



**Stanbic**  
Investment Management Services

# STANBIC INCOME FUND TRUST

SCHEME  
PARTICULARS

September 2025

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# DEFINITIONS

Unless inconsistent with the context or separately defined in these Scheme Particulars, the following expressions shall have the following meanings ascribed to them:

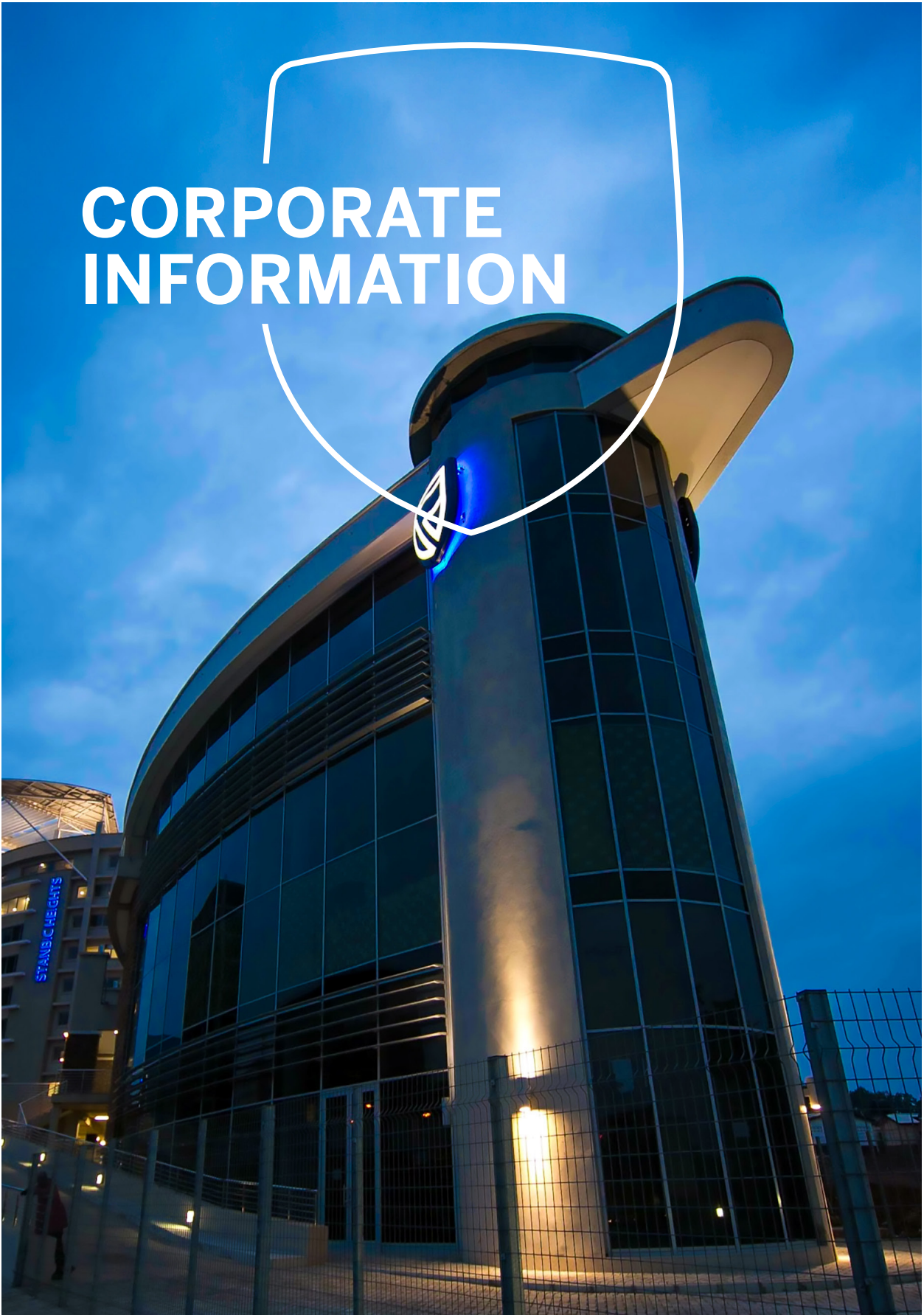
| Term                                | Definition   |
|-------------------------------------|--|
| <b>Affiliates</b>                   | means (in relation to a corporate body) its subsidiary, its holding company, or any other subsidiary or holding company of its holding company, and Affiliate shall be construed accordingly |
| <b>Applicable Law</b>               | means any law or regulation of any governmental or other regulatory authority which governs the Fund or any relevant person, and Applicable Laws shall be construed accordingly              |
| <b>Business Day</b>                 | means a day (other than a Saturday or Sunday or official public holiday) on which the Manager is open for general business in Ghana, and Business Days shall be construed accordingly        |
| <b>Fund</b>                         | means STANBIC INCOME FUND TRUST (SIFT)   |
| <b>Fund Manager</b>                 | means Stanbic Investment Management Services LTD (SIMS)  |
| <b>Ghana</b>                        | means the Republic of Ghana  |
| <b>GHS</b>                          | means the Ghanaian Cedi, the official currency of Ghana or any successor currency  |
| <b>Manager</b>                      | means SIMS, which is providing investment management and administrative services to the Fund pursuant to the Fund Management Agreement   |
| <b>Meeting</b>                      | means a general meeting of the unitholders of the Fund, and Meetings shall be construed accordingly  |
| <b>Minimum Initial Subscription</b> | means GHS 20.00, being the minimum amount to be deposited upon the opening of the account  |
| <b>Mutual Fund Regulations</b>      | means the Unit Trusts and Mutual Fund Regulations, 2001 (L.I. 1695) or any statutory modification or re-enactment thereof  |

| Term                           | Definition  |
|--------------------------------|---|
| <b>Near cash equivalent</b>    | means all money market securities with less than 91 days to maturity  |
| <b>Register</b>                | means the register of the unitholders   |
| <b>Scheme Particulars</b>      | means particulars issued by the Fund on the date stated hereon (as amended, restated and/or updated from time to time |
| <b>SEC</b>                     | means the Securities and Exchange Commission of Ghana   |
| <b>Securities Industry Act</b> | means the Securities Industry Act of Ghana, 2016 (Act 929) or any statutory modification or re-enactment thereof      |
| <b>SIMS</b>                    | means Stanbic Investment Management Services LTD  |
| <b>Trustees</b>                | means Universal Merchant Bank (Ghana) LTD   |
| <b>Unit</b>                    | means subscription units issued by the Fund upon receipt of cash deposits   |
| <b>Unitholder</b>              | means investors who have purchased units of Stanbic Income Fund Trust or the Fund                                     |



Elmina Castle, Central Region, Ghana

# CORPORATE INFORMATION



# THE MANAGER

|   |  | Details   |
|---|--|---|
|  NAME  |  | Stanbic Investment Management Services (SIMS) LTD   |
|  COUNTRY OF INCORPORATION                      |  | Ghana   |
|  REGISTRATION NUMBER                           |  | CS68127015  |
|  NATURE OF CORPORATE FORM                      |  | Limited liability, wholly-owned subsidiary of Stanbic Holdings Ghana Ltd.                                     |
|  REGISTERED OFFICE                            |  | Stanbic Heights,<br>215 South Liberation Link,<br>Airport City, Accra   |
|  PRINCIPAL PLACE OF BUSINESS                 |  | Stanbic Heights,<br>215 South Liberation Link,<br>Airport City, Accra   |
|  DATE OF INCORPORATION                       |  | 12 April 2007   |
|  AUTHORISED:<br>ISSUED:<br>STATED CAPITAL:   |  | 500,000,000 Shares<br>2,265,500 Shares<br>GHS 2,000,313.71  |
|  OTHER UNIT TRUSTS MANAGED BY THE MANAGER:   |  | Stanbic Cash Trust  |
|  CONTACT DETAILS<br>EMAIL ADDRESS:<br>PHONE: |  | SIMSCustomerService@stanbic.com.gh<br>(+233) 302 815 789  |
|  AUDITOR                                     |  | Ernst & Young Chartered Accountants<br>60 Rangoon Lane, Cantonments City<br>P.O Box KA 6009<br>Airport, Accra |

# DIRECTORS OF STANBIC INVESTMENT MANAGEMENT SERVICES LTD

## KWABENA BOAMAH

Managing Director

NATIONALITY: **GHANAIAN**  
OCCUPATION: **INVESTMENT BANKER**

📍 CO DTD 4050, EMEFS Hill  
Palace J27, Greater Accra, Ghana



### OTHER DIRECTORSHIPS:

- MS Consult Limited
- Oasis Africa VC Fund Limited
- Bethel Dental Limited

## KODWO SAM ATTA MILLS

Director

NATIONALITY: **GHANAIAN**  
OCCUPATION: **PROFESSIONAL, TECHNICAL AND RELATED**

📍 15 Agostino Neto Road, Airport  
Residential Area Greater Accra, Ghana



### OTHER DIRECTORSHIPS:

- Agri Commercial Services Limited
- Invictus Investments Ghana Ltd
- Quest Imaging Services Limited
- Invictus Us Properties Limited
- Warehouse Properties Limited
- Invictus Health Services Limited
- Fio Health Ghana Limited
- Invictus Petroleum Investments Ltd
- Royal Grains Limited
- Invictus Pharmaceuticals Company Ltd
- Access Health Insurance Limited
- Mabetex Ghana Limited

## KWAMINA KORANTENG ASOMANING

Chairman

NATIONALITY: **GHANAIAN**  
OCCUPATION: **BANKER**

📍 No 3, Orange Lane, Haatso  
Accra, Greater Accra



### OTHER DIRECTORSHIPS:

- Stanbic Bank Ghana Limited
- SBG Securities Ghana Limited
- Chirano Gold Mines Limited
- Stanbic Holdings Ghana Limited
- JKB Oil Ventures Limited

# THE TRUSTEE

|   |  | Details  |
|---|--|--|
|  NAME                          |  | Universal Merchant Bank (Ghana) LTD  |
|  COUNTRY OF INCORPORATION      |  | Ghana  |
|  REGISTRATION NUMBER           |  | CS681272015  |
|  NATURE OF CORPORATE FORM     |  | Limited liability  |
|  REGISTERED OFFICE           |  | SSNIT Emporium, Airport<br>Post Office Box 401, Accra  |
|  PRINCIPAL PLACE OF BUSINESS |  | SSNIT Emporium, Airport<br>Post Office Box 401, Accra  |
|  DATE OF INCORPORATION       |  | 1971   |
|  NATURE OF BUSINESS:         |  | Universal Banking  |
| <b>CAPITALISATION (AS AT 31 DEC2020)</b>  |  |  |
|  AUTHORISED:                 |  | 25,000,000 Shares  |
|  ISSUED:                     |  | 13,814,020 Shares  |
|  SHAREHOLDERS' FUNDS:        |  | GHS 489,192,000.00   |
|  AUDITOR                     |  | Deloitte Ghana<br>Plot No. 71, The Deloitte Place,<br>Off George W. Bush Highway<br>Accra, Ghana |

# STANBIC INCOME FUND TRUST OFFICIALS

| Details   |   |
|---|---|
|  TRUSTEES      | Universal Merchant Bank (Ghana) LTD<br>SSNIT Emporium, Liberation Road<br>Accra   |
|  LEGAL ADVISOR | Doreen Iliasu<br>Stanbic Bank Ghana Limited<br>Stanbic Heights<br>215 South Liberation Link<br>Airport City, Accra          |
|  AUDITORS     | Baker Tilly Andah + Andah<br>18 Nyanyo Lane, Asylum Down<br>P. O. Box CT 5443<br>Cantonments, Accra                         |
|  MANAGER     | Stanbic Investment Management<br>Services (SIMS) LTD<br>Stanbic Heights<br>215 South Liberation Link<br>Airport City, Accra |
|  BANKER(S)   | Universal Merchant Bank (Ghana) LTD<br>SSNIT Emporium, Liberation Road<br>Accra   |

# SCHEME PARTICULARS



## 1.0 INVESTMENT OBJECTIVE, BENEFITS AND POLICIES

### 1.1 Investment Objective

The Stanbic Income Fund Trust (“SIFT” or “the Fund” or “the Trust”) is an open-ended unit trust. The principal objective of the Trust is to seek medium-term to long-term sustainable income and capital appreciation of its assets.

SIFT caters for investors looking for income and security over a medium to long-term horizon. Clients include individuals, corporates, institutions, organisations, schools, clubs, small business associations, churches, endowment funds and community cooperatives.

The Trust was established on January 6, 2011.

### 1.2 Investor Benefits

- i. Capital Appreciation: SIFT will invest in medium to long-term corporate and government securities, allowing the unitholders to benefit from varying return profiles along the yield curve. Bond and treasury bill holdings will be valued on a mark-to-market based on market prices taken at the close of each business day from the Ghana Fixed Income Market (GFIM).
- ii. Diversified Portfolio Mix: SIFT offers an opportunity to achieve good returns while mitigating risks as a diversified portfolio of investments that may not otherwise be available to individual investors.
- iii. Sustainable Income and Liquidity: SIFT provides sustainable income with select investment-grade corporate and sovereign debt securities at its core, whilst maintaining positions in short-term debt instruments to manage liquidity.
- iv. SIFT being an open-ended fund allows for entry and exit at any time. You determine your investment horizon to meet personal needs. Redemption requests for all or part of the investment can be made at any time through online and digital platforms. Payments are typically effected within three (3) business days.
- v. Expertise: With a minimum of GHS 20.00, one can benefit from professional fund management and expertise from SIMS.

### 1.3 Authorized Business of the Trust

The authorized business of the Trust is:

- i. To invest funds on behalf of the members

and;

- ii. To hold and arrange for the management of securities and other property acquired with such funds.

### 1.4: Investment Policy

The Stanbic Income Fund Trust (SIFT) seeks to achieve this by investing in a portfolio of fixed-income securities, including government debt securities, bank fixed deposits and other investment-grade corporate debt securities.

Under normal market conditions, the Manager shall invest up to 85% of assets under management (AuM) in medium to long-term corporate debt and government securities and invest a maximum of 40% in money market securities in Ghana or other regulated markets, whilst retaining a minimum of 5% in cash and near-cash securities. The Manager may employ short-term tactical deviations from the policy asset mix of up to 10% of the assets under management (AuM).

The SIFT sub-class, SIFT-AMC, will hold 100% of assets under management in money market securities, such as Government of Ghana treasury bills and fixed deposits only. The combined scheme will maintain a minimum cash and near-cash position of 5%. Near-cash securities will be defined as all money market securities with less than 91 days to maturity.

### 1.5 Investment Strategy

The Trust’s investment management approach is based upon the premise of sustainable income and capital appreciation from investing in medium to long-term corporate debt and government securities. The manager seeks to achieve the fundamental objective of the Fund by:

- i. Establishing criteria for the level of risk that the fund wishes to accept.
- ii. Establishing performance benchmarks.

The strategies of the Fund will be periodically reviewed and modified as market conditions warrant and as the Fund Manager deems such modifications to be in the best interest of the Fund.

### 1.6 Investment Restrictions

The Fund is subject to the following investment restrictions under the Securities Industry Act, the SEC Unit Trust and Mutual Fund Regulations and the SEC Investment Guidelines for Fund Managers:

- i. The Fund shall not invest more than 25 per cent of the net asset value of the scheme in securities issued by a single issuer;
- ii. The Fund shall not invest more than 10 per cent of the net asset value of the scheme in any particular class of securities issued by a single issuer;
- iii. The Fund shall not invest more than 10 per cent of the net asset value of the scheme in other collective investment schemes;
- iv. The Fund shall not invest more than 5 per cent of the net asset value of the scheme in a single specialized deposit-taking institution as fixed deposit;
- v. The Fund shall not invest more than an aggregate of 15% of its funds under management with related parties; not more than 10% of funds under management where the related party is a bank and 5% of funds under management in all other related parties.
- vi. The Fund shall not make any investment that will result in the manager, trustee or the scheme gaining management control of a company in which the investment has been made;
- vii. The Fund shall not invest in any securities of a class in a company or other body if any officer or collectively officers of the manager of the scheme own more than 5 per cent of the total nominal amount of the securities of that class issued by the company or body.

Except for the Trust's investment objective, the Trust's policy of investing in fixed income securities and the investment restrictions listed above, the other policies and percentage limitations set forth in this Deed are not fundamental policies or investment restrictions of the Trust and can be changed by the Trustee. In addition to the foregoing restrictions, the Trust may be subject to investment limitations, portfolio diversification requirements and other restrictions imposed by the Government of Ghana, Securities and Exchange Commission or other regulatory authorities.

## 1.7 Investment Discretion

Investments of the Trust will be undertaken at the discretion of the Fund Manager, acting in accordance with the Trust's stated objectives, policies and restrictions as approved by the Trustee. Within these limits, the Fund Manager will be responsible for all decisions as to investment strategies, amounts, and timing of investments to be undertaken by the Trust.

## 1.8 Investment in other Schemes Managed by The Manager or Its Associates

**A.** The Manager in accordance with the Trust's investment objectives shall be entitled to invest in other licensed collective investment schemes managed by him or any other schemes approved by the Commission provided that:

- i. There is no increase in the overall total preliminary charges, manager's fees or any other costs borne by the investor or by Assets of the Trust.
- ii. The value or the aggregate value of the Trust's investment does not exceed the limits prescribed by the Law or Regulations made under the Law, the Trust particulars, the Trust Deed or any directions or guidelines issued by the Commission or the Trustee.

**B.** The Manager in accordance with the Trust's investment objectives, may invest in other schemes approved by the Commission but not managed by the Manager or its associate.

**C.** The Manager with the approval of the Commission may invest in other schemes not licensed under the Law.

## 1.9 Issuance of Units

Upon subscription to the fund, investors will be issued with the applicable number of units at the prevailing offer price. The fund is valued at the end of each business day, and the new price is determined. This means that the value of your units will change from day to day.

The Fund has created a Sub-class and reserves the right to accept or reject investment deposits that will be invested in money market securities. The procedure for the issuance of units remains the same.

## 2.0 MANAGEMENT AND ADMINISTRATION OF THE FUND

### 2.1 The Manager

Stanbic Investment Management Services is the manager for the Fund. SIMS is a licensed Investment Advisor under the Securities and Exchange Commission (SEC). The company's principal business is to provide investment advisory services and fund management to clients. The manager is responsible for

- i. The actual management of the Trust's portfolio and constantly reviews the Fund's holdings in the light of its own research sources.
- ii. Making decisions to buy, sell or hold a particular security in accordance with the investment

- policy of the Trust.
- iii. Providing the portfolio managers of the Trust, who consider analysis from various sources (including banks and brokerage firms with which the Trust does business), make the necessary investment decisions and place orders for transaction accordingly.
- iv. Providing all office space, facilities, equipment, and personnel necessary to perform its duties under the Trust Agreement.

The manager shall be entitled to receive Management fees. The Management Fee shall be calculated in respect of successive calendar month periods ("payment periods") and shall not exceed 2.00% per annum of the average mark-to-market value of the Trust divided by 365 (or in a leap year 366) and multiplied by the number of days in the relevant payment period. The management fee shall be accrued daily and paid at the end of the quarter out of the Fund.

## 2.2 The Trustee

Universal Merchant Bank (Ghana) Limited will act as the Fund's Trustee under the Trust Deed. The responsibilities of the Trustee are outlined in the Trust Deed. The Trustee is entitled to receive remuneration for its service which, together with any indirect taxation, shall be paid out of the net asset value of the Fund. The remuneration shall consist of periodic charges calculated per the clauses below:

- i. Pursuant to the Trust Deed, the Manager makes annual payments to the Trustee for its services. The manager pays the Trustee 0.25% of the total mark-to-market value of the fund.
- ii. The periodic charge payable to the Trustee shall be calculated in respect of successive calendar month periods ("payment period" except that no charge shall be payable in respect of the initial offer period). The first payment period shall begin on the day after the end of the initial offer period and end of the last day of the month in which the offer period expires.
- iii. In respect of the first payment period. The relevant valuation point shall be the first valuation point of the Fund following the end of the initial offer period.
- iv. The amount of the periodic charge for each payment period shall be set out in the Trust Deed of the Fund as amended from time to time and shall be calculated as a percentage of the net asset value of the Fund or flat amount as the manager and the Trustee may agree; divided by 365 or , in a leap year, 366 and

multiplied by the number of days, including fractions of a day, comprised of the relevant payment period. The percentage shall not in any event exceed what shall be determined by the Commission.

- v. For the purposes of calculating the Trustee's periodic charge in respect of any payment period, the value of the Fund shall be determined by the Net Asset Value at the relevant valuation period. The relevant valuation point shall be the most recent point to have occurred before the beginning of that payment period. The periodic charge payable will accrue daily or monthly and be paid at the end of each quarter.
- vi. In the event of a winding up of the Fund, the final payment period for the purpose of calculating the Trustee's periodic charge shall end on the day of which the final distribution in the winding up is made; or in the case of a winding up following the passing of a special resolution at a meeting of shareholder pursuant to the regulations, such other day as may be specified by the resolution of the terms of the Fund or a proposal approved by the Trustee.
- vii. The Trustee is entitled to receive out of the property of the Fund payment by way of reimbursement of expenses properly incurred by the Trustee in performing duties imposed upon it or exercising powers conferred upon it by the law.

## 2.3 Other Expenses

The Fund pays certain expenses incurred during the Fund's operations, including among other things; the management fees, legal and audit fees, trustee fees, accounting and pricing costs, registration fees, costs of printing shareholder reports, proxies, costs associated with Annual General meetings, costs of fund Factsheet publication, prospectus, and statement of additional information.

## 2.4 Base Currency

The base currency is Ghanaian Cedi (GHS).

## 2.5 Annual and Interim Accounting Period

The annual accounting period of the Trust commences on 1st January and ends on 31st December of each year. The interim accounting period will be a period covering 1st January to 30th June of each year.

## 2.6 Valuation of Units

The net asset value of the Trust will be determined

by the manager once daily. Any assets or liabilities that are initially not expressed in Ghana cedis will be translated into Ghana cedis before the Trust is valued.

The Net Asset Value (NAV) will be computed by dividing the value of the securities held by the Trust plus any cash or other assets minus all liabilities (including accrued expenses) by the total number of units outstanding at such time. Expenses including fees payable to the Manager, Trustee, Auditors are accrued daily.

The main fund's securities will be valued using the mark-to-market valuation model with market prices taken at the close of each business day from the Ghana Fixed Income Market (GFIM). For the subclass, securities such as treasury bills would be marked-to-market, whilst fixed deposits would be valued at amortised cost. All Units not held by Unit holders will be held in the name of the Trustee, pending issuance by the Manager.

A Unit holder's interest in the Trust shall not fall below 20 units. In the event of any exchange, transfer of sale of units other than complete redemption, the minimum number of units shall still be maintained.

## 2.7 Purchase and Redemption of Units

### 2.7.1 Purchase of Units

Being an open-ended unit Trust, units of the Trust are created and offered on a continuing basis throughout the life of the Trust. The Trust issues new units when investors put in money and redeem units when investors withdraw money from the respective portfolios. The price at which units will be offered will be determined by the Net Asset Value of the respective portfolios. The Net Asset Value for the main fund and the subclass are different on any given day. Units of the Trust may be purchased:

- i. Via the SIMS online portal (<https://invest.sims.com.gh/>)
- ii. Deposits for unit subscription can be made at all Stanbic Bank branches throughout the country, partner banks or other designated affiliates of the Manager.
- iii. Via the designated USSD code (**\*715\*77#**) using mobile money wallet.
- iv. Via the **SIMS LTD mobile application**

The initial minimum purchase is Ghs20.00 with a minimum top-up of Ghs10.00. The Fund offers its units at the offering price equal to the next determined net asset value per share. The Fund may

suspend the continuous offering of units at any time in response to conditions in the securities markets or otherwise and may thereafter resume such offering from time to time. Neither the Fund Manager nor its affiliates are permitted to withhold or delay placing orders to benefit themselves due to a price change.

### 2.7.2 Redemption of Units

Investors seeking to redeem all, or any part of their interest can do so by giving notice via the available channels to SIMS. This could be:

- i. Redemption via the SIMS online portal (<https://invest.sims.com.gh/>)
- ii. Redemption via the SIMS mobile application (SIMS) on both IOS and Android
- iii. Written redemption request via email (applicable to unitholders with email indemnity with SIMS).
- iv. Complete the redemption form and submit at the Manager's office or any Stanbic Bank branch office
- v. Via the designated **USSD code (\*715\*77#)**

The price at which units are redeemed will be determined by the Net Asset Value of the Trust. This will be at mark-to-market value for the main fund and the sub-class fund.

### 2.7.3 Exit Charges

Unitholders liquidating their units before the recommended holding period of two (2) years shall receive upon redemption the net amount of mark-to-market value of the units at the time of redemption and applicable exit fees.

Redemption or exit fees are as follows:

| Investment Period                    | Applicable Fee of the Redemption Amount |
|--------------------------------------|---|
| Investment for less than 1 year      | <b>2%</b>                               |
| Investment for between 1 and 2 years | <b>1%</b>                               |
| Investment for more than 2 years     | <b>0%</b>                               |

## 2.8 Complaints Procedure

- i. The Manager of the Fund shall maintain a register into which the date and details of all complaints regarding the operation of the Fund and interests of unit holders will be recorded.
- ii. The Manager shall investigate or cause the investigation of all complaints received in an expeditious manner.
- iii. Complaints may also be made to the Commission

## 2.9 Dividend Policy

It is the Fund's intention to reinvest all its net income if any. Dividends will therefore not be declared nor distributed. Unit holders will benefit from the growth in the net asset value of the fund as shown by the unit price movement (refer to 2.6. Valuation of units).

## 2.10 Publication of Unit Price

Except when the determination of the sale and redemption prices have been suspended, the unit price will be published every business day on the manager's online web platform, and on investors' statements of account accessible on all the manager's digital platforms.

## 2.11 Documents for Inspection

Copies of the following documents relating to the Fund may be inspected at the offices of the Manager:

- i. Particulars of the Fund
- ii. Trust Deed
- iii. Prospectus issued in connection with the Offer.
- iv. SEC license of the Fund
- v. SEC license of the Fund Manager
- vi. Certificate of Incorporation of the Fund Manager
- vii. Certificate of Commencement of Business of the Fund Manager

## 2.12 Unitholder Services

Each unitholder will maintain an "Investment Account" with the Fund Manager and will receive minimum quarterly statements via email from the Fund Manager. The statements will show any other activity in the account since the preceding statement. However, unitholders already signed up to the SIMS online portal or mobile application could access their statements at any time. Unitholders will receive separate transaction notifications for each purchase or sale transaction via email and SMS.

Regular additions of units may be made to an investor's account through the completing of a direct debit form or the usage of any of the digital payment channels available to the Fund.

## 2.13 Voting Rights

Each member and each proxy lawfully present at the meeting shall have one vote, and on a poll, each member present in person or by proxy shall have one vote for each Unit held by him or her. The units

confer on the unit holder's exclusive participation in the returns on any assets of the Fund and a right to receive notices to attend and to vote at any general meeting of the Fund.

## 2.14 Reports and Meetings

Annual general meeting of unit holders will be held each year. The general meeting may either be an in-person meeting held at a physical location or held virtually. Notices of all meeting will be published in a widely circulated print media at least twenty-one (21) days prior to the meeting. In addition, notices will be sent to registered unit holders by email at least twenty-one (21) days prior to the meeting at the addresses in the register held with the Fund Manager.

The Trustee shall prepare or cause to be prepared in accordance with Unit Trusts and Mutual Fund Regulations 2001, LI 1695, a report referred to as and "Investors' Report" in respect of each annual and half-yearly accounting period in order to facilitate the review of the performance of the Fund by holders of interests.

## 2.15 Suspension of Issue, Redemption and Determination of Unit Price

In the event of any of the following, the Manager may, with the approval of the Trustee of the Fund, suspend the determination of the net asset value of the Fund, the creation, issue and redemptions of units of the Fund:

- i. Where a breakdown occurs in the means ordinarily employed by the Manager in determining the value of the investments or if for any reason the Manager in determining the value of the investments or if for any reason the Manager is of the opinion that it cannot reasonably, promptly and accurately ascertain the value of the assets of the Fund on the valuation date concerned.
- ii. Where an event of termination has occurred (see termination provisions).
- iii. Nav period when the securities exchange on which investments that forms part of the assets of the scheme for the time being are listed, is closed or when dealings at the exchange are restricted or suspended.
- iv. The existence of any state of affairs as a result of which disposal of investments of the scheme would not be reasonably practicable or might seriously prejudice the interests of the investors as a whole and of the assets of the scheme.

## 2.16 Assignment

Unitholders may assign all or part of their interest in the Fund whether as a collateral for borrowings procured by them or for any other reason.

## 2.17 Termination of The Trust

The Manager of the Trust may in writing and with the approval of the Commission terminate the Trust if the purpose of the scheme cannot be accomplished:

**a)** The Manager shall be entitled to terminate the Trust if in its bona fide opinion the Trust has failed to attract sufficient participation to enable it to be viable. In the event of the Manager desiring to terminate the Trust it shall be required to give three months' notice to the Trustee; or

**b)** The Trust may be terminated by the Manager in its absolute discretion by notice as hereinafter provided, on the any date after commencement if on such date the aggregate value of the Units outstanding hereafter shall be less than an acceptable amount deemed to make the Trust commercially viable.

**I.** The Trust may be terminated by the Trustee by notice in writing as provided in any of the following events:

**a)** If the Manager shall go into liquidation, except a voluntary liquidation for the purpose of reorganization terms previously agreed in writing by the Trustee or be placed under judicial management or ceases business.

**b)** If in the opinion of the Trustee the 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 interest of the Unitholders provided always that if the Manager shall be dissatisfied with such opinion the matter shall be referred to the Commission or some person appointed by the Commission for determination and his/her determination shall bind the Trustee and the Manager; and

**c)** If any law shall be enacted which renders it illegal or in the opinion of the Trustee impractical or inadvisable to continue the Trust.

**II.** The party terminating the Trust shall give notice to the Unitholders in the manner provided and by such notice fix the date at which such termination is to take effect which date shall not be less than three months after the service of such notice.

**III.** The Trust may at any time be terminated by Special Resolution of a Meeting of the

Unitholders duly convened and held in accordance with the provisions of this Deed and such termination shall take effect from the date on which the said Resolution is passed or such later date, if any, as the said Resolution may provide.

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

**a)** The Trustee shall sell all investments then remaining in their hands as part of the Assets and such sale shall be carried out and completed in such manner and within such period after the termination of the Trust as the Trustee thinks advisable.

The Trustee shall use the proceeds of the sale of Investments to pay off the liabilities of the Trust and shall thereafter from time to time distribute to the Unitholders all net cash proceeds derived from the realization of the Assets and available for the purpose of such distribution, provided that the Trustee shall not be bound, except in the case of the final distribution, to distribute any of the monies for the time being in its hands provided also that the Trustee shall be entitled to retain out of any monies in its hands under the provisions of this Clause a distribution fee not exceeding 2% of the value of the Trust and full provision for all costs, charges, expenses and claims by the Trustee in connection with or arising out of the liquidation of the Trust and out of the monies so retained to be indemnified against any such costs, charges, expenses and claims. Every such distribution shall be made only against production of the Units relating to the Units in respect of which the same is made and upon delivery to the Trustee of such form of request for payment as the Trustee shall in their absolute discretion require. All Units shall in the case of an interim distribution be endorsed by the Trustee with a memorandum of the payments made and in the case of the final distribution shall be surrendered to the Trustee.

## 3.0 ADDITIONAL INFORMATION

There is no assurance that the Fund will achieve its investment objective. The investment of the Trust will be subject to normal market fluctuations (due to mark-to-market valuation) and other risks inherent in investing in securities, and there can be no assurance that any appreciation in value will occur.

The Fund Manager believes that the fixed income market offers several attractive investment opportunities, which we endeavour to capture with a rigorous but flexible investment process.

- i. Companies with a strong earnings prospect are identified through a rigorous top-down and bottom-up approach.
- ii. Analysis and identification of the general direction of the macro-economy are conducted, providing insight into indicators such as gross domestic product (GDP), exchange rates, interest rates, and inflation, among others.
- iii. While undergoing fundamental analysis to generate alpha, investment conservatism is employed to ensure the preservation of client assets.
- iv. Active participation in the secondary market and strategic leveraging of the yield curve are key strategies for continuously improving returns.
- v. Preference would be given to issuers rated "Investment Grade" by a credit rating agency licensed by or registered with the Securities and Exchange Commission.

In the Fund Manager's approach, priority is given to the financial health of issuers, with the belief that rates offered by these counterparts are secondary to the risk of default. Therefore, emphasis is placed on assessing the fundamentals of the issuers/counterparties for credit purposes.

## 4.0 RISK FACTORS

### Credit Risk

The Fund will be exposed to credit risk where issuers are unable to meet principal and/or interest payment obligations promptly to the Fund. Credit risk includes sovereign risk, default risk of issuers, the inability of issuers to re-pay any outstanding debt obligations promptly, and any challenges to a specific issuance or the issuer's inability to remain solvent. The Fund Manager will continue to conduct a comprehensive due diligence and continuous monitoring of borrowers, using both qualitative and quantitative metrics, to provide a solid understanding of the creditworthiness of the counterparties and helps to mitigate the risk of default.

### Interest Rate Risk

The Fund is subject to interest rate fluctuations. As interest rates fluctuate, the market price on most fixed income securities will adjust accordingly. The daily price movements on listed securities can impact the mark-to-market (MTM) valuation of the Fund. The Fund Manager will duly evaluate all associated interest rate risk drivers and adjust the fund's investments in line with the collective view on the yield curve.

### Regulatory Risk

The Fund is subject to all Applicable Laws and Directives. The introduction of changes in, or inconsistent or unpredictable application of Applicable Laws from time to time may materially affect the operation of the Fund. The Fund Manager will continue to monitor discussions within the regulatory environment and apply the necessary procedures applicable under the constitution to minimise the impact of such changes.

### Reinvestment Risk

Timing of reinvestment or returning of interest or principal can cause an investor's return to fluctuate. In a falling interest rate environment, an investor will likely benefit from higher coupons and longer maturities, as this prevents the need to reinvest into a lower, less favourable interest rate environment. If interest rates are rising, higher coupons and/or short maturities allow an investor to take advantage of rate increases and put their money to work at improving interest rates.

### Liquidity Risk

The Fund requires liquidity to meet its unitholder redemptions and other administrative obligations. Where necessary, listed fixed-income securities may be liquidated to meet these obligations, though there are no assurances that an active secondary market will be maintained consistently throughout the lifetime of the Fund. The Fund Manager will continue to monitor conditions on the secondary market and adjust accordingly in the provision of liquidity on the Fund level.

### Operational Risk

The Fund is subject to the risk of loss arising from failed, inefficient and/or ineffective processes and procedures that guide its daily business activities. The Fund Manager will ensure strict adherence to its standard operating procedures (SOP) to mitigate any such losses. The Fund Manager would review the SOP periodically to align with international best practices

## 5.0 TAX DISCLOSURES

### TAX ON THE FUND

Currently, the Fund's income and capital gains earned by investors are exempted from tax.



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