

ARM Money Market Fund

Facts you need to know about the ARM Money Market Fund.

Q. What is the ARM Money Market Fund?

A. The ARM Money Market Fund is an open ended fund authorised and registered in Nigeria as a Unit Trust Scheme under Section 160 of the Investment and Securities Act 2007. The primary objective of the Fund is to provide a steady stream of income to investors by investing in high quality, short term money market instruments and government securities which include:

- Bankers' Acceptances, certificates of deposits, commercial papers, collateralised repurchase agreements etc;
- Deposits (Fixed/Tenured) with eligible financial institutions;
- Short term debt securities issued or guaranteed by any Federal or State Government of Nigeria;
- Other instruments introduced and approved by the Central Bank of Nigeria (CBN) from time to time;
- Other money market or fixed income instruments in which the Fund is permitted to invest under the Trust Deed.

Q. What is a "unit trust"?

A. A unit trust (or Mutual Fund) is a pool of funds from several Investors who share similar investment objectives. Their contributions are invested in various financial instruments and managed by a professional Fund Manager. Each investor becomes a unit holder in the Fund, that is, a part owner of the Fund. The units held confer certain rights of ownership on the Investor such as participating in the income derived from the Fund's investments.

Q. What is the investment objective of the Money Market Fund?

A. The Fund seeks to provide capital preservation, income and liquidity to risk averse investors. The Fund Manager seeks to attain these objectives within an acceptable level of investment risk.

Q. What is the Fund's asset allocation?

A. The Fund will invest between 25% - 55% of its total assets in short term government securities such as Treasury Bills, and 45% - 75% in other approved money market instruments.

Q. Who manages the ARM Money Market Fund?

A. The ARM Money Market Fund will be managed by Asset & Resource Management Company Ltd ("ARM"), one of Nigeria's leading asset management company and Managers of the ARM Discovery Fund, the ARM Aggressive Growth Fund and the ARM Ethical Fund. ARM is registered with the Securities & Exchange Commission (SEC) as a fund manager.

Q. Who monitors the Fund Manager's activities?

A. Unit Trusts (Mutual Funds) in Nigeria are regulated by the Securities & Exchange Commission (SEC). Thus, the ARM Money Market Fund is registered with, and regulated by SEC. The interest of Investors in the Fund is further protected by the Trustee (First Trustees Nigeria Limited), who supervises the activities of the Fund Manager. In addition to the above, an independent Custodian (Citibank Nigeria Limited) will hold and safeguard the assets of the Fund. This structure creates control in the management of the Fund.

Q. Who are the Trustees of the Fund, and what is their role?

A. The Trustees of the Fund is First Trustees Nigeria Limited - a subsidiary of First Bank of Nigeria Plc. The Trustees have a legal duty to protect the interest of the Unit-holders. Their activities will include ongoing supervision of compliance with the investment policies of the Fund.

Q. How much can I invest in the Fund?

A. There is no maximum amount you can invest, however, the minimum investment is ₦50,000.00.

During the offer period the minimum subscription into the Fund shall be ₦50,000.00 and in multiples of ₦1000, while additional investment after the offer by an existing Investor of the Fund shall be in amounts not less than ₦25,000.00 in multiples of ₦1000.

Q. Who can invest in the ARM Money Market Fund?

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

The Fund is open to individuals (irrespective of nationality), institutions, entities, firms, societies and employee schemes amongst others. The Fund accepts participation of foreign and non-resident Investors.

Q. How can I start an investment?

A. An investment in the Fund can be made by completing a subscription form and making payments at any ARM office in Lagos, Abuja, Port-Harcourt, Onitsha and Kano, or any other receiving agent provided in the Fund's Prospectus. Payments above ₦10 million should be transferred via electronic means (RTGS, NEFT, Instant Transfer, Interswitch etc) to the account below:

| | |
|----------------|-----------------------|
| Account Name | ARM Money Market Fund |
| Bank | Guaranty Trust Bank |
| Account Number | 0124516495 |
| Sort Code | 058-152052 |

PLEASE NOTE: Prospective Investors that make online payments into this account indicated above shall be required to submit a copy of the online transfer advice receipt together with a duly completed application form to any of the ARM Offices.

Q. How can I invest as a foreign investor?

A. The Fund assets are denominated in Naira and, as such, capital inflows by foreign investors who subscribe to the Fund shall be converted to Naira at the exchange rate as advised by the Fund Manager's Bankers. Certificates of Capital Importation (CCI) shall be issued by the Fund Manager's Bankers for foreign investors as evidence of capital inflow into the country, and this shall be kept by the foreign investor or by the Custodian to the Fund if the investor so wishes. This certificate is necessary for procurement of foreign exchange at the official market for repatriation of dividends paid by the Fund and repatriation of proceeds from the redemption of Units. The bank transfer details for the Fund are indicated on the subscription form.

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

A. Every Unit holder shall be entitled to receive from the Fund Manager an Electronic Fund Statement for the number of units purchased. The Statements shall be made available via email. In addition, investors will be able to access their account online.

Q. Do I have a say in what you invest my money in?

A. No. The Fund has a defined and approved allocation of funds amongst asset categories. The Fund Manager uses its expertise to determine where to invest in line with the approved asset allocation.

Q. What is the minimum guaranteed rate of return?

A. The Fund cannot guarantee a rate of return but is projected to be as competitive as the high-end returns from fixed income instruments available in the market. The return is based on interest rate trend in the financial market.

Q. How can I profit from my investment?

A. Dividends shall be paid at the end of every quarter to all Unit holders.

You have the option of either re-investing the dividend or direct credit into your accounts. You will be expected to provide bank details at the point of initial purchase of units of the Fund. In the event that a client part liquidates his investment before the end of a quarter-only the capital sum will be paid. The income earned to the liquidation date will be paid during the quarterly distribution. Only full liquidations before the end of a quarter will earn their full income.

Q. Can I sell my investment at any time?

A. Yes, you can sell your investment to the Fund at any time. You will be required to complete and execute the redemption form. This document should be returned to the Fund's office for processing. The redemption process should not exceed 5 working days from the time the Fund Manager receives your letter and fund statement.

However, redemptions within 30 days from the date of subscription for units will attract a penal fee in an amount equal to 20% of the dividend payable on the units redeemed on the day of redemption.

Q. Can I increase my investment?

A. Yes, you can increase your investment after the offer period

Q. What are the benefits of investing in the ARM Money Market Fund?

A. The Fund will offer the following:

- Preservation of Capital
- Competitive interest rate
- Liquidity and Cash management diversification
- Fund under the management of competent professionals
- Affordable
- Tax advantage
- Convenience and flexibility in entry and exit
- Adequate regulatory monitoring
- Fund Management separate from custody of assets

Q. How can I keep track of my investment?

A. The Fund's price will be maintained at ₦1.00. Offer and Bid Prices will remain the same. The 7-day Effective Rolling Yield of the Fund will be communicated by email and hosted on the ARM Investment Center website.

Website: www.arminvestmentcenter.com

Email: enquiries@arminvestmentcenter.com

Contact Us: 1 Mekunwen Road (Off Oyinkan Abayomi Drive), Ikoyi Tel: 0700 CALL ARM (0700 2255 276); 08131548124; (01) 4488282; (01) 8108282

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