

You are advised to read and understand the contents of the Prospectus. Before subscribing, please consult your stockbroker, solicitor, banker or an independent investment adviser registered by the Securities and Exchange Commission. This Prospectus has been seen and approved by the directors of FSL Asset Management Limited and/or promoters of the 5 Million FSL Eurobond Fund 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 SEE RISK FACTORS ON PAGE 15

# FSL EUROBOND FUND

(AUTHORIZED AND REGISTERED IN NIGERIA AS AN OPEN-ENDED UNIT TRUST SCHEME)

## OFFER FOR SUBSCRIPTION

OF

**5,000,000 UNITS of \$1 EACH**

AT PAR

(PAYABLE IN FULL ON APPLICATION)

FUND MANAGER



COMMENCEMENT DATE: [DD/MM/YYYY]

This Prospectus, and the Units which it offers, has been cleared and registered by the Securities & Exchange Commission. The Investments and Securities Act No 29 of 2007 ("the Act") 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 contained or for any omission of a material fact in any Prospectus

**This Prospectus is dated September 17<sup>th</sup> 2024**

This prospectus will be available on the following websites  
[www.fslassetmanagementfunds.com](http://www.fslassetmanagementfunds.com);  
[www.fsl.ng/assetmanagement](http://www.fsl.ng/assetmanagement)

Investors may confirm the clearance of the prospectus and registration of the securities with the Securities and Exchange Commission by contacting the Commission at [sec@sec.gov.ng](mailto:sec@sec.gov.ng) or +234 (0) 94621168; +234 (0)94621100

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## DEFINITION OF TERMS

<b>Abbreviation</b>	<b>Name/Explanation</b>
<b>"Application Form"</b>	The form for the subscription of Units of the Fund attached hereto
<b>"Authorised Dealer"</b>	A bank licensed by the CBN to deal in foreign exchange under the Foreign Exchange (Monitoring and Miscellaneous Provisions) Act Cap F34, LFN 2004
<b>"Benchmark"</b>	Means the applicable yield on any 3-year FGN Eurobonds and 3-month US Treasury Bills.
<b>"Bid Price"</b>	The price computed in accordance with the formula specified by the Fund Manager in accordance with SEC Rules and Regulations, at which an investor may redeem Units of the Fund at a stated point in time.
<b>"Business Day"</b>	Monday to Friday excluding any day designated as a public holiday by the Federal Government of Nigeria.
<b>"CBN"</b>	Central Bank of Nigeria
<b>"Custodian"</b>	United Bank for Africa Plc (Global Investor Services Division)
<b>"Custodial Agreement"</b>	The agreement dated <b>September 17<sup>th</sup> 2024</b> between FSL Asset Management, Leadway Capital & Trusts Limited and United Bank for Africa PLC
<b>"Deposited Property"</b>	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.
<b>"Directors" or "Board"</b>	The Directors of the Fund Manager, who comprises those persons whose names are set out on <b>page 9</b> as at the date of this Prospectus.
<b>"Distributions"</b>	Income generated by the Fund and paid (less expenses and applicable taxes) to Unit holders
<b>"Distribution Payment Date"</b>	Any day on which the Fund Manager shall make Distributions pursuant to the provisions of the Trust Deed
<b>"Dollar" or "\$" or "USD"</b>	Official Currency of the United States
<b>"FGN"</b>	Federal Government of Nigeria
<b>"Fund" or "FSL EBF"</b>	FSL Eurobond Fund is designed, structured, issued and managed by the Fund Manager.
<b>"Fund Manager" or "FSLAM"</b>	FSL Asset Management Limited
<b>"Initial Registered Size"</b>	The initial public offer of 5,000,000 Units of \$1.00 each at par in the FSL Eurobond Fund.
<b>"ISA"</b>	Investment & Securities Act No. 29, 2007 and any statutory modification or reenactment thereof for the time being in force.
<b>"Net Asset Value" or "NAV"</b>	The total value of the Fund's underlying investment portfolio, less any fees, charges, expenses and other liabilities accrued by the Fund
<b>"Investment Committee"</b>	The investment committee of the Fund, as constituted pursuant to the provisions of the Trust Deed.

## DEFINITION OF TERMS

Abbreviation	Name/Explanation
<b>“Offer Documents”</b>	This document, newspaper advertisements, notices and any other document approved by 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 subscribe to the Fund.
<b>“Offer Price”</b>	The price an investor will pay for one Unit when subscribing to the Fund.
<b>“Open-ended Fund”</b>	A mutual fund that continuously creates additional units separate from its initial offering throughout its life. Investors can redeem Units of such a fund in line with the provisions of the Trust Deed constituting the Fund.
<b>“Prospectus”</b>	This document, which is issued in accordance with the provisions of the ISA and the rules and regulations of the SEC and which discloses important information about the Fund.
<b>“Receiving Agents”</b>	All banks, issuing houses and stockbrokers authorized to distribute application forms and receive application forms from subscribers to the Fund.
<b>“Register”</b>	The register of Unit holders to be maintained by the Registrars on behalf of the Fund Manager.
<b>“Registrars” or “Veritas”</b>	Veritas Registrars Limited
<b>“RTGS”</b>	Real Time Gross Settlement, the CBN electronic platform for inter-bank transfer of funds.
<b>“SEC” or “Commission”</b>	Securities & Exchange Commission
<b>“The Exchange” or “The NGX”</b>	The Nigerian Exchange Group previously known as The Nigerian Stock Exchange
<b>“Trust Deed”</b>	An agreement dated <b>September 17<sup>th</sup> 2024</b> between the Fund Manager and Trustee which sets out the terms and conditions of the management and administration of the Fund, extracts of which are set out from page <b>(23)</b> of this Prospectus.
<b>“Trustees”</b>	Leadway Capital and Trust Limited
<b>“Unit(s)”</b>	The Units of the Fund.
<b>“Unit-Holder(s)”</b>	Any person(s) or company whose names appear in the Register as holder(s) of Units of the Fund.
<b>“Valuation Day”</b>	Every Business Day of each week on which the offer and Bid Prices are calculated.

## ABRIDGED TIMETABLE

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<b>Date</b>	<b>Activity</b>	<b>Responsibility</b>
May 20 <sup>th</sup> 2024	Fund Opens for Subscription	<i>Fund Manager</i>
May 27 <sup>th</sup> 2024	Collection of Subscription monies	<i>Custodian</i>
June 5 <sup>th</sup> 2024	Issuance of Statement of Unitholding and Distribution of the same to the Unitholders	<i>Fund Manager</i> <i>Registrar</i>
June 26 <sup>th</sup> 2024	Forward Scheme Launch Report, Subscription Report and initial Investment Report to the SEC	<i>Fund Manager</i>

**The dates given above are indicative only. The timetable has been prepared on the assumption that certain key activities including but not limited, to the receipt of regulatory approvals from the SEC for the Fund will be achieved as stated, if not, then dates surrounding key events in the timetable may be subject to adjustments without prior notice.**

## SUMMARY OF THE OFFER

The following is a summary of the terms and conditions of an investment in the FSL Eurobond Fund. This summary draws attention to information contained elsewhere in the Prospectus; it does not contain all of the information a prospective investor in the Fund should consider in making an investment decision. This summary should be read together with the entire Prospectus.

### **Investors are advised to seek information on the applicable fees and charges before investing in the Fund.**

<b>FUND MANAGER</b>	<i>FSL Asset Management Limited</i>
<b>TRUSTEE TO THE FUND</b>	<i>Leadway Capital &amp; Trusts Limited</i>
<b>CUSTODIAN</b>	<i>United Bank for Africa Plc (Global Investor Services Division)</i>
<b>THE OFFER</b>	<i>Offer for Subscription of 5,000,000 Units at \$1 each at par in the Fund</i>
<b>METHOD OF OFFER</b>	<i>Offer for subscription</i>
<b>NATURE OF THE FUND</b>	<p><i>The FSL EBF is an actively managed open-ended unit trust scheme whose main objective is to achieve capital preservation, liquidity, and diversification while providing competitive return on investment.</i></p> <p><i>The Fund seeks to achieve capital preservation in the medium to long term for investors with USD and designed to deliver relatively higher returns than what is obtainable from the average domiciliary account in the local banks.</i></p> <p><i>The Fund shall invest in FGN Eurobonds, Nigerian Corporate Eurobonds and cash.</i></p> <p><i>Coupons from the Eurobonds will be accumulated as income and distributed semi-annually (twice a year) as stated in the Trust Deed.</i></p>
<b>TARGET INVESTORS/INVESTOR SUITABILITY</b>	<p><i>The Fund will be an attractive option to Retail and High Net Worth Individuals, Africans in diaspora and institutional investors (both local and foreign), that have medium to long term investment horizon. In view of the fund's competitive return, it is particularly suitable for investors who seek:</i></p> <ul style="list-style-type: none"><li><i>Safety and preservation of capital;</i></li><li><i>Liquidity and regular stream of income as the Fund is structured to pay dividends on Semi-annually;</i></li></ul> <p><i>The Fund welcomes participation from institutional investors such as Pension Fund Administrators, not-for-profit organisations, and collective investment schemes.</i></p>
<b>FUND SIZE</b>	<i>\$5,000,000.00 (Five Million US Dollars Only)</i>
<b>UNIT PRICE</b>	<i>\$1.00 per Unit</i>
<b>UNITS OF SALE</b>	<i>5,000 Units and multiples of 1,000 Units thereafter</i>
<b>PAYMENT TERMS</b>	<i>Payable In full on application.</i>
<b>MANDATORY SUBSCRIPTION</b>	<i>In compliance with the SEC rules and regulations pursuant to the Investments and Securities Act 2007 which states that promoters of Unit Trust Schemes in Nigeria shall subscribe to a minimum of 5% of the initial issue of such schemes, and such Units shall be held throughout the life of the Fund.</i>
<b>COMMENCEMENT DATE</b>	<i>[DD/MM/YYYY]</i>

<b>LISTING</b>	No application has been made to any Exchange for the listing of the Fund. Given the open-ended nature of the Fund, its listing on an exchange is not required. However, the Fund Manager may upon the successful launching and opening of the Fund for subscription, or at a later date, seek a Memorandum Listing of the Fund on an exchange.
<b>USE OF PROCEEDS</b>	The Offer proceeds will be used in accordance with the Fund's investment objectives and policies. The Offer costs and expenses amounting to \$50,000.00 representing 1% of the Offer size shall be offset from the Offer proceeds.
<b>FUND RATING</b>	Fund Credit Rating: <b>B-(f)</b> Fund Volatility Rating: <b>FV5</b>
<b>DISTRIBUTIONS</b>	Distribution will be made on a semi-annual basis. The manager shall distribute 90% of the Distributions amongst the Unitholders in accordance with their respective holdings of the Units.
<b>MINIMUM INVESTMENT PERIOD</b>	The minimum holding period for an investment in the Fund is ninety (90) days from the date of the purchase/subscription of Units during which investors will not exit or redeem their Investment. However, redemptions within the aforementioned minimum holding period shall attract a penal charge of 0.5% of the redemption value on such investment.
<b>REDEMPTION</b>	Unit-holders may 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 5,000 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. A 0.5% of redemptive value is payable on any redemption effected within 90 days of subscription to the Fund.
<b>STATUS</b>	The Units qualify as securities in which Trustees may invest under the Trustees Investment Act Cap T22 Laws of the Federation of Nigeria 2004.
<b>ELIGIBILITY OF SECURITIES</b>	Sovereign Eurobonds, corporate Eurobonds, and other instruments determined from time to time, in line with the provisions of the Investment and Securities Act (ISA) 2007 and the Rules and Regulations of the Nigerian Securities and Exchange Commission (SEC). These eligible securities will have received an investment grade rating from a SEC-registered rating agency.
<b>INVESTMENT RISKS</b>	The Risks associated with an investment in the Fund are set out in the section titled " <b>Risk Factors</b> " on <b>page 15</b> of this prospectus. The risks associated with investment in the Fund is as outlined in the Prospectus.
<b>OVERSUBSCRIPTION</b>	In the event of oversubscription, additional units will be registered with SEC and allotted to Subscribers.
<b>GOVERNING LAW</b>	The Fund will be governed by and construed in accordance with the laws of the Federal Republic of Nigeria.

## THE OFFER

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A COPY OF THIS PROSPECTUS TOGETHER WITH THE DOCUMENTS SPECIFIED HEREIN, HAVING BEEN APPROVED BY THE TRUSTEES, HAS BEEN DELIVERED TO THE SECURITIES AND EXCHANGE COMMISSION ("THE COMMISSION") FOR CLEARANCE AND REGISTRATION. THIS PROSPECTUS IS BEING ISSUED IN COMPLIANCE WITH THE ACT, AND THE RULES AND REGULATIONS OF THE COMMISSION FOR THE PURPOSE OF GIVING INFORMATION TO THE PUBLIC WITH REGARD TO THE OFFER FOR SUBSCRIPTION OF 5,000,000 UNITS OF \$1 EACH AT PAR IN THE FSL EUROBOND FUND. THE FUND HAS BEEN AUTHORISED AND REGISTERED BY THE COMMISSION AS A UNIT TRUST SCHEME. THE DIRECTORS OF THE FUND MANAGER INDIVIDUALLY AND COLLECTIVELY ACCEPT FULL RESPONSIBILITY FOR THE ACCURACY OF THE INFORMATION GIVEN AND CONFIRM, HAVING MADE REASONABLE ENQUIRIES THAT TO THE BEST OF THEIR KNOWLEDGE AND BELIEF THERE ARE NO MATERIAL FACTS, THE OMISSION OF WHICH WOULD MAKE ANY STATEMENT CONTAINED THEREIN MISLEADING.



**FSL ASSET MANAGEMENT LIMITED (RC:1348155)**

**Offer for Subscription**  
and is authorized to receive applications for  
**5,000,000 UNITS OF \$1.00 EACH**  
AT PAR IN THE

# FSL EUROBOND FUND

**(AUTHORISED AND REGISTERED IN NIGERIA AS AN OPEN-ENDED UNIT TRUST SCHEME)**

**Payable in full on application**

**COMMENCEMENT DATE**

**DD/MM/YYYY**



## DIRECTORS OF THE FUND MANAGER AND OTHER CORPORATE INFORMATION

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<b>CHAIRMAN</b>	<b>IVAN MADUKA EZEKWESILI</b> Plot 688 Ahmodu Tijani Close, Off Sanusi Fafunwa Street, Victoria Island, Lagos State, Nigeria
<b>MANAGING DIRECTOR</b>	<b>ADETOLA ODUKOYA</b> Plot 688 Ahmodu Tijani Close, Off Sanusi Fafunwa Street, Victoria Island, Lagos State, Nigeria
<b>NON-EXECUTIVE DIRECTOR</b>	<b>OBIAKU AGUSTA OKAM</b> Plot 688 Ahmodu Tijani Close, Off Sanusi Fafunwa Street, Victoria Island, Lagos State, Nigeria
<b>NON-EXECUTIVE DIRECTOR</b>	<b>IFEYINWA AZUBIKE</b> Plot 688 Ahmodu Tijani Close, Off Sanusi Fafunwa Street, Victoria Island, Lagos State, Nigeria
<b>NON-EXECUTIVE DIRECTOR</b>	<b>EZINNE EBELE</b> Plot 688 Ahmodu Tijani Close, Off Sanusi Fafunwa Street, Victoria Island, Lagos State, Nigeria
<b>NON-EXECUTIVE DIRECTOR</b>	<b>OLIVE OBI</b> Plot 688 Ahmodu Tijani Close, Off Sanusi Fafunwa Street, Victoria Island, Lagos State, Nigeria
<b>NON-EXECUTIVE DIRECTOR</b>	<b>CHRIS OKENWA</b> Plot 688 Ahmodu Tijani Close, Off Sanusi Fafunwa Street, Victoria Island, Lagos State, Nigeria
<b>COMPANY SECRETARY</b>	<b>ONYEKACHI CHINAKA</b> Plot 688 Ahmodu Tijani Close, Off Sanusi Fafunwa Street, Victoria Island, Lagos State, Nigeria
<b>FUND MANAGER</b>	<b>FSL ASSET MANAGEMENT LIMITED</b> Plot 688 Ahmodu Tijani Close, Off Sanusi Fafunwa Street, Victoria Island, Lagos State, Nigeria Email: <a href="mailto:assetmanagement@fsl.ng">assetmanagement@fsl.ng</a> Website: <a href="https://www.fsl.ng/assetmanagement/">https://www.fsl.ng/assetmanagement/</a>
<b>PRINCIPAL OFFICERS OF THE FUND MANAGER</b>	Adetola Odukoya ( <b>Managing Director</b> ) Emmanuel Olisa ( <b>Head of Operations</b> ) Yussuff Fatai ( <b>Head of Marketing</b> ) Victor Chiazor, ( <b>Head, Research</b> ) Adefila Daniel Adeniran, ( <b>Compliance Officer</b> )
<b>MEMBERS OF THE FUND INVESTMENT COMMITTEE</b>	Chris Okenwa (Fund Manager Representative) Adetola Odukoya (Fund Manager Representative) Victor Chiazor (Fund Manager Representative) Anistus Iheancho (Fund Manager Representative) Temitope Akinlabi (Fund Manager Representative) Ayodeji Wuraola (Representative of the Trustee) Ajibola Afolabi Ajayi (Independent Member)
<b>FINANCIAL STATEMENTS</b>	The five (5) years Financial summary of FSL Asset Management Limited are provided on page 16 of this document.

## **PROFESSIONAL PARTIES TO THE OFFER**

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### **TRUSTEE TO THE FUND**

#### **LEADWAY CAPITAL & TRUSTS LIMITED**

121/123 Funso Williams Avenue,  
Iponri,  
Surulere,  
Lagos State

### **CUSTODIAN TO THE FUND**

#### **UNITED BANK FOR AFRICA PLC (GLOBAL INVESTOR SERVICES DIVISION)**

14th Floor, UBA House 57,  
Marina,  
Lagos State

### **SOLICITORS TO THE FUND**

#### **DEAL HQ PARTNERS**

3b Dr Omon Ebhomenye Street,  
Lekki Phase 1,  
Lagos State

### **AUDITOR**

#### **ERNST & YOUNG**

UBA House (10<sup>th</sup> floor)  
57 Marina,  
Lagos-Island,  
Lagos State

### **REGISTRAR**

#### **VERITAS REGISTRARS LIMITED**

Plot 89A Ajose Adeogun Street,  
Victoria Island,  
Lagos State

### **RATING AGENCY**

#### **AGUSTO & CO. LIMITED**

UBA House (5th Floor), 57 Marina,  
Lagos - Island,  
Lagos

## FSL EUROBOND FUND (PARTICULARS OF THE FUND)

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### A BRIEF ON THE FUND

The FSL Eurobond Fund is an actively managed open-ended unit trust scheme whose main objective is to provide investors capital preservation, liquidity, and diversification while providing competitive return on investment. The Fund shall invest in FGN Eurobonds, Nigerian Corporate Eurobonds and Cash. The Fund is an open-ended Unit Trust Scheme authorized by the SEC in accordance with the provision of section 160 of the ISA.

The Fund seeks to provide Investors a means of enjoying competitive returns relative to what is obtainable from the average domiciliary account in the 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.

### PROSPECT OF THE FUND

The investment outlets of the Fund will be limited to USD denominated Eurobonds. Units of the Fund will be sold to Retail and High Net Worth Individuals, Africans in diaspora and institutional investors that have medium to long-term Investment horizon.

Investors of the fund will be able to take advantage of the following key product features:

- ✓ Maximize investment returns
- ✓ Income: The fund intends to pay dividend on a semi-annual basis
- ✓ Diversification
- ✓ Liquidity: Ease of entry and exit
- ✓ Moderate risk with no exposure to equities
- ✓ Access to professional fund managers

### FUND'S INVESTMENT OBJECTIVE AND POLICY

The Fund seeks to provide Investors with an avenue to gain exposure to Nigerian Government and Corporate Eurobonds whilst ensuring dollar cash flows and optimization of returns to investors. The Fund will also provide investors access to diversify their portfolio and income streams whilst providing for capital preservation.

The Fund will seek to maximize total returns by earning consistent income stream and ensuring preservation of capital whilst maintaining a reasonable degree of liquidity. In line with the investment objectives, the Investment policy of the Fund is to maintain an investment mix which optimizes the returns through active fund management.

In order to achieve the parameters, set by aforementioned policy, the Fund Manager shall determine/alter the investment mix of the portfolio from time to time keeping in view particular sector or company developments. Investments would be made in the best available opportunities, while considering acceptable risk parameters, the provisions of the Trust Deed and the SEC Rules and Regulations.

### ASSET ALLOCATION

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

The Fund shall invest its assets in Nigerian Sovereign Eurobonds and Corporate Eurobonds as may be determined by the Investment Advisory Committee. The asset allocation of the fund shall be in the manner stated in the table below:

Proposed Asset Class	Asset Allocation Range (%)	Target Weighting (%)
Sovereign Eurobonds	60% - 80%	60%
Corporate Eurobonds	20% - 40%	35%
Cash	0% - 5%	5%

In the event of extreme market conditions and market volatility, where the Fund Manager deems it necessary to revise the asset allocation bands in order to protect the value of the Fund for the benefit of Unitholders, the Fund Manager shall comply with the provisions of the Trust Deed before effecting any modification or alteration on the asset allocation.

### **INVESTMENT STRATEGY**

The Fund Manager's investment philosophy focuses on medium to long term value creation and wealth protection. In identifying quality investments, the Fund Manager shall adopt a top-down investment approach based on comprehensive due diligence on the nature of the investment, as well as independent, robust and thorough research analysis that will lead to prudent investment judgment. Certain macro and microeconomic factors will be considered in selecting investible securities.

The Fund Manager intends to make investment decisions based on the continuous assessment of the market and specific investments that offer competitive prospects for the duration of the Fund.

Specifically, the Fund Manager will adopt the following investment strategy:

- **Euro Bonds:** The fund will invest mostly in Euro Bonds with high yields in order to reduce the impact of the effect of mark-to-market in the Funds overall performance.

### **FUND DURATION MANAGEMENT**

The Fund Manager aims to mitigate the impact of interest rate risk at all times, in order to protect the fund assets from unusual decline in value and also to optimize returns for unit holders.

In this regard, the Fund Manager will set a target duration of 3.0 – 4.0, which it will seek to maintain. This will mean that at all times, the value of the fund cannot rise or fall by more than 4% for every one percent change in interest rate.

### **FUND BENCHMARK**

The Fund Benchmark means the applicable yield on any 3-year FGN Eurobond yield and 3-month U.S. Treasury Bills yield. The fund benchmark composite weight consists of 70% 3-year FGN Eurobond and 30% US T-bills. The Fund will make investments using the net proceeds raised in the subscription with an overall objective of delivering Unitholders with a target yield of 5% above the Fund's Benchmark.

### **TARGET INVESTORS/INVESTOR SUITABILITY**

The Fund is targeted at Retail and High Net Worth Individuals, Africans in diaspora and institutional investors (both local and foreign), who desire exposure to Eurobond fixed income securities. This includes, but is not restricted to non-government organizations, multilateral institutions, foreign portfolio investors, private entrepreneurs, top executives, co-operative societies. Investors with domiciliary accounts with Nigerian banks and institutions or individuals that earn Dollars locally will form part of the target list.

The Fund is particularly suitable for investors who seek:

- ✓ Medium risk investments with a regular income flow;
- ✓ a medium-term investment horizon;
- ✓ To reduce concentration risk by diversifying their investments
- ✓ Require liquidity
- ✓ To benefit from wholesale deposit return.

### **INVESTMENT INCENTIVES**

The Fund seeks to achieve capital preservation in the medium to long term for investors with USD and designed to deliver relatively higher returns than what is obtainable from the average domiciliary account in the local banks.

### **INVESTMENT DISCRETION**

The Fund Manager will exercise its discretion on investment of the Fund pursuant to the Trust Deed, policies instituted by the Investment Committee and in accordance with the Investment and Securities Act 2007

and Rules and Regulations of the SEC as prescribed from time to time. Within these bounds, the Fund Manager will be responsible for all the decisions as to the investment strategies, assets, size and timing of the investment the Fund seeks to make.

#### **INVESTMENT GUIDELINES AND RESTRICTIONS**

The fund manager shall adhere strictly to the investment objective of the Fund by investing only in such instruments that are permissible under the Trust Deed and approved by the Fund Investment Committee. The Fund Manager is subject to certain restrictions as specified in the Trust Deed.

#### **SUBSCRIPTION TO THE FUND**

Investors can subscribe to Units of the Fund after its registration with SEC 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 by via a wire transfer made in accordance with instructions on the form.

#### **INVESTMENT THRESHOLD**

The Initial minimum investment will be 5,000 units of the Fund and additional/subsequent units will be issued in multiples of 1,000 units and payable in full upon subscription.

#### **MINIMUM INVESTMENT PERIOD**

The minimum holding period for an investment in the Fund is Ninety (90) calendar days from the date of subscription. A 0.5% of redemptive value is payable on any redemption effected within 90 days of subscription to the Fund.

#### **INCOME AND DISTRIBUTION**

The Fund Manager intends to Distribute 90% of its income (less expense) as dividend to Unit Holders on a semi-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.

#### **DISTRIBUTION OPTIONS AND PAYMENT**

The following Distribution options are available to Unit Holders:

- **Reinvestment Option:** Under this option, distributions are to be automatically reinvested in additional Units of the Fund at the Offer Price on the day of distribution.
- **Cash Option:** Distributions are paid via electronic transfer to Unit Holder's bank account.

#### **TAX CONSIDERATIONS**

The Companies Income Tax Act, 1979 (as amended) exempts the income generated by a unit trust from companies' income tax. There is thus no obligation to withhold taxes on the dividends distributed to Unitholders. There is no similar provision under the Personal Income Tax Act, 1993 (as amended).

The Finance Act, 2020 also excludes securities from "goods and services" for the purpose of value added tax (s.44). However, Unitholders will be required to pay VAT on commissions payable to the SEC and the Stock Exchange in respect of the Fund. Foreign investors should contact their respective tax authorities for the tax treatment of income earned in Nigeria.

Please note that taxation related issues are subject to changes in legislation. Investors are therefore advised to seek tax advice regarding an investment in the Fund from their professional tax advisers.

#### **STATEMENT OF UNIT-HOLDING**

Every unit holder shall be entitled to a statement of unit holding, which shall be evidence of their title to the number of units 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.

### **UNITHOLDERS' MEETINGS & 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.

### **VALUATION OF UNITS**

A valuation of the Fund's units shall be carried out at the end of every business day based on an approved formula by SEC from time to time. The Fund Manager shall advise of the Bid and Offer price of the Fund following valuation on the next business day and display same in its offices, website and possibly other media channels.

### **SUBSCRIPTION AND REDEMPTION OF UNITS**

The Initial minimum investment will be 5,000 units of the Fund and additional/subsequent units will be issued in multiples of 1,000 units thereafter and payable in full upon subscription. Units shall be created, offered and redeemed on a continuous basis throughout the life of the Fund. The price at which units will be offered and redeemed will be determined by the NAV. Units of the Fund can be subscribed exclusively from the Fund Manager and other approved channels as provided by the Fund Manager from time to time.

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 5,000 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.

### **FEES, CHARGES & EXPENSES OF THE FUND**

#### **Offer Expenses**

Per SEC rules, the Fund shall bear all charges and fees (including VAT) not exceeding 1% of the Offer Size for setting up the fund, including regulatory fees payable to SEC, professional fees to transaction parties, brokerage commission and marketing/distribution expenses, provided that the fees for professional parties shall not exceed 0.80% (inclusive of the VAT). The estimated cost of setting up the Fund is 0.06% of Offer Size and this shall be deducted from the "Offer proceeds".

#### **Management & Incentive Fees**

An annual management fee of 2% of the NAV of the Fund shall be paid to the Fund Manager. This fee will be paid quarterly in arrears and represent the remuneration due to the fund Manager for the management and advisory roles involved in the day to day management of the Fund.

In addition to the Management Fee, the Fund Manager shall be entitled to an incentive fee which shall not exceed 20% of the excess returns above the total annualized returns of the Fund's Benchmark. Provided that the Fund Manager shall only be entitled to an incentive fee as set out in the Trust Deed.

#### **Operating Expenses**

All operating expenses including charges and expenses incurred in connection with the management of the Fund plus annual fees payable to the Trustee, Auditors, and Custodian shall not exceed 3.5% of the NAV of the Fund.

## RISK FACTORS

The value of an investment generally will fluctuate in response to market conditions, as every type of investment involves an element of risk. A summary of the major risks that can significantly affect the Fund's performance, and should therefore be considered when investing in the Fund, are listed below:

- **Market/Interest Rate Risk:** The value of the Fund's portfolio may be affected by markets risks that are outside its control, including volatility (risk) in interest rates. 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.
- **Credit Risk:** Credit risk is the risk that a borrower/issuer of fixed income securities in which the Fund Manager may invest will be unable to make payment or interest as and when due. While the Fund Manager would only invest in investment grade rated securities, there is no guarantee that the ratings of the issuer will remain the same throughout the tenor of the Fund.
- **Reinvestment Risk:** This is the risk that future fixed income investments might be at a lower interest rate in comparison to the prevailing rate or that there may be no viable investment opportunity to re-invest in. This is possible in a declining interest rate environment of the investible assets.
- **FGN Obligations Risk:** FGN obligations are subject to low but varying degrees of credit risks and are still subject to interest rate and market risk. While Debt Management Office-issued obligations are backed by the "full faith and credit" of the FGN, securities issued by the government agencies or government-sponsored entities may not be backed by the full faith and credit of the FGN. If a government-sponsored entity is unable to meet its obligations or its creditworthiness declines, the performance of the Fund that holds securities issued or guaranteed by the entity will be adversely impacted.
- **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 foreign currency domiciled securities which 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 NGX 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.

- **Foreign Currency Risk:** This is the risk that exchange rates may significantly fluctuate (including changes due to appreciation of USD being the specified currency for the Fund or the revaluation of an investor's currency) and the risk that authorities with jurisdictions over the investor's currency may impose or modify exchange controls.
- **Inflation Risk:** This is the risk that an increase in price levels will undermine the purchasing power of the Fund's value of investment and returns.

## RISK MANAGEMENT STRATEGY

The fund manager will adopt a robust risk management framework and will ensure that the risk factors mentioned above are monitored on a regular basis in order to minimize their potential effect on the fund's value. The under-listed elements of the Risk Management Framework shall be put in place by the Fund Manager:

- The Fund Manager shall from time to time stress test the portfolio using various simulation scenarios to show any potential risk that could impact the Fund. The result of the test shall be reported to the investment committee.
- The Fund Manager shall ensure that the Fund's assets are adequately diversified among the approved issuers and fixed income instruments. The credit ratings of approved Issuers will also be monitored on an ongoing basis.

## HISTORICAL FINANCIAL INFORMATION OF THE FUND MANAGER

### STATEMENT OF PROFIT OR LOSS

	2023	2022	2021	2020	2019
	₦'000	₦'000	₦'000	₦'000	₦'000
Fee and commission income	20,313	-	5,857	5,577	120
Net interest margin	724,139	812,192	650,570	409,676	116,776
Other operating income	1,894	7,792	5,474	473	303
	746,346	819,984	661,901	415,726	117,199
Personnel expenses	(46,327)	(35,516)	(25,432)	(20,492)	(17,233)
General and administrative expenses	(238,292)	(240,067)	(191,188)	(83,234)	(23,610)
Impairment expense on financial assets	(173,807)	(71,54)	(24,922)	14,964	(28,782)
Profit before income tax	287,921	537,248	420,360	326,965	47,574
Income tax expense	(160,342)	(154,806)	(147,610)	(103,077)	(22,443)
<b>Profit for the Year</b>	<b>127,579</b>	<b>382,443</b>	<b>272,751</b>	<b>223,888</b>	<b>25,131</b>

### STATEMENT OF FINANCIAL POSITION

	2023	2022	2021	2020	2019
	₦'000	₦'000	₦'000	₦'000	₦'000
<b>ASSETS</b>					
Cash and cash equivalents	94,345	347,907	422,842	616,602	240,542
Investment in financial assets	12,052,662	10,952,117	12,313,981	6,814,466	1,934,735
Other receivables	285,065	145,632	128,093	97,965	38,680
Property, Plant, and Equipment	47,712	67,675	48,276	914	3,061
Intangible assets	415	707	1,000	1,292	-
Defined benefit asset	21,223	-	-	-	-
<b>TOTAL ASSETS</b>	<b>12,501,422</b>	<b>11,514,039</b>	<b>12,914,192</b>	<b>7,531,239</b>	<b>2,217,018</b>
<b>LIABILITIES</b>					
Client's deposits	11,453,430	10,643,376	12,341,311	7,001,603	1,983,592
Creditors and accruals	116,550	59,190	30,762	24,473	34,812
Current tax liabilities	232,937	168,889	130,974	102,430	22,388
Deferred tax liabilities	2,544	2,544	16,718	227	55
<b>TOTAL LIABILITIES</b>	<b>11,805,461</b>	<b>10,873,999</b>	<b>12,519,764</b>	<b>7,128,733</b>	<b>2,040,847</b>
<b>SHAREHOLDERS EQUITY</b>					
Share capital	150,000	150,000	150,000	150,000	150,000
Retained earnings	608,219	620,631	373,987	249,948	26,060
FairValue reserve	(62,258)	(130,591)	(129,559)	2,558	111
<b>TOTAL EQUITY</b>	<b>695,961</b>	<b>640,040</b>	<b>394,428</b>	<b>402,506</b>	<b>176,171</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>12,501,422</b>	<b>11,514,039</b>	<b>12,914,192</b>	<b>7,531,239</b>	<b>2,217,018</b>



## **INFORMATION ON THE FUND MANAGER AND THE TRUSTEE**

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### **BRIEF PROFILE OF THE FUND MANAGER**

FSL Asset Management Limited ("FSLAM") was incorporated in the year 2012 and began operations in 2014. FSLAM is a subsidiary of FSL Securities Limited licensed by the Securities & Exchange Commission in 2017 as a fund/portfolio management company. FSLAM has an authorized and fully paid up share capital of ₦150 million.

FSLAM is committed to creating value for its diverse clientele base and ensuring their investment objectives are achieved within the agreed parameters. FSLAM understands the portfolio structure that should be adopted and the role of the Asset Manager in achieving the investor's overall investment objectives.

At FSLAM, customer's satisfaction is at the heart of all we do and we ensure our client's portfolios are managed using a robust and well-defined risk management strategy. FSL Asset Management offers services in Portfolio Management, and Wealth Management.

### **DIRECTORS OF THE FUND MANAGER**

#### **SIR IVAN MADUKA EZEKWESILI, *Chairman***

Sir Ivan Maduka Ezekwesili is the Principal Consultant of Canon Nelson Associates Limited, a Management and Financial Consulting firm which specializes in Public Sector training and consulting services.

Sir Ezekwesili holds a B.Sc (Hons) in Economics from the University of Nigeria Nsukka (1976) and a Master of Business Administration (MBA, 1991) from the University of Port Harcourt. He has worked extensively for Ebonyi and Anambra States Civil Service.

He worked in the banking sector with Intercontinental Bank and UBA Bank Plc from 1996 to 2009 where he amassed a wealth of experience in Retail and Commercial Banking, Consumer Banking, Risk Management and Strategy and held such positions as Regional Director and Executive Committee member.

#### **OBIAKU A. OKAM, *Non-Executive Director***

Obiaku Okam holds a B.Sc in Economics and Statistics from the University of Benin (1986-1990), Benin City and a Master in Business Administration (MBA) from the Cardiff Business School, Cardiff, Wales (1998).

Okam has over 30 years of diversified experience, with industry experiences spanning across corporate and retail/consumer banking, importation and wholesale/retail marketing of fast-moving consumer products, and development and sale of residential real estate.

She worked with Zenith Bank Plc as the AGM/Branch Head, Marina Branch, and the AGM/Branch Head, Pen Cinema Branch, where she led teams in retail banking, investment product sales, and delivery of E-biz solutions.

Some of her accomplishments during her time with Zenith Bank include; MD/CEO Award for Outstanding Leadership at the CEO Awards 2007, CEO Award as individual with highest fixed deposit (Matori Zone), 2001/2002, and CEO Award for highest income contribution (Matori Zone), 2000.

Okam is currently the MD/CEO of Skycurve Nigeria Limited, where she is responsible for overseeing the daily operations of the company, supervising the bidding process for selection of architects, surveyors, engineers and contractors.

#### **IFEYINWA AZUBIKE, *Non-Executive Director***

Mrs. Ifeyinwa Azubike is a lawyer and entrepreneur with a career trajectory which spans corporate advisory and business development strategies. Her experience presents a unique blend of knowledge of legal frameworks, sound governance principles and business acumen.

In her decade-long career as a commercial lawyer, Mrs. Azubike worked both in-house and in a law firm, becoming versed in developmental business and economic strategies. She amassed a wealth of knowledge from her involvement in the conception and initial operationalization of Transcorp Plc. and later as an Associate Partner in the Finance and Infrastructure Practice at DETAIL Commercial Solicitors.

As an Associate Partner in a leading Law Firm, she worked on numerous seminal projects for clients in both the public and private sectors, and was a columnist for This Day Law and a contributor to international

Infrastructure journals.

Presently, she is the Founder and CEO of The Ladymaker Company, a fast-growing apparel design and production business in Lagos, Nigeria.

Ifeyinwa holds an LLB Law degree from the University of Nottingham, United Kingdom (2001-2004), after which she graduated from the Nigerian Law School in 2005. She also earned herself a certificate in Patternmaking and Garment Construction from Istituto di Moda Burgo, Lagos.

**EZENNE EBELE, *Non-Executive Director***

Mrs. Ebele is a Non-Executive Director of FSL Securities Limited. She presently works as a Manager, Pension Administration of NNPC Pension Fund Limited where she manages retirees' database and prompt generation of accurate payment schedules, amongst other duties.

Prior to the managerial position she now holds in NNPC, Ebele was an administrative officer at NNPC Medical Services Division (1991-2006), Supervisor at the National Petroleum Investment Management Services (2006-2012), and Deputy Manager Admin Services at the National Petroleum Investment Management Services (2013-2020).

She holds an LLB degree from the University of Lagos, Akoka (2004) after which she pursued a Masters in Public Administration from the Lagos State University (2012). She is an Associate of the Chartered Institute of Personnel Management of Nigeria as well as a Fellow of the Chartered Institute of Management of Nigeria.

**OLIVE OBI, *Non-Executive Director***

Mrs. Olive Obi is presently a Principal Partner at Olive Obi & Co and has over thirty-five years of experience in the legal field.

Mrs. Obi holds an LLB degree from the University of Wales Institute of Science and Technology (UWIST), Cardiff (1981-1984), and received her B.L from the Nigerian Law School in 1984-1985. She is a member of the Nigerian Bar Association and an Associate Member of the Chartered Institute of Arbitrators.

At the start of her career, Mrs. Obi worked with Gani Fawehinmi's Chambers. She moved on to Olaniwun Ajaiyi & Co, one of the country's foremost law firm where she amassed a wealth of experience in the financial, corporate and energy sectors.

She worked as an in-house lawyer at Seven-Up Bottling Company Plc for over two decades where she held the position of Legal Services Manager.

**CHRIS OKENWA, *Non-Executive Director***

Mr. Okenwa started his banking career with Continental Merchant Bank Plc and moved from there to Capital Bancorp Limited, a foremost investment banking firm. While in Capital Bancorp he was involved in the privatization of African Petroleum Plc. Prior to his joining Fidelity Securities Limited now FSL Securities Limited, he worked at Magnum Trust Bank Plc, where he was the Head of the Bank's Investment Banking Department.

Mr. Okenwa is a Dealing Clerk of the Nigerian Stock Exchange, a fellow of the Chartered Institute of Stockbrokers and an Associate Member of the Chartered Institute of Bankers. He served as a Director of Association of Issuing Houses of Nigeria (AIHN) for 10yrs. He also holds Master in Business Administration from Edo State University, Ekpoma. He has over 15 years' experience in Investment Banking.

Mr. Okenwa's educational and qualification background ranges from an Associate Chartered Banker (ACIB, 1995), to MBA from Edo State University, Ekpoma in 2007, and Associate Chartered Stockbroker (FCIS, 2012).

## **PRINCIPAL OFFICERS OF THE FUND MANAGER**

### **ADETOLA ODUKOYA – CHIEF EXECUTIVE OFFICER**

Over the last two decades, Adetola Odukoya has acquired hands-on experience across the domestic and international investment banking space. This includes experience in accounting, stockbroking operations, corporate finance, equity & fixed income market analysis and financial, investment, advisory and research analyses. In these roles, Adetola has managed, and advised on, portfolios and transactions in excess of US\$500million.

Currently, Adetola is the Chief Executive Officer of FSL Asset Management Limited. Before this appointment, he was the MD/CEO of DLM Asset Management & Research Company Limited. He joined DLM as Vice president, Investment research and Asset Management. He equally worked on landmark capital market transactions that include the issuance and or restructuring of long-term debt instruments, corporate restructuring and divestments.

Previously, he was the Head, Investment Research (Nigeria) at UBA Global Markets Limited. Before joining UBA, Adetola worked at CSL Stockbrokers (a member of the FCMB Group) as a research analyst covering the Nigerian equity market. During this period, he was subsequently charged with the responsibility of leading the Investment Research function within the FCMB Capital Markets sub-group. Prior to this, he was an analyst in Metropolitan Bank Limited Financial Services Division.

Adetola has served as a member of Nigeria's Securities & Exchange Commission's Capital Market Committee (sub-Committee on Investment Management). He is a fellow of the Institute of Credit Administration and a member of the Institute of Directors, Nigeria. Over the last two decades, Adetola Odukoya has acquired hands-on experience across the domestic and international investment banking space. This includes experience in accounting, stockbroking operations, corporate finance, equity & fixed income market analysis and financial, investment, advisory and research analyses.

He is a graduate of the Accounting Technicians Scheme of the Institute of Chartered Accountants of Nigeria (2001). Also, he is a fellow of the Chartered Institute of Credit Administration (FICA) and a member of the Chartered Institute of Directors, Nigeria (M.IoD).

### **YUSSUF FATAI – HEAD, MARKETING**

Yussuff is a graduate of Business Administration and Management from Auchu polytechnic (1995), Edo State. Prior to joining FSL Asset Management Limited, He worked at Leadway Assurance Company Limited for 13 years where he rose to the position of an Agency Manager. He also worked at DLM group a foremost investment Banking firm for 3 years as Head of Sales and Marketing. He joined FSL Asset Management Limited as the Head of Sales and Marketing.

### **EMMANUEL OLISA - HEAD, OPERATIONS**

Emmanuel Olisa (ACA) is a graduate of Accounting from the University of Lagos Akoka (2012) and holds a MSc. Accounting (2023) from the same institution. Prior to joining FSL Asset Management Limited, he had almost a decade experience in both Retail and Corporate Banking with Intercontinental Bank, Access Bank and Stanbic IBTC Bank. He joined FSL Asset Management Limited in 2018 and currently heads the Operations Departments.

### **ADENIRAN DANIEL ADEFILA – HEAD, COMPLIANCE**

Adefila Daniel is a graduate of Business Administration from Yaba College of Technology (2009), Yaba Lagos. He holds a PGD Business Administration from National Open University of Nigeria (2018). Prior to joining FSL Asset Management Limited, he worked at FSL Securities Limited in the Operations unit as an Operations Analyst and also worked as the Head of Investors Relations unit, gaining experience in regulatory compliance which also covered Anti Money Laundry laws, and regulations.

Daniel joined FSL Securities in 2008 and currently heads the Compliance unit of FSL Asset Management Limited.

## **BRIEF PROFILE OF THE TRUSTEE**

### **LEADWAY CAPITAL & TRUSTS LIMITED**

Leadway Capital & Trusts Limited was incorporated as Leadway Trustees Limited on 22nd March, 1995 but its services became commercial in 1999. The company was set up primarily to provide trusteeship services for the benefit of corporate bodies, government and its agencies, multilateral organizations and individuals.

Leadway Capital & Trusts Limited is a subsidiary of Leadway Holdings Limited. The reputation enjoyed by Leadway Group has been attained and sustained by the pursuit of improvements to maintain competitive advantage. All aspects of the business are approached with discipline – the recruitment of staff, development of products, and use of advanced technology to final service delivery.

## **DIRECTORS OF THE TRUSTEE**

### **MR. OYE HASSAN-ODUKALE - CHAIRMAN**

He is a Member of the Order of the Federal Republic of Nigeria. He is currently serving on the Executive Committee of the African Insurance Organization and is a past Chairman of the Nigerian Insurers Association. He is a product of Mayflower School, Ikenne Ogun State and a graduate of the University of Houston, Texas, USA from where he obtained Bachelor and Master Degrees in Business Administration, specializing in Finance. He started his career in insurance with SCIB & Company Insurance Brokers (then an affiliate of Sedgwicks Insurance Brokers) in 1980 and was until recently, the Managing Director and Chief Executive Officer of Leadway Assurance Company Limited.

He is a Munich Re scholar, being the First West African recipient of the Munich Re Insurance Fellowship at Georgia State University. He has done extensive research on computerization of insurance business. Mr. Oye Hassan-Odukale is on the board of a number of reputable companies. He also served on the Federal Government of Nigeria's Committee for the review of Insurance Laws.

### **MR. BABATUNDE HASSAN-ODUKALE – MANAGING DIRECTOR**

A graduate of the University of London and City University, London. He holds a Bachelor's Degree in Pure Mathematics and a Postgraduate Diploma in Actuarial Science. He is a member of the Royal Society of Mathematics and the Institute of Actuaries. He is on the board of directors of various blue-chip companies, which include First Bank of Nigeria Plc.

Mr. Tunde Hassan-Odukale is the Managing Director and Chief Executive Officer of Leadway Assurance Company Limited. Prior to this, he served as Executive Director with responsibility for Financial Services and Systems.

### **MRS. FEHINTOLA OBATUSIN**

A graduate of the Ahmadu Bello University, Zaria from where she obtained a Bachelor degree in English Language. She is also an alumnus of the School of Basic Studies, Zaria. She has had working experience with NICON Insurance Corporation (NICON Insurance Plc.) and Leadway Assurance Company Limited. She is currently the Managing Director of Pebbles International Limited – a promotional items' company & Gift Center and Housewares Limited – consumer products retail outlet.

### **MR. MUFTAU OLAKUNLE OYEGUNLE**

Graduated from the University of Ibadan with a Bachelor degree in Sociology. He was until recently the General Manager in charge of Leadway Assurance's Commercial Division. Mr. Oyegunle is a Fellow of the Chartered Insurance Institute, London and has extensive experience in insurance underwriting. Apart from his formal training, he has attended several courses and seminars including the Advanced Course in General Insurance organized by the Swiss Insurance Training Institute.

### **MRS. TOKUNBO IBRAHIM-OKURIBIDO**

Currently the Head of Public Affairs; Sub-Saharan Africa, Glovoapp and had held numerous senior positions within her area of expertise, prior to her current role. She is a Regulatory Compliance Professional with about 12 years of experience across local and international corporate organizations.

She has served on the management team of a couple of blue-chip companies and consultancy firms, providing operational and regulatory direction as well as upholding corporate governance practices. She is proficient in Legal, Compliance and Human Resource advisory services, relationship management, consumer satisfaction, strategy, incident management and crisis resolution, Company Secretarial services and has provided advice on multiple corporate restructuring transactions including take-overs, mergers and acquisitions.

## **PRINCIPAL OFFICERS OF THE TRUSTEES**

### **MR. AYODEJI WURAOLA**

He serves as Managing Director of the Company. He was educated at King's College, Lagos, and at University of Ilorin, Ilorin in English and Business Administration at the Bachelors (1980-84) and Masters (1993-96) degree levels respectively. He qualified as a Dealing Clerk of the Nigerian Stock Exchange in 1993 and is an Associate of the Chartered Institute of Stockbrokers. Prior to joining Leadway Trustees Limited (as it was then known) in April 2004, he was Principal Manager and Head, Investment Management/ Trust Resources at UBA Capital & Trusts Limited.

### **MR. OLIVER OBI**

Graduated from Imo State University, Okigwe (now Abia State University, Uturu) with a Bachelor of Law degree [LLB.] in Law and was later called to the Nigerian Bar after attending the Nigerian Law School. On completion of his mandatory National Youth Service, he went into active legal practice at the law firm of Golden & Partners.

He later worked at the Trust Services Department of First Trustees Nigerian Limited (now FBN Trustees Limited), a wholly owned subsidiary of First Bank of Nigeria Plc where he was extensively exposed to various aspects of trusteeship including syndication and consortium lending (both local and offshore), Bonds, Mutual Funds/Unit Trust Schemes as well as Private Trusts.

Oliver has attended various courses/workshops locally and offshore including Advanced Loan Syndication and International Trade Finance by Euromoney, UK respectively, Asset and Mortgage Backed Securities by the Securities & Exchange Commission and Advanced Trusteeship by the Association of Pension Fund Managers amongst others. He is currently Head, Trust Services, Leadway Capital & Trusts Limited.

### **MR. OLUSEYI AYENI**

Oluseyi Ayeni is a Business Administrative graduate of Adekunle Ajasin University, Akungba, Ondo State [Formerly OSUA]. He also holds a Master's degree in Business Administration from University of Calabar. An Associate member of Institute of Chartered Economists of Nigeria [ICEN] and member of Equipment Leasing Association of Nigeria [ELAN], Oluseyi is experienced in credit analysis & lease structuring. Prior to joining Leadway Capital & Trusts Limited in 2008, Oluseyi was the assistant unit head, corporate lease at Rosabon Financial Services Limited.

His experience in the non-bank financial sector coupled with attendance at various courses, as well as his strong drive and passion to deliver qualitative and timely services fit him into our team.

### **MR. OLUSEYI OGUNDEYI**

Oluseyi Ogundeyi is the Financial Controller and has responsibility for our Finance and Treasury activities. He qualified as a Chartered Accountant (ACCA) after his first degree in Zoology and Masters in Cellular Parasitology from the University of Ibadan. He is a seasoned financial analyst and accountant with about a decade experience spanning assurance, advisory, financial control and risk management. Prior to his current role, he was at different times, Assurance Manager - Financial Services Industry Practice at PricewaterhouseCoopers, Team Lead - Corporate Credit Analysis and Unit Head - Financial Control in UBA Plc.

## **BRIEF PROFILE OF THE FUND INVESTMENT COMMITTEE MEMBERS**

The Investment Committee will advise and guide the Fund Manager on its investment strategies and policies in order to ensure that its activities conform with the Fund's established investment objectives and in the overall interests of the Unit-Holders.

In addition, the Investment Committee will pay special regard to the SEC guidelines regarding restriction on investments as prescribed from time to time. The Investment Committee will also review the portfolio periodically in order to assess liquidity positions and evaluate the risk parameters and will, from time to time, rebalance the portfolio.

FSL Asset Management relies on the Group shared services for key functions including research, risk management and compliance. The membership of the Investment Committee is as follows:

<b>S/NO</b>	<b>MEMBERS</b>
1.	Chris Okenwa – <i>Representative of the Fund Manager</i>
2.	Adetola Odukoya – <i>Representative of the Fund Manager</i>
3.	Victor Chiazor – <i>Representative of the Fund Manager</i>
4.	Anistus Iheanacho – <i>Representative of the Fund Manager</i>
5.	Temitope Akinlabi - <i>Representative of the Fund Manager</i>
6.	Ayodeji Wuraola – <i>Representative of the Trustee</i>
7.	Ajibola Afolabi Ajayi – <i>independent Member</i>

## **PROFILE OF THE INVESTMENT COMMITTEE**

The profiles of 1, 2 and 6 have been given above.

### **ANISTUS IHEANACHO, HEAD, COMPLIANCE**

Anistus is an Accounting graduate from Abia State University Uturu (1993), as well as an Associate of the Nigerian Institute of Management (Chartered) and a Certified Management Accountant. He is also an associate member of the Chartered Institute for Securities and Investment, London, United Kingdom and holds an MBA from the University of Calabar.

Prior to joining FSL Securities Limited, he was at DBSL Securities Limited as Head of Accounts. He has 20 years of varied experience cutting across Accounting practice, manufacturing, and oil servicing, banking and stock broking. He joined FSL Securities in 2004 and currently heads Compliance Department.

### **VICTOR CHIAZOR - HEAD, INVESTMENT RESEARCH**

Chiazor Heads the Research and Investment Unit at FSL Securities Limited where he currently oversees the research and investment activities of the company. Before joining FSL Securities, he was Deputy head of Research at Capital Bancorp Plc, where he took part in several issuing house, equity, and economic research activities as well as being part of the company's strategic team and the team that managed the proprietary trading and investment arm of the company.

Chiazor, commenced his investment banking career at Lead Capital Plc where he was involved in various research activities, proprietary trading support, issuing house transactions, due diligence mandates, and fund management activities. He was part of the team that successfully launched Lead Capital Plc online trading portal which was the second trading portal to hit the Nigerian market. With over a decade of experience in the industry which spans Investment Advisory Services, Equity, Strategy, Operations, Economic Research, and Portfolio Management he has acquired hands-on experience across the investment banking space.

Chiazor is an OOU graduate of Physics (2010) and also holds a LAUTECH MBA Finance degree holder (2015).

## **TEMITOPE AKINLABI – HEAD, RISK MANAGEMENT**

Temitope Heads the Risk Unit at FSL Securities Limited where she currently oversees the risk management activities of the company. Prior to joining FSL Securities, she worked in the Enterprise Risk Management and Compliance Unit at Tangerine General Insurance Limited, where she continuously identified and assessed areas of significant business risk, participated in developing risk response processes, including contingency and business plans, as well as developing risk mitigation strategies to reduce the impact of identified risk on the business.

Temitope who has her BSc in Insurance and MSc in Risk Management & Insurance, both from the University of Lagos in 2012 and 2020 respectively, commenced her Risk Management career at Law & Union Rock Insurance Plc where she was involved in various risk management activities, underwriting and risk pricing, collaborate in the development of risk awareness program and conduct training to ensure that stakeholders understand risk and to promote a risk-aware culture, ensure that business activities are conducted in conformity with all applicable regulations and internal policy and procedures. She has over seven years' experience in the Insurance industry.

## **AJIBOLA AFOLABI AJAYI, INDEPENDENT MEMBER**

Ajibola Ajayi studied at the University of Lagos, where he obtained a first degree in Accounting (B.Sc. Accounting, 1986). He also bagged his second degree from the same university where he earned a Master's Degree in Finance (M.Sc. Finance, 1990).

Ajibola graduated as the best overall student in Corporate Finance in the Postgraduate level in the 1989/90 academic year. He is a multi-dimensional professional with membership of CFA Institute, Institute of Chartered Accountants of Nigeria (ACA, FCA), Chartered Institute of Taxation of Nigeria (ACIT) and Chartered Institute of Stockbrokers (ACS).

Ajibola has over 35 years working experience that includes, Audit and Financial Assurance, Tax Advisory, Corporate Finance and Investment Banking, advisory services, privatisation and turnaround of enterprises. Most recent work as a paid employee was in Fidelity Bank Plc spanning 16 years until 2018, covering Corporate Banking, Risk Management and Corporate Finance including management of a Mutual Fund (Nigeria International Growth Fund – NIGFUND).

While in the employment of Fidelity Bank Plc, Ajibola held the position of Head, Collateral Assets Management, Head, Loan Portfolio Monitoring and Reporting, Head, Loan Recovery Team, Fund Manager, Nigeria International Growth Fund (NIGFUND), and Deal Adviser and Head of Advisory Team on Privatisation of Companies. Ajibola is currently a senior consultant at Genemond Consults Limited.

## **STATUTORY AND GENERAL INFORMATION**

### **AUTHORISATION**

The establishment of the Fund and the issuance of the Units are duly and properly authorised by a resolution passed on 15<sup>th</sup> March, 2022, by the Board of Directors of the Fund Manager. The Fund is also authorised and registered in Nigeria as a Collective Investment Scheme by the SEC in accordance with Section 160 of the Investment Securities Act.

### **CLAIMS & LITIGATION**

As at the date of this circular, the Fund Manager is not involved in any litigation. The solicitor to the Fund Manager is not aware of any pending claim or litigation against FSL Asset Management Limited which may be material to the offering.

### **STATEMENT OF INDEBTEDNESS**

As at the date of this circular, the Fund Manager had no Term loans, Finance Lease facilities or Redeemable bonds in the ordinary course of business. Also, the Fund Manager has no outstanding debentures, mortgages, charges or similar indebtedness or material contingent liabilities other than in the ordinary course of business.

## **EXTRACTS FROM THE TRUST DEED**

### **4. DESCRIPTION AND OBJECTIVE OF THE FUND**

- 4.1. The Fund is an actively managed open-ended Fund that predominantly invests in sovereign and corporate Eurobonds issued by Nigerian entities, and cash as permitted under the Investment and Securities Act.
- 4.2. The objective of the Fund is to provide an investment vehicle that will enable the Unitholders of the Fund achieve capital preservation, liquidity, and diversification while providing competitive return on investment. The Fund will aim to make distributions of 90% of its income (less expense) to Unit Holders on a semi-annual basis.

### **9. UNITHOLDERS' RIGHT OF REDEMPTION**

- 9.1. The Manager shall not suspend the right or postpone the date of redemption of Units by a Unitholder other than a suspension or postponement occurring during public holidays or whenever the Commission permits it.
- 9.2. All redemptions of Units shall be made through the Fund Manager or any of its agents as may be appointed from time to time.
- 9.3. Subject to Clause 9.4 below, the Fund Manager shall redeem Units from Unitholders at the Bid Price against a payment out of the Fund. Provided always that the Manager shall have the right to charge a redemption fee of 0.5% on redemptive value amount on the Fund where the redemption is being made within 90 calendar days of Subscription to the Units of the Fund by a Unitholder.
- 9.4. Notwithstanding anything contained in this Clause 9, a Unitholder shall not be entitled to redeem only part of his holding of Units if such redemption would result in his holding being reduced to less than the Minimum Unitholding as defined in this Deed. In such an instance, the Unitholder shall be mandated to redeem all Units.
- 9.5. Unitholders may redeem their Units upon the service of the Unitholder's Statement of Unitholding and a Redemption Notice on the Fund Manager or any of its agents, **PROVIDED** that:
  - a. the form of Redemption Notice shall be as set out in the Third Schedule hereto;
  - b. redemption shall be effected at the Bid Price subject to Clauses 9.3;
  - c. Unitholders seeking to redeem only a part of their holding shall be required to maintain a minimum investment of 5,000 (Five Thousand) Units in the Fund; and
  - d. payments in respect of each redemption shall be made via electronic transfer to be effected by the Manager within 5 (five) Business Days from the receipt of the Unitholders' Statements of Unitholding and Redemption Notice.
  - e. The Trustee shall procure that the amount payable in connection with any redemption, purchase, or cancellation of Units pursuant to this clause is calculated in accordance with the provisions of the Investments and Securities Act, SEC Rules, and this Deed.
  - f. In no event shall the Custodian be bound to make any payment to the Fund Manager or any Unitholder except out of the Assets held by it for that purpose under the provisions of this Deed.
  - g. 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 by purchase by the Manager and to endorse and sign on the appropriate Statement of Unitholding in respect of the Units to be redeemed, such statement as may be necessary or desirable 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 to the Trustee the authority under which it acted.

### **23. INCOME DISTRIBUTION/RE-INVESTMENT**

- 23.1. For the duration of the Fund, 90% of the annual net income of the Fund shall be distributed to the Unitholders in accordance with their respective Unit holdings, in line with the provisions of this Deed and subject to applicable law and regulations.



- 23.2. The Fund's main focus will be to provide investors capital preservation, liquidity, and diversification while providing competitive return on investment, and the Fund will make Distributions from net income to investors twice a year.
- 23.3. Unitholders can elect to receive Distributions in cash or in new Units, net of operating expenses and fees. This election shall be made by Unitholders at the time the Units are subscribed for or purchased and may be changed by written notice to the Manager at any time PROVIDED that it is received by the Manager not less than (14) fourteen days before the Distribution payment date. Unless an election to the contrary is made, the Manager shall act based upon the initial election of the Unitholder, i.e., to pay Distributions or reinvest the Distributions due to Investors in new Units. All payments to Unitholders shall be effected by electronic transfer to the Unitholder bank account as specified in the Register.
- 23.4. The fund shall accrue interest on the basis of daily amortization on streams of income derived from authorized investments held at amortized cost. While the fair value (mark-to-market) method would be adopted for the securities that are actively traded. Provided that a maximum of 5% of the Fund will be held in cash to cater for liquidity needs, and some instruments will be tradeable in line with market conditions if further liquidity needs arise.
- 23.5. Income on the Fund will be computed based on income less operating expenses and fees accrued on a daily basis on the principal amount invested.
- 23.6. Unitholders who elect to have their Distribution re-invested in new Units shall be entitled to such number of new Units that shall be equal in value to the amount they otherwise would have received in cash as a Distribution. The Manager shall issue Statement of Unitholding evidencing the number of new Units allotted to such Unitholders pursuant to this clause.
- 23.7. The Registrar shall, when making every allocation, issue to each Unitholder or in the case of Joint Unitholders to that one who is first named on the Register, a certificate in a form acceptable to the tax authorities showing what part of the amount allocated in respect of the Distribution period represents income and the amount of withholding tax (if any) which has been deducted and containing a declaration to the effect that all withholding tax payable in respect of such part has been deducted and either had been or will be remitted.

### **33. DURATION AND TERMINATION OF THE TRUST**

- 33.1. The Trust constituted by this Deed shall be for a period of 99 years subject to the provisions for termination as are herein contained and subject to the provisions contained in Rule 453 of the SEC Rules and Regulation.
- 33.2. The Trustee or Fund Manager shall have the discretion to terminate the Trust by issuing no less than six (6) months' notice thereof in writing to the other as well as to the Unitholders subject to the approval of the Commission.
- 33.3. The Trust may be terminated upon not less than six (6) months' notice in writing by the Trustee to the Fund Manager, Unitholders, and subject to the approval of the Commission upon occurrence of any of the following events:
- a. If the Fund Manager shall go 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 if it shall cease to carry on business; PROVIDED THAT the Fund can only be terminated under this ground where there is no replacement Fund Manager found to manage the Fund; or
  - b. If in the opinion of the Trustee, the Fund Manager shall be incapable of performing or shall in fact fail to perform its duties satisfactorily or shall do any other thing which in the opinion of the Trustee is calculated to bring the Trust into disrepute or to be harmful to the best interests of the Unitholders; PROVIDED THAT the Fund can only be terminated under this ground where there is no replacement Fund Manager found to manage the Fund;
  - c. If the Trust shall cease to be predominantly a USD Fund or in the event of it becoming illegal or if in the opinion of the Trustee, it is impracticable or inadvisable to continue the Trust.
- 33.4. The Trust may at any time be terminated by a Special Resolution of the Unitholders at a Meeting duly convened and held in accordance with the provisions herein contained 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.

- 33.5. 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.
- 33.6. The Fund Manager may by notice to the Commission, Unitholders and the Trustee terminate the Fund if the Fund Manager reasonably believes, having had due regard to the prevailing circumstances and the purposes for which the Fund was established, that the investment objective of the scheme can no longer be reasonably achieved or that in the opinion of the Fund Manager 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 Fund Manager, the continued operation of the Fund is no longer justified.
- 33.7. 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 Fund without recourse to the assets of the Fund Manager.
- 33.8. Where the Fund has been wound up in accordance with this Deed, the Trustee shall:
- a. give notice disclosing the reason for the winding up in two (2) daily national newspapers;
  - b. In conjunction with the Fund Manager ensure that the assets of the Fund are disposed of in the best interest of the unit holders;
  - c. ensure that the proceeds from the sale of assets of the Fund are distributed to unitholders in proportion to their holding after discharging all outstanding liabilities;
  - d. ensure that the Fund is fully wound up within twelve (12) months of notifying the Commission;
  - e. forward to the Commission on completion of the winding up:
    - i. a report on steps taken for realization of the assets of the Fund, expenses for winding up, and net assets available for distribution to unit holders;
    - ii. a certificate from the auditors of the Fund to the effect that all assets of the Fund are realized, and the details of the distribution of the proceeds;
  - f. keep the unclaimed money (if any) in an interest yielding account for the purpose of meeting investors claim.
- 33.9. The Fund Manager shall cease to carry on any business activities in respect of the Fund, on or from the date of publication of the notice provided under clause (a), except for the purpose of liquidating the Funds' assets;
- 33.10. The Commission shall approve the winding up of the Fund when it is satisfied that Clause 33.8 has been complied with.
- 33.11. Upon the approval of the winding up report by the Commission, the Fund shall cease to exist.

#### **41. POWER OF MODIFICATION BY SUPPLEMENTAL TRUST DEED(S)**

- 41.1. The Trustee and Fund Manager shall be entitled, by supplemental deed to consolidate, modify alter or add to the provisions of this 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 prejudice the interests of the Unitholders and that it is its opinion that 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.
- 41.2. Notwithstanding the above, the Fund Manager and the Trustee shall seek the approval of the Commission for any proposed modification to this Deed by service of notice. Such proposed change shall not be given effect until the proposed change has been approved by the Commission.

## **EXTRACTS FROM CUSTODY AGREEMENT**

### **3. APPOINTMENT**

- 3.1. The Custodian is hereby appointed by the Fund Manager to do the following:
- a. settle Securities from time to time and to hold the same upon the terms and conditions hereof;
  - b. safekeeping of securities from time to time on behalf of the Fund.
  - c. provide custody services to all Property, funds and assets relating to the Fund in accordance with the directives of the Fund Manager and in accordance with the provisions of this Agreement;
  - d. open and operate segregated Securities Account(s) and Cash Account(s) in the joint names of the Trustee and the Fund (the "Trustee/Fund");
  - e. report transactions completed and periodical statement of accounts
  - f. provide transaction processing/settlement services, monthly reporting of the status of the Fund's assets to the Manager, Trustee and the Commission respectively;
  - g. provide monthly and quarterly statement of cash and securities balances to the Trustee, Fund Manager and the Commission in the required formator as otherwise reasonably requested by the Trustee and the Fund Manager;
  - h. carry out monitoring, oversight, administrative and other functions required in accordance with the terms and conditions of this Agreement;
  - i. ensure that all Property 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;
  - j. act independently of the Fund Manager, the Trustee and of the management of the Fund and solely in the interest of the Unit Holders in the Fund and of the Fund itself provided the Custodian shall act in accordance with the instructions of the Fund Manager to the extent required by the provisions of this Agreement and not be affiliated with the Fund Manager or the Trustee;
  - k. be accountable to the Manager in the performance of its obligations herein; and to the Trustee and Commission pursuant to Relevant Regulation. The Custodian shall also perform all other functions it is required to perform under Relevant Regulation; and
  - l. where required by the SEC Rules and/or where deemed expedient to do so, execute other agreement(s) with the Trustees and Manager necessary for implementing its responsibilities under this Agreement.
- 3.2. The Custodian shall hold any credit balance in the Cash Account as banker.
- 3.3. The Custodian will only open the relevant Account when it receives the necessary documents from the Fund Manager and the relevant Know Your Customer (KYC) process is duly completed.

### **5. SCOPE OF CUSTODIAN'S RESPONSIBILITY**

- 5.1. The Custodian will have no duty or obligation to take or omit to take any action as to the Property except in accordance with any Authorised Instruction, and as expressly stated in this Agreement.
- 5.2. The Custodian will use reasonable care in performing the Services and safe keep the Securities with the same degree of care as is to be expected from a person engaging in the custody business in the applicable jurisdiction and in accordance with Relevant Regulation and the Rules.
- 5.3. The Custodian shall maintain adequate insurance policies including but not limited to any loss or damage(s) to the securities whilst under its possession.
- 5.4. The Custodian will not exercise any voting rights, attend meetings or take other Corporate Actions as to the Securities except in accordance with Authorised Instructions. Upon a request of an Authorised Instruction, the Custodian will forward to the Trustee or Fund Manager, proxy and other voting forms, required to enable the Trustee or Fund Manager or their nominees to exercise those rights.
- 5.5. The Custodian shall be liable for any loss or prejudice suffered by the Fund Manager, the Fund or Unitholders (represented by the Trustee) due to fraud by the Custodian's, and/or its Agent's, willful default or negligence including the unjustifiable failure to perform its obligations under this

Agreement.

- 5.6. The Custodian shall procure that all Fund assets in its custody are adequately insured against fire, theft, natural disaster and similar risks. Additionally, the Custodian shall procure a fidelity guarantee insurance of sufficient cover against any actual or potential risks, loss or damage to Fund assets which may arise from acts of dishonesty or fraud.
- 5.7. The Custodian will notify the Fund Manager and the Trustee of any Corporate Action on receipt of the requisite information.
- 5.8. Notices about Corporate Actions sent to the Fund Manager and the Trustees may have been obtained from sources or contain information from sources which the Custodian does not control and may have been translated or summarised. The Custodian has no duty to verify the information contained in the notices or the accuracy of any translation or summary, and therefore cannot guarantee its accuracy or completeness.
- 5.9. When the Custodian receives notice of a Corporate Action requiring discretionary action by the beneficial owner of the Securities which bears an expiration date, the Custodian will endeavour to utilise all reasonable means to obtain Authorised Instructions but if Authorised Instructions are not received in time or actual notice of the Corporate Action is received too late to seek Authorised Instructions, the Custodian will not take any action as to that Corporate Action. The Custodian will be entitled to consider any Authorised Instruction in relation to a Corporate Action and any information provided in connection therewith as the Fund Manager's confirmation that they do not contravene any law or Rule or restriction or exclusion relating to the Corporate Action.
- 5.10. The Fund Manager shall be responsible for reviewing any Corporate Action notices/offer documents, and the Custodian does not represent that the Fund Manager and/or the Trustees are eligible for the offer or that any Authorised Instruction electing to participate will be acted upon or accepted by the issuer or its agents. The Custodian is not responsible for the contents, sufficiency and/or accuracy of any Corporate Action document received from the issuer or a third party, or the result of any application.
- 5.11. The Custodian will keep or cause to be kept books and records for the Fund (which may be electronic records) as may be necessary to give a complete record of all Property the Custodian holds and transactions carried out for the Fund Manager. The Custodian will, on the Fund Manager's written request, allow the Fund Manager/Fund's auditors reasonable access to the Custodian's books and records regarding the Property, Custody and Cash Accounts as is reasonably required.
- 5.12. The Fund Manager will be responsible for all filings, tax returns and reports on any transactions undertaken or settled according to this Agreement which must be made to any relevant authority and for the payment of all unpaid calls, Taxes (including any value added tax), imposts, levies or other duties, or any other liability or payment arising out of or in connection with the Property.
- 5.13. The Custodian is not acting under this Agreement as tax adviser, manager or investment adviser to the Fund Manager, the Trustee or the Fund and the Fund Manager remains responsible at all times for the selection, acquisition and disposal of the Securities.
- 5.14. Without prejudice to the duty of the Custodian to act with reasonable care and skill, the Custodian is not under any duty to question Authorised Instructions including, where the Custodian or any Affiliate may be in possession of information tending to show that Authorised Instructions may not be in the best interest of any person.
- 5.15. Any information the Custodian provides to the Fund Manager in any way may have been obtained from third party sources and may not have been independently verified by the Custodian. It is intended for general information purposes only. It does not constitute investment, legal, tax or other advice. The Fund Manager should perform its own independent verification, evaluation and analysis of such information and consult its own professional advisers before relying on it. The Custodian do not give any representation or warranty as to, or (to the extent permitted by law) accept any responsibility or liability for, the accuracy, completeness, reliability or up-to-date nature of the information. The Custodian and their respective directors, officers and employees accordingly disclaim any liability whether arising in tort or contract or otherwise which the Custodian may otherwise have in respect of any Loss the Fund Manager, Trustees or Fund may suffer from the use of or reliance on such information.
- 5.16. The Parties agree and acknowledge that where the Custodian provides estimated market values of

Securities (the "Valuation Information") in connection with the calculation of the fees payable under this Agreement, and which may appear in the Custodian's statements or reports to the Fund Manager, the Custodian does not make any representation or warranty as to its accuracy, completeness, correctness or reliability. The Fund Manager shall not disclose the Valuation Information to any third party, except its professional advisers, or affiliates for whom it is necessary that the Valuation Information be disclosed, or as required by Relevant Regulation and shall bear any Loss suffered by it because of the use of, reliance on or disclosure of the Valuation Information. The Parties further acknowledge and agree that the Custodian will assign estimated market values based on (a) a third-party vendor pricing feed where available to the Custodian; (b) the most recent acquisition price for that unlisted Securities as recorded on the Custodian's books; or (c) where appropriate and exercising reasonable discretion, a nominal value.

- 5.17. The Fund Manager agrees and acknowledges that in respect of Physical Securities, the Custodian does not have to undertake any check for any legal and/or other defects (including, but not limited to defects of title), the Custodian will perform only visual checks against the Fund Manager's settlement Authorised Instructions and will not be responsible for any kind of verification of the authenticity, or validation of any document of title.
- 5.18. The Custodian shall ensure the provision of a framework for the protection of the Securities held under custody and ensure that the Securities are placed under adequate systems to safeguard against damage, misappropriation or other loss.
- 5.19. The Custodian shall file a report to the Fund Manager, the Trustee, and the Commission within five (5) Business Days of becoming insolvent.
- 5.20. The Custodian shall ensure that in the discharge of its responsibilities, it observe at all times, strict compliance with the provisions of Rule 456 of the SEC Rules.

## **CONSENTS**

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

<b>DIRECTORS OF THE FUND MANAGER</b>	Ivan Maduka Ezekwesili Adetola Odukoya Obiaku Augusta Okam Ezinne Ebele Ifeyinwa Azubike Olive Obi Chris Okenwa
<b>COMPANY SECRETARY</b>	Onyekachi Chinaka
<b>TRUSTEE TO THE FUND</b>	Leadway Capital & Trusts Limited
<b>CUSTODIAN TO THE FUND</b>	United Bank for Africa Plc (Global Investor Services Division)
<b>SOLICITORS TO THE FUND</b>	Deal HQ Partners
<b>REGISTRARS</b>	Veritas Registrars Limited
<b>AUDITORS</b>	Ernst & Young

## **RELATIONSHIP BETWEEN THE FUND MANAGER AND THE CUSTODIAN**

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

## **RELATIONSHIP BETWEEN THE FUND MANAGER AND THE TRUSTEE**

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

## **RELATIONSHIP BETWEEN THE FUND MANAGER AND THE REGISTRAR**

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

## **RELATIONSHIP BETWEEN THE TRUSTEE AND THE CUSTODIAN**

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

## **MATERIAL CONTRACTS**

The following agreements have been entered into and are considered material to the Fund:

1. A **Trust Deed**, dated September 17<sup>th</sup> 2024, between FSL Asset Management Limited and Leadway Capital & Trusts Limited, under which the Fund is constituted;
2. A **Custody Agreement**, dated September 17<sup>th</sup> 2024, between FSL Asset Management Limited, UBA Plc, and Leadway Capital & Trusts Limited, pursuant to which the Fund Manager has appointed UBA Plc 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.

## **DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents may be inspected at the offices of the Issuing House, at its business address, at normal working hours on any Business Day:

1. Certificates of Incorporation of the Fund Manager and the Trustee;
2. Memorandum and Articles of Association of the Fund Manager and the Trustee;
3. The resolution of the Board of Directors of the Fund Manager authorizing the creation of the Fund and the issuance 5,000,000 Units of the Fund;
4. The duly executed Prospectus issued in respect of the Offer;
5. Board Resolution of the Fund Manager
6. The material contracts referred to above;
7. The written consents referred to above; and
8. The SEC letter authorizing the Fund and registering the Units being offered.

## PROCEDURE FOR APPLICATION AND ALLOTMENT

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### Application

- a. The general investing public is hereby invited to apply for Units of the Fund through any of the Receiving Agents listed in this Prospectus.
- b. Applications for Units must be made in accordance with the instructions set out at the back of the Application Form attached hereto. Care must be taken to follow these instructions, as applications which do not comply will be rejected.
- c. The Fund will commence on [DD/MM/YYYY]. Applications must be for a minimum of 5,000 Units at initial subscription and in multiples of 1,000 Units thereafter. The number of Units for which an application is made and the value of the payment for the units via bank or electronic transfer evidenced by an e-receipt attached should be entered in the boxes provided on the Application Form.
- d. A single applicant should sign the declaration and write his/her full names, address, daytime telephone number and mobile telephone number in the appropriate space on the Application Form. Where the application is being made on behalf of a minor, the full names of the applicant and the minor as well as the date of birth of the minor should be provided. Item "2" should be used by joint applicants. A corporate applicant should affix its seal in the box provided and state its incorporation Registration Number (RC) or in the case of a foreign subscriber, its appropriate identification number in the jurisdiction in which it was constituted.
- e. Payment must be made in Dollars.
- f. Applications should be forwarded together with an evidence of bank or electronic transfer for the full amount of the purchase price made payable to the Fund account with the Custodian. All bank commissions, stamp duties and transfer charges must be prepaid by the applicant.
- g. Payment in respect of the application must be transferred into the proceeds account below:

Bank Name:	UBA PLC
Account Name:	LEADWAY CAPITAL & TRUSTS LTD/FSL EUROBOND FUND
Account Number:	3004405659
Applicant/Sender:	<i>Please complete as appropriate</i>

### Allotment

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 above. In the event of an over subscription, additional Units of the Fund will be issued subject to the Commission's registration and approval.

### Application Monies

All application monies will be retained in a separate bank account by the Custodian. If any application is not accepted or is accepted for fewer Units than the number applied for, returns should be made via bank or electronic transfer to the account from which it came.

Statements of Unit-holding will be sent by registered post to the physical address provided by the subscriber on the attached Application Form and/or by electronic mail to the email address provided on the attached Application Form, not later than 15 Business Days from the date of subscription.

## RECEIVING AGENT

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Application forms may be submitted to FSL Asset Management Limited's office as stated below:

### **FSL Asset Management Limited**

Plot 688 Ahmodu Tijani Close,  
Off Sanusi Fafunwa Street,  
Victoria Island, Lagos.

Nigeria.

Telephone: +234 (1) 277-0764 | +234 (702) 603 - 6751





## **INSTRUCTIONS FOR COMPLETING THE APPLICATION FORM**

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1. Applications should be made only on the Application Form or photocopy, downloaded or scanned copy of the Application Form.
2. Applications must be for a minimum of 5,000 Units at the initial subscription and multiples 1,000 Units thereafter.
3. The number of Units for which applications are made and the amount of the applicable value should be entered in the boxes provided.
4. Payment must be made in Dollar.
5. The applicant(s) 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.
6. Joint applicants must all sign the Application Form.
7. 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 (Parent or guardian) making the application on his/her behalf.
8. An application from a group of individuals should be made in the names of those individuals with no mention of the name of the group. An application by a firm, which is not registered under the Companies and Allied Matters Act Cap C 20 LFN 2004, should be made either in the name of the proprietor or in the names of the individual partners. In neither case should the name of the firm be mentioned.
9. 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.
10. An application by an illiterate should bear his/her right thumbprint on the Application Form and be witnessed by an official of the Fund Manager or Receiving Agent at which the application is lodged, who must first have explained the meaning and effect of the Application Form to the illiterate in the illiterate's own language. Above the thumbprint 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.
11. The 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.



