



Stanbic IBTC Nigerian Equity Fund – Frequently Asked Questions

Q. What is the Stanbic IBTC Nigerian Equity Fund?

A. The Stanbic IBTC Nigerian Equity Fund ("The Fund") is an open-ended mutual fund. The primary objective of the Stanbic IBTC Nigerian Equity Fund is to achieve long-term capital appreciation of its assets, through investing in a portfolio of equity securities quoted on The Nigerian Stock Exchange and money market instruments.

Q. How does the Stanbic IBTC Nigerian Equity Fund work?

A. The primary objective of the Fund is long-term capital appreciation, which is achieved by investing at least 75% of the Fund's assets in equities of blue chip companies listed on The Nigerian Stock Exchange while retaining a maximum of 25% of its total assets in money market instruments. When you subscribe to the Fund, you are issued with such number of units at the prevailing offer price as is equivalent to the monetary amount of your subscription. The Fund is re-valued at the end of each business day. This means that the value of your units will change from day to day. The aim of the Fund is to achieve capital appreciation over the long term and such appreciation can be monitored on a daily basis.

Q. Is there a guaranteed Rate of Return on an investment in the Stanbic IBTC Nigerian Equity Fund?

A. No, the return on the Fund is dependent on the value of the publicly quoted stocks it holds. The Fund Manager has no control over the prices of these quoted stocks, which can and will fluctuate from time to time, it is therefore impossible to guarantee any particular rate of return on the investment.

Q. What does the Stanbic IBTC Nigerian Equity Fund invest in?

A. The Fund invests in blue chip companies listed on The Nigerian Stock Exchange in key sectors such as petroleum marketing, food and beverages, manufacturing, banking, real estate and fixed income securities.

Q. What are the advantages of investing in the Stanbic IBTC Nigerian Equity Fund?

A. Diversified Portfolio: The Fund offers an opportunity to achieve good returns while minimising risks from a diversified portfolio of investments that may not otherwise be available to the individual investor.

Returns: The Fund has delivered competitive returns since its inception in 1997.

Wider Access: The opportunity of effectively investing in equities of more companies than may be possible when investing directly.

Flexibility: As the Fund is open-ended, you are able to subscribe and redeem at anytime, which provides you with flexibility in relation to your investment decisions.

Liquidity: Redemptions are processed within 5 business days following receipt of your redemption form and unit purchase statement.

Expertise: With an initial minimum of ₦50,000.00, you can benefit from Stanbic IBTC's professional fund management expertise.

Q. What is the procedure for withdrawals/redemptions and how long does it take?

A. The redemption process involves completing a redemption form and returning the Fund Certificate/Statement to the Fund Manager. Once these documents are received and subject to verification of the unitholder's signature by the Registrar, the redemption request will be processed within 5 business days.

Q. Are there any penalties for withdrawing my funds?

A. No, there is no penalty for withdrawing from the Fund. However, a 2% handling charge is payable on any redemption effected within three (3) months of subscription to the Fund.

Q. Where can I get the subscription/redemption Forms from?

A. The forms are available at all branches of Stanbic IBTC Bank Plc and Stanbic IBTC Asset Management Limited ("SIAML") at no cost to subscribers. The forms can also be downloaded from our website www.stanbicibtccassetmanagement.com.

Q. How do I pay for a subscription to the Stanbic IBTC Nigerian Equity Fund?

A. Units can be purchased exclusively from the Fund Manager by completing a Purchase Order Form. Completed forms should be returned with a bank draft or cheque to any branch of Stanbic IBTC Bank Plc or Stanbic IBTC Asset Management Limited. Your name, contact address and daytime telephone number must be written on the back of the bank draft or cheque.

Q. What is the minimum amount that can be invested in the Fund?

A. The initial minimum amount that can be invested is ₦50,000.00 and then a minimum of ₦20,000.00 subsequently.

Q. How do I make additional subscriptions?

A. To make additional subscriptions, complete a Purchase Order Form and attach a cheque or bank draft made payable to Stanbic IBTC Bank Plc or Stanbic IBTC Asset Management Limited or Stanbic IBTC Nigerian Equity Fund for the amount that you wish to invest. You can also set up a Direct Debit by completing the Direct Debit Form.

Q. What is the minimum amount I can withdraw from the Fund?

A. The minimum amount that can be withdrawn from the Fund are units worth ₦20,000.00 on the day the redemption documents are submitted on the condition that units worth ₦20,000.00 must be retained in the fund before a part redemption can be done.

Q. What is the procedure for Foreign Investors to invest?

A. As a Foreign Investor, all you need to do is, make a payment into our foreign bank account (details of which are given on the back of the Purchase Order Form and our website) and then forward a scanned copy of the completed Form to assetmanagement@stanbicibt.com. The purpose of the funds being transferred must be stated on the SWIFT message i.e "Investment in Stanbic IBTC Nigerian Equity Fund" to enable a Certificate of Capital Importation (CCI) be issued. The prevailing exchange rate on the day the funds are received into our account will be applied to convert the funds to naira. When the subscriber sends a fax or scanned copy of their form, please note that he/she will not be required to send the original form. The Foreign investors can also repatriate the funds upon submission of their CCI and other redemption documents when redeeming.

Q. Can I invest for my children and my investment club?

A. Yes, it is possible to invest for minors clubs and groups.

Q. A group of us would like to subscribe jointly. How do we go about it?

A. You can apply as a corporate body/entity or make a joint application (for up to a maximum of four individuals) depending on the nature of the group. Please note that the certificate and any subsequent distribution or redemption proceeds will be issued in the name of the applicant(s), that is, the company, entity or joint name. These persons would have to determine how such should be shared.

Q. Do I get a receipt or certificate?

A. Yes. You get both a receipt and a Certificate/Purchase Statement. The acknowledgement copy of the Purchase Order Form constitutes your receipt while a Unit Certificate or Purchase Statement, indicating the number of units held by you will be forwarded to you by the Registrar within approximately 15 business days of your subscription to the Fund.

Q. How do I monitor my investment?

A. The daily prices are available in leading Nigerian newspapers on weekdays as well as on our website www.stanbicibtassetmanagement.com. As a unit holder of the Fund, it is also possible to view your account online by logging on to www.ibtcfundsmanagement.com.

Q. How do I calculate the value of my investment?

A. At any point in time, the value of your investment = Number of units held X Current Bid Price per Unit (which is available in leading Nigerian newspapers or on our website, www.stanbicibtassetmanagement.com).

Q. How long should I stay invested in the Stanbic IBTC Nigerian Equity Fund?

A. The Fund is open-ended and so there is no limit to the period of participation. However, it is usually advised that investments in the Fund should be viewed as long-term investments as returns are best optimized over the long term.

Q. Does the Stanbic IBTC Nigerian Equity Fund pay dividends?

A. Yes, Dividends will be paid out annually at the Fund Manager's discretion, subject to the approval of the Unit holders at the Annual General Meeting.

Q. Is the Stanbic IBTC Nigerian Equity Fund listed on The Nigerian Stock Exchange?

A. Yes, the Fund is currently listed in the Daily Official Memorandum list of the Nigerian Stock Exchange.

Q. What is the closing date for the Fund?

A. There is no closing date for The Fund as it is open-ended.

Q. Can I transfer my units to another party?

A. Yes, units of the Stanbic IBTC Nigerian Equity Fund can be transferred to a third party at the instruction of the existing unit holder upon payment of a nominal transfer charge with the consent of the Trustees.

Q. How much would a unit of the Fund cost?

A. The price at which a unit of the Fund can be purchased varies from day to day and as such will be the offer price on the day of subscription.

Q. Do I have any control over what the Fund invests in?

A. No. The Fund Manager, SIAML, makes all the investment decisions based on guidelines set out in the Fund's Trust Deed.

Q. Can I use my holdings in the Stanbic IBTC Nigerian Equity Fund as collateral for a loan?

A. Yes many banks will accept units of the Fund as collateral for bank loans. However, this depends on each bank's lending policy.