

Cordros Dollar Fund.

Frequently Asked Questions



What is the Cordros Dollar Fund?

The Cordros Dollar Fund (“the fund”) is an actively managed open-ended unit trust scheme whose main objective is to achieve capital appreciation in the medium to long term for Investors with USD. The Fund will manage the asset allocation in Sovereign Eurobonds, Corporate Eurobonds, money market instruments and other quoted corporate Eurobonds. Returns from Eurobonds will be accumulated as income and distributed periodically as stated in the Trust Deed. The income from investing this fund by way of dividends and cash would be accumulated and reflected in its unit price.

What are the benefits of investing in the Fund?

The fund will deliver capital appreciation in the medium to long term for investors with USD and also significantly higher returns than what is obtainable from the average domiciliary account in the local banks. The fund will also give investors liquidity, diversification, annual income and professional portfolio management.

Who will manage the Cordros Dollar a Fund?

The Cordros Dollar Market Fund will be managed by Cordros Asset Management Limited, a wholly owned subsidiary of Cordros Capital Limited, currently licensed by the Securities & Exchange Commission as a fund/portfolio management company. Since incorporation, The Fund Manager has demonstrated competence in managing clients’ investment needs with its range of products and services.

What is the Issue Price?

The issue price is \$100 per unit.

How much can I invest in the Fund?

The minimum initial investment for the offer is 5 units of the fund while additional/subsequent investments will be issued in multiples of 5 units and payable in full upon subscription.

What is the Minimum Holding Period for the Fund?

The Minimum holding period of an investment in the fund is 180 days (6 months) from the date of subscription. However, an early redemption fee of 1.5% on the redemptive value of the units to be redeemed before the expiration of the minimum investment period.

How do interested investors subscribe to the Fund?

Interested Investors can subscribe to Units of the Fund after the initial offering period from the Fund Manager or any of its designated agents/representatives or through any medium that may be approved and provided by the Fund Manager from time to time. Payment for Units of the Fund can be made via a wire transfer made in accordance with instructions on the subscription form.

What will I receive as evidence of my investment in the Fund?

Every Unit-Holder shall be entitled to a Statement of Unit Holding, in respect of the number of units held by him/her as specified on such documents. Joint Unit Holders shall be entitled to one statement in respect of the units held jointly by them which shall be delivered to the joint holder whose name first appears on the Register.

How do I monitor my investment in the Fund?

Unit Holders can visit the Fund Managers website www.assetmanagement.cordros.com to monitor end-of-day market prices of the Fund. Also, you can track your investments from our

A Cordros PortfolioLive account which would be created for every investor.

What is the Fund's Asset Allocation?

The fund would invest its total assets in Sovereign Eurobonds, Corporate Eurobonds, Money Market Instruments and Cash as stated below:

| Proposed Asset Class | Asset Allocation Range | Target Weighting (%) |
|-----------------------------|-------------------------------|-----------------------------|
| Sovereign Eurobonds | 0% - 80% | 50% |
| Corporate Eurobonds | 0% - 80% | 30% |
| Money Market Instruments | 0% - 50% | 15% |
| Cash | 0% - 5% | 5% |

Is there a guaranteed Rate of Return on an investment in the Fund?

Determination of returns of the Fund is dependent upon key macro-economic indicators, interest rates of the financial markets and comparable investment returns in the market. The Fund Manager does not have an influence on these factors

Accordingly, it is impossible to guarantee any particular rate of return on the investment. However, the Fund Manager will strive to maximize competitive returns to unit-holders.

How can I profit from my investment?

The Fund Manager intends to distribute income (less expense) as dividend to Unit Holders on an annual basis. The Unit-Holders shall have the option to elect to be paid dividends or to reinvest their dividends in new Units at the Offer Price. Unit-Holders who elect to have their dividends reinvested in new Units shall be entitled to an issue of Units that shall be equal in value to the amount they otherwise would have received in cash as dividend.

What is the procedure for selling or redeeming my investment?

Unit-holders can sell their units in the Fund after the initial 180-day holding period. Unit-holders shall have the right to redeem all or part of the Units held by them at the Bid Price on any Business Day, provided redemption documents are received in accordance with the instructions specified by the Fund Manager from time to time. Minimum permissible holding after partial redemption is 5 units or such balance as advised by the Manager from time to time. The Fund will make redemption payments within 5 (five) Business Days of receipt of the Redemption Notice.

Can periodic contributions be made in addition to the initial investment?

Yes, periodic contributions can be made. The Fund is open-ended and there is no closing date.

Who will monitor Cordros Asset Management's activities as Fund Manager?

The Fund, like all Unit Trust Schemes in Nigeria will be regulated by the SEC. In addition, a Trustee, STL Trustees Limited has been appointed to act on the behalf of unit-holders, legally ensuring that the Fund is managed in the best interests of unit-holders and in accordance with the provisions of the Trust Deed.

Who are the trustees of the fund and what is their role?

The trustee of the fund is STL Trustees Limited. The trustees have a legal duty to protect the interest of the unit-holders. Their activities would include ongoing supervision of compliance with the investment policies of the fund.

Who can invest in the Cordros Dollar Fund?

The fund is targeted at Retail, Mass Affluent, High Net Worth Individuals, Africans in Diaspora, and Institutional Investors who desire to meet future medium to long term liabilities. The fund is structured to pay dividends annually, thereby giving investors a medium term investment horizon, liquidity and maximum capital appreciation.

How can I start an investment?

An investment in the Fund can be made by completing a subscription form and making payment into any of the account details below. Completed subscription forms, with KYC documentation (a valid means of identification, utility bill and a passport photograph) and evidence of transfer are required to be sent to Cordros Asset Management Limited or by mail to assetmgteam@cordros.com.

To: **StanbicIBTC Bank Plc**
Swift Code: **SBICNGLX**
For final Credit to: **Cordros Dollar Fund/STL Trustees**
Account No: **0034999858**

Correspondent Bank: **Citibank N.A 111 Wall Street New York**
Swift Code: **CITIUS33 ABA 021000089**
Corresponding Bank Acct. Number: **36127476**

For further enquiries, please contact:

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Please remember that past performance may not be indicative of future results. Different types of investments involve varying degrees of risk, and there can be no assurance that the future performance of any specific investment, investment strategy, or product will be profitable, equal any corresponding indicated historical performance level(s), or be suitable for your portfolio.

**Please read the Prospectus/Rights Circular and where in doubt, consult your stockbroker, fund/portfolio managers, accountant, banker, solicitor or any other professional adviser for guidance before subscribing.