

Cordros Milestone Funds (2023 & 2028). Frequently Asked Questions.

What is the Cordros Milestone Fund?

The CORDROS MILESTONE FUND 2023 and 2028 are target date mutual funds which pursue a long-term investment strategy to manage the asset allocation (mix of asset classes) of the funds, to become more conservative as the target dates (2023 & 2028) approaches. The funds are open-ended funds constituted under a Trust Deed and the units shall be continuously offered to a wide pool of target investors.

What is a Target Date Fund?

Target date funds, which are also called lifecycle funds, are designed to offer a convenient way to invest through a portfolio of assets as the target date approaches.

Is the Cordros Target Date Fund a Retirement Fund?

Although Cordros Milestone Funds can be used for retirement purpose, they are not solely Retirement Funds. As the name suggests, the Funds can be used to target any milestone project.

What does the date in a target date fund name mean?

Target in this regard does not necessarily mean the date at which an investor should cash out the entire target date fund investment but the dates (2023 and 2028) the funds will arrive at their most conservative asset allocation. In this respect, target date funds are generally designed to be held beyond the presumed target date, to offer a continuing investment option for investors.

What is a Glide Path?

The glide path is the asset allocation path that the target date fund follows to become more conservative over time.

What are the benefits of investing in the Fund?

The fund will give investors capital appreciation benefits, diversification across asset classes, automatic rebalancing, automatic adjustment for changing risk profile, annual income and professional portfolio management.

Who will manage the Cordros Milestone Fund?

The Cordros Milestone Funds 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 N100 per unit.

How much can I invest in the Fund?

The minimum initial investment for the offer is N2,500 (25 units) while additional investments shall be 10 units thereafter.

What is the Minimum Holding Period for the Fund?

Minimum holding period is 180 days (6 months). However, units redeemed before the expiration of the minimum investment period (180 days) shall attract an Early Redemption fee of 1.50% of redemptive value.

How do interested investors subscribe to the Fund?

Interested investors should carefully read the Prospectus. They are required to complete the subscription form specifying the number of units being applied for. In addition, interested investors can walk into any of Cordros' designated bank branches across the country or the office of Cordros Asset Management Ltd. to complete subscription forms.

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

Every Unit-Holder is entitled to a Statement of Unit Holding in respect of the number of units held by him/her in the Fund.

How do I monitor my investment in the Fund?

Unit Holders can visit the Fund Manager's website (www.assetmanagement.cordros.com) to monitor end-of-day market prices of the Fund. Also, you can track your investments from our Cordros Portfolio Live account which would be created for every investor.

What is the Fund's Asset Allocation?

The funds would invest its total assets in Equities, Fixed Income (Bonds) and Money Market as stated below:

Cordros Milestone Fund 2023

Proposed Asset Class Asset	Asset Allocation Range	Target Weighting (%)				
		Year 1	Year 2	Year 3	Year 4	Year 5
Equities	5% - 65%	55%	50%	45%	20%	5%
Fixed Income (Bonds)	10% - 60%	35%	30%	25%	20%	10%
Money Market	10% - 85%	10%	20%	30%	60%	85%
Cash & Cash Equivalent	0 - 5%					

Cordros Milestone Fund 2028

Proposed Asset Class Asset	Asset Allocation Range	Target Weighting (%)				
		Year 1	Year 2	Year 3	Year 4	Year 5
Equities	10% - 70%	60%	60%	55%	55%	50%
Fixed Income (Bonds)	10% - 40%	30%	30%	25%	25%	20%
Money Market	10% - 40%	10%	10%	20%	20%	30%
Cash & Cash Equivalent	0 - 5%					

How do I pay for a subscription of over N10 Million to the Cordros Milestone Fund?

Payment above N10 million should be transferred via RTGS into the issue proceeds account domiciled with the Receiving Bank (details of which are included on the back of the application form).

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

The return on the Funds is a function of the prevailing interest rates in the Nigerian Financial Market and performance of the equity market. The Fund Manager has no influence over changes in interest rate and the performance of the equity market. Accordingly it is impossible to guarantee any particular rate of return on the investment. However, the Fund Manager will strive to generate competitive returns to unit-holders.

How can I profit from my investment?

The Fund Manager intends to declare dividends and make distributions from the net income of the Fund on an annual basis to unit-holders. Unit-holders can elect to receive their dividend in cash or reinvest their dividends in new units at the Offer Price.

What is the procedure for selling or redeeming my investment?

Unit-holders can sell their units in the Funds after the initial 180-day holding period. Unit-holders will be required to complete a Redemption Form and return the proof of investment to the Fund Manager. Once these documents have been verified, the redemption request will be processed within five (5) business days. Minimum permissible holding after partial redemption is 10 units or such balance as advised by the Manager from time to time. The applicable redemption price shall be the closing Bid Price displayed at the Fund Manager's office on the day.

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

Yes, periodic contributions can be made. The Funds are open-ended and there is no minimum period of participation or closing date

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

The Funds, like all mutual funds in Nigeria, are 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 Funds are managed in the best interests of unit-holders and in accordance with the provisions of the Trust Deed.

Who can invest in the Cordros Milestone Fund?

Anyone can invest in the funds (Retail, HNIs, Institutions). The funds would be attractive to all classes of investors who desire to meet future liabilities. The funds are structured to pay dividends on an annual basis.

How can I start an investment?

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

Account Name	Account Number	Bank
CORDROS MILESTONE FUND 2023	1015547706	Zenith Bank
CORDROS MILESTONE FUND 2028	1015547696	Zenith Bank