

## **Cordros Money Market Fund FAQ**

### **Q What is the Cordros Money Market Fund?**

The Cordros Money Market Fund (“the Fund”) is an open-ended mutual fund that seeks to provide safety, liquidity, diversification and competitive return. The Fund will invest in high quality short term money market securities, unsubordinated short term debt securities such as Bankers’ Acceptances, Certificates of Deposits, Commercial Papers, Deposits (Fixed/Tenured) with eligible financial institutions, and other instrument introduced and approved by the Central Bank of Nigeria (CBN) from time to time as permissible under SEC Rule 470.

### **Q What are the benefits of investing in the Fund?**

The fund will give investors access to liquidity, diversification, regular income, and professional portfolio management. The Fund will utilize the market bargaining power obtained from pooling of funds to enable investors enjoy competitive returns at minimal risk.

### **Q Who will manage the Cordros Money Market Fund?**

The Cordros Money 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.

### **Q What is the Issue Price?**

The issue price is N100 per unit. This price will be constant throughout the offer period.

### **Q How much can I invest in the Fund?**

The minimum initial investment for the offer is N10,000 (100 units) while additional investments shall be N5,000 (50 units) thereafter.

### **Q What is the Minimum Holding Period for the Fund?**

Minimum holding period is 30 days (1 month).

### **Q How do interested investors subscribe to the Fund?**

Interested investors should carefully read the Prospectus. Interested investors will be required to complete the subscription form specifying the number of units being applied for. Interested investors can walk into any Access Bank or Union Bank branch across the country or the office of Cordros Asset Management Ltd. to complete subscription forms.

### **Q 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.

**Q How do I monitor my investment in the Fund?**

You will receive a statement of account on a quarterly basis. Additionally, Unit Holders can visit the Fund Manager's website ([www.assetmanagement.cordros.com](http://www.assetmanagement.cordros.com)) to monitor end-of-day market prices of the Fund. You can also track your investments from our Cordros Portfolio Live account which would be created for every investor.

**Q What is the Fund's Asset Allocation?**

The fund would invest in between 10%-60% of its total assets in fixed deposits, 25%-80% in short term government securities such as Treasury Bills and 10%-65% in other money market instruments.

**Q How do I pay for a subscription of over N10 Million to the Cordros Money Market 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).

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

The return on the Fund is a function of prevailing interest rates in the Nigerian Financial Market. The Fund Manager has no influence over changes in interest rate. 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.

**Q 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 a quarterly 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.

**Q What is the procedure for selling or redeeming my investment?**

Unit-holders can sell their units in the Fund after the initial 30-day holding period. Unit-holders will be required to redeem units online or 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 N5,000 or such balance as advised by the Manager from time to time

**Q 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 minimum period of participation or closing date

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

The Fund, like all mutual funds 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. **Q 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.

**Q Who can invest in the Cordros Money Market Fund?**

Anyone can invest in the fund. The fund would be attractive to all investors who desire a steady stream of income and have low risk appetite. The fund is structured to pay dividends quarterly. High Net-worth individuals with available short term cash balances can also take advantage of the fund to earn higher rates of return. Institutional clients who desire liquidity and easy accessibility to their funds with competitive returns can also take advantage.

**Q 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 (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](mailto:assetmgteam@cordros.com).

Bank	UBA
Account Name	UBA NOM – STL TRUSTEES/CORDROS MONEY MARKET FUND
Account Number	1019827121

**For Further Enquiries please contact:**

Cordros Asset Management Ltd.

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