE BOX)
No. of Units _____ (in words) _____ _____ (Please include the number of Units you wish to Subscribe for. Please refer to Instruction)

PAYMENT DETAILS:			
Direct transfer <input type="checkbox"/> Cheque/Bank Draft <input type="checkbox"/>			
Cheque No./ DD No.	Cheque./ Bank Draft Date	Bank Name	
Amount in figures (\$)		Bank Branch	
Amount in words			

AUTHORISATIONS:		
SIGNATURE	2ND SIGNATURE (Corporate/joint)	OFFICIAL SEAL and RC. NO.
		OR *THUMBPRINT* (For Illiterates only)
NAME OF AUTHORISED SIGNATORY (Corporate only)	NAME OF AUTHORISED SIGNATORY (Corporate/joint)	
DESIGNATION (Corporate only)	DESIGNATION (Corporate only)	

Please note that by signing this Application Form, the Investors also give the Important Declarations set out in the instructions section of the Application Form.

I/We hereby apply for the allotment / Purchase of Units of the Fund, as indicated in this form and confirm that I/we have read, understood and are bound by the terms and conditions of this Application Form, including the Important Declarations in the instructions to the Application Form, the contents of the Prospectus for the Offer, and am/are fully capable of assessing and bearing the risks involved in purchasing the Units, and agree to abide by the terms, conditions, rules and regulations of the Scheme.

I /We hereby authorise FSDH Asset Management Limited and its agents to disclose personal data / details of my investment to anyone as may be necessary or expedient for the purposes of administration of investments in the Units of the Fund.

FORM OF ATTESTATION *(Compulsory requirement for a witness of a thumbprint impression only)*

I, _____ *[please insert full name of person attesting]* of _____ *[insert address]* hereby testify that the above *thumbprint* was affixed in my presence this.....day of.....2020., and is the true right thumb print of *[insert name of person executing]* _____ who has acknowledged to me after due explanation of the Application Form in the language understandable to him that (i) he/she has voluntarily executed this instrument and (ii) he/she understands the contents and effect thereof.

As witness my hand this.....day of.....2020

Witness Signature:

16. INSTRUCTIONS FOR COMPLETING THE APPLICATION

16.1. GENERAL

- a. Applications must be made only on this Application Form or Photocopy, downloaded or scanned copies of the Application Form.
- b. Applications must be for an initial minimum number of 1000 Units and a minimum of 500 Units thereafter. The number of Units for which an application is made and the amount of the cheque or bank draft attached should be entered in the boxes provided.
- c. The Application Form when completed should be lodged at any of the Stanbic IBTC Bank Plc branches and FSDH Asset Management Limited's office as stated on Page 76. The Application Form must be accompanied by a cheque or bank draft made payable to the Receiving Bank to whom the application is submitted, for the full amount payable on application. The cheque must be drawn on a bank in the same town or city which the Receiving Bank is located and crossed "**FSDH DOLLAR FUND**" with the name, address and daytime telephone number of the applicant written on the back. All bank commissions and transfer charges must be prepaid by the applicant. All cheques and drafts will be presented upon receipt and all applications in respect of which cheques are returned unpaid will be rejected.
- d. The applicant should make only one application, whether in his own name or in the name of a nominee. Multiple or suspected multiple applications will be rejected.
- e. Joint Applicants must all sign the Application Form.

16.2. APPLICANT INFORMATION

- a. An application for a minor must include the full names and date of birth of the minor, as well as the full names and address of the adult (Parent or Guardian) making the application on such minor's behalf.
- b. An application from a corporate body must bear the corporate body's common seal and be completed under the hand of a duly authorised official.
- c. Name of the contact person with designation should be mentioned in case of investments by a company, body corporate, partnership, society, mutual fund, trust and other non-individual Investors. Further, a document providing evidence of the authority of the organisation to invest in the Fund, along with the updated specimen signature list of authorised signatories and a certified copy of memorandum and articles of association and / or bye-laws and / or trust deed and / or partnership deed and certificate of registration or any other documents as the case may be shall be furnished along with the Application Form. In case of a trust / fund, it shall submit a certified true copy of the resolution from trustee(s) authorising such Purchases. The officials should sign the application under their official designation and furnish the list of authorised signatories. Please refer to the 'Investor's Documentation and Particulars Grid', provided in this Prospectus for further details on supporting documents to be provided along with the Application Form.
- d. Joint applicants must all sign the Application Form.
- e. An application for a minor must include full names and date of birth of the minor, as well as the full names and addresses of the adult making the application on his/her behalf.

- f. An application by an illiterate should bear his/her right thumbprint on the Application Form and be witnessed by an official of the Receiving Bank at which the application is lodged who must have first explained the meaning and effect of the Application Form to the illiterate in his/her own language. Above the thumb print of the illiterate, the witness must record in writing that he has given this explanation to the illiterate in a language understandable to him/her and that the illiterate appeared to have understood same before affixing his/her thumb impression. An applicant should not print his/her signature. If he/she is unable to sign in the normal manner he/she should be treated for the purpose of this Offer as an illiterate and his/her right thumbprint should be clearly impressed on the Application Form.

16.3. KNOW YOUR CUSTOMER ("KYC")

- a. KYC is mandatory, under the Money Laundering (Prohibition) Act (MLPA), 2011, SEC Rules and Regulations and Anti-Money Laundering / Combating Financing of Terrorism (AML/CFT) Compliance Manual (developed by the SEC), for all applications/ investments in mutual funds (fresh Purchases / additional Purchases). Each Investor (including joint Unit holder, guardian, minor, institutional investors, other non-institutional investors) who wishes to invest any amount in the Schemes, needs to submit the relevant KYC documents as set out in the 'Investor's Documentation and Particulars Grid', provided in this Prospectus.
- b. Applications where KYC is not completed will be rejected. All documents submitted should be in original along with a self-attested copy. The original will be returned after verification. Alternatively, Investors may submit copies duly attested by a manager of a scheduled commercial bank (the designation seal should be affixed), notary public or gazetted officer.
- c. In case the Investor/Unit holder is a minor, then the KYC documents of both the minor and the guardian shall be submitted.

16.4. BANK ACCOUNT DETAILS

- a. Investors should provide the name of their bank, branch address, and account type and account number. Applications without complete bank details shall be treated as incomplete and may be rejected.
- b. By default, all Distribution and Redemption proceeds will be electronically credited directly into applicant's bank account. However, if we do not have the required information to do the credit electronically, we will make the payment by cheque.

16.5. CANCELLATION

Please note that application once submitted cannot be cancelled under any circumstances. Once an application for Subscription is submitted, the Investor will have to submit a Redemption request for redeeming the Units.