

# EDC GHANA MONEY MARKET FUND



## PROSPECTUS

**(Rules, Regulations & Particulars of the Fund)**

**Offer for subscription**


**Initial Applications for a minimum of 500,000 Units  
at GH¢1 per Unit**

**Payable in full on Application**

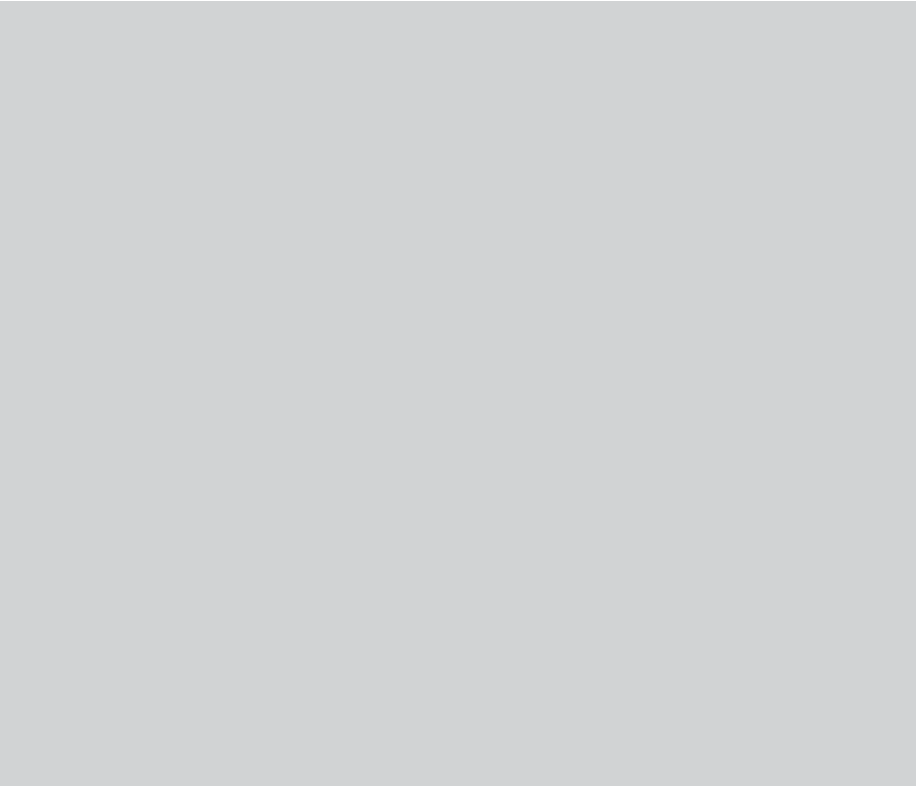
**OFFER OPENS: 27th June 2016  
OFFER CLOSES: 18th July 2016**

**EDC** | Ecobank Development Corporation  
Member of the Ecobank Group





**THIS DOCUMENT IS IMPORTANT AND SHOULD BE READ CAREFULLY. If you are in doubt about its contents or the action to take, please consult your stockbroker, banker, solicitor, accountant or other professional adviser for guidance.**



# **EDC GHANA MONEY MARKET FUND**

## **PROSPECTUS (Rules, Regulations & Particulars of the Fund)**

**Offer for subscription**

**Initial Applications for a minimum of 500,000 Units  
at GH¢1 per Unit**

**Payable in full on Application**

**OFFER OPENS: 27th June 2016  
OFFER CLOSES: 18th July 2016**

---



---

## TABLE OF CONTENTS

---



---

<b>DEFINITIONS</b>	<b>5</b>
<b>THE FUND</b>	<b>7</b>
<b>IMPORTANT NOTICE</b>	<b>8</b>
<b>THE OFFER</b>	<b>9</b>
<b>PROSPECTUS SUMMARY</b>	<b>10</b>
<b>1. THE CONSTITUTION AND OBJECTIVES OF THE FUND</b>	<b>14</b>
1.1 Name of the Fund	14
1.2 Nature of the Fund	14
1.3 Date of Establishment and Duration	14
1.4 Investment Objectives of the Fund	14
1.5 Fundamental Investment Policy	14
1.6 Permissible Investments	14
1.7 Investment in schemes managed by the Manager or its associates.	14
1.8 Limitations on Investment	15
1.9 Distribution Policy	15
1.10 Borrowing Power	15
1.11 Maintenance of Prudent Levels of Liquidity	16
1.12 Termination of the Fund	16
1.13 Accounting Date	17
<b>2. THE CHARACTERISTICS OF UNITS IN THE FUND</b>	<b>18</b>
2.1 Entitlement of Units	18
2.3 Evidence of units	18
<b>3. VALUATION OF ASSETS, CHARGES, DISTRIBUTION &amp; FEES</b>	<b>18</b>
3.1 Management and administration of the Fund	18
3.2 Operating Expenses	18
3.3 Determination of Net Asset Value	19
3.4 Manager's Remuneration	19
3.5 Trustee Remuneration	19
<b>4 THE ISSUE AND REDEMPTION OF UNITS IN THE FUND</b>	<b>19</b>
4.1 Initial Public Offer of Units and minimum purchase amounts for Units	19
4.2 Days and Times for Issues and Redemptions of Units	19
4.3 Procedure for Unit Purchase	20

---



---

## TABLE OF CONTENTS

---



---

4.4	Procedure for Redemption of Units	20
4.5	Market for the Units	21
<b>5.</b>	<b>RISK FACTORS AND SPECIAL CONSIDERATIONS</b>	<b>21</b>
5.1	Cautionary Statements	21
5.2	Interest Rate Risk	21
5.3	Credit Risk	22
5.4	Legal Risk	22
5.5	No Rating Criteria For Debt Securities	22
5.6	Taxation	22
5.7	Target Market Risk	22
<b>6.</b>	<b>GENERAL AND ADDITIONAL INFORMATION</b>	<b>23</b>
6.1	Publication of Reports	23
6.2	Inspection of Constitution and Reports of the Fund	23
6.3	Unit Holder Complaints Procedure	23
6.4	Guaranteed Minimum Initial Subscription for the IPO	24
6.5	Regular Investment Plan	24
6.6	Investment Account	24
6.7	Material Contracts	24
6.8	Meetings, attendance and voting	24
6.9	Unit Holders Services	25
6.10	Documentation for Inspection	25
<b>7.</b>	<b>IPO APPLICATIONS AND DISPATCH OF CONTRACT NOTES</b>	<b>25</b>
7.1	Application	25
7.2	Dispatch of Contract Notes	26
7.3	Receiving agents for IPO purposes	26
	<b>APPLICATION FORM</b>	<b>27</b>

---



---

## DEFINITIONS

---



---

In this Prospectus, the words and expressions set out below have the meanings set out opposite them:

<b>“Application Form”</b>	The application form to subscribe for Units enclosed with this Prospectus.
<b>“Business Day”</b>	Monday to Friday excluding any day designated as a public or statutory holiday in Ghana.
<b>“Contract Note”</b>	A confirming note containing evidence of purchase of Units and title to the number of Units a Unit Holder has in the Fund.
<b>“Distributions”</b>	Amount distributed (less expenses and applicable taxes) on a quarterly basis to Unit Holders from income earned by the Fund.
<b>“Distribution Payment Date”</b>	Any day on which the Manager shall make Distributions pursuant to the provisions of the Prospectus and the Trust Deed.
<b>“Institutional Investor”</b>	Entities such as corporations, associations, pension funds, endowment funds, provident funds, non-profit organizations and other institutions.
<b>“IPO” or “Offer”</b>	The initial public offer for subscription to the general public and institutions of a minimum of 500,000 Units at GH¢1 per Unit.
<b>“Management Fee”</b>	The Manager shall receive from the Fund a fee for all general management, investment management, administration, advisory and supervisory services provided to the Fund. This fee shall not exceed 1% and 1.25% per annum of the Fund’s average daily Net Assets Value for Institutional and Retail Investors respectively.
<b>“Net Asset Value” or “NAV”</b>	The total value of all investments, and other assets in the Fund’s portfolio, after all adjustments and/or deductions including fees, charges, expenses and other liabilities accrued by the Fund.
<b>“Net Asset Value per Unit or NAV per Unit”</b>	The Net Asset Value of the Fund divided by the number of Units issued.

---



---

## DEFINITIONS

---



---

<b>“Open-ended Fund”</b>	A unit trust scheme that continuously creates additional units separate from its initial offering throughout its life. Investors can purchase and redeem units of such a fund in line with the provisions of the Prospectus and its Trust Deed constituting the Fund.
<b>“Prospectus”</b>	This document, which is issued in accordance with the provisions of the SIL and the rules and regulations of the SEC and which discloses important information about the Fund and the IPO.
<b>“SEC” or “Commission”</b>	Securities and Exchange Commission
<b>“The Act”</b>	Companies Act of 1963, Act 179.
<b>“The Auditor”</b>	John Kay and Co.
<b>“The Directors” or “Board of Directors”</b>	The Directors of EDC Investments Limited.
<b>“The Fund”</b>	EDC Ghana Money Market Fund.
<b>“The Manager”</b>	EDC Investments Limited.
<b>“The Promoter”</b>	EDC Investments Limited.
<b>“SIL”</b>	Securities Industry Law 1993.
<b>“The Solicitors”</b>	Lawfields Consulting.
<b>“The Trustee”</b>	Universal Merchant Bank (Ghana) Limited.
<b>“Trust Deed”</b>	The Fund is governed by a trust agreement, entered into between the Manager and the Trustee.
<b>“Unit”</b>	A unit in the Fund.
<b>“Unit Holder”</b>	The registered holder of Units in the Fund.
<b>“Valuation Day”</b>	Every Business Day or such other date(s) on which the NAV per Unit is calculated after the conclusion of the IPO.



## THE FUND

---

---

The EDC Ghana Money Market Fund is an open-ended Fund that invests in money market securities including but not limited to treasury bills, commercial paper, bankers acceptances and certificate of deposits issued by reputable institutions and denominated in Ghana Cedi (GH¢).

The Fund seeks to maximize income in line with prevailing Ghanaian money market rates, while aiming to preserve capital and to maintain a high degree of liquidity by investing in a broadly diversified portfolio of short-term, high quality money market securities.

The address for the Fund is:

**Third Floor, Valco Trust House,  
#22 Ambassadorial Redevelopment Area, Ridge,  
P.O. Box AN16746, Accra**

Contact telephone numbers are

**0302 251 720/3/4**

---

## IMPORTANT NOTICE

---

---

The information contained herein known as the “Prospectus” gives details of the Fund’s IPO and other important information about the Fund. The Directors of the Manager, whose names appear on page 10 of this Prospectus, accept responsibility for the information contained in this Prospectus. To the best knowledge of the Manager and Promoter (EDC Investments Limited), the information contained in this Prospectus is factual. A copy of this Prospectus has been delivered to the Registrar General’s Department in Ghana for registration. The Registrar has not checked and will not check on the accuracy or completeness of any statement made herein and accepts no responsibility therefore or for the financial soundness of the Fund.

No person has been authorized to give any information or to make any representations with regard to the Fund, other than those contained in this Prospectus, and if given or made, such other information or representations must not be relied upon as having been authorized by the Manager. This Prospectus does not constitute an offering in any country in which such an offering may not lawfully be made.

Neither the delivery of this Prospectus nor the allotment of Units shall under any circumstances create any implication that there has been no changes in the affairs of the Fund since the date hereof.

An application has not been made to list the Units on the Ghana Stock Exchange. Anybody wishing to dispose of Units can only do so by placing a Unit redemption request with the Manager.

This Prospectus has been reviewed and approved by the Commission in accordance with Section 9 of LI 1695. In its review, the Commission examined the content of the Prospectus to ensure that adequate disclosures have been made. To ascertain the financial soundness or value of Units on offer, investors are advised to consult an investment advisor, a dealer or other investment professionals for appropriate advice.

This Prospectus should be read in its entirety before making an application for Units and should be retained for future reference.

---

## THE OFFER

---

---

The EDC Ghana Money Market Fund is initially offering a minimum of 500,000 Units at GH¢1 per Unit.

The minimum initial purchase of Units under the IPO, and thereafter, is set at GH¢50,000 for Institutional Investors and GH¢100 for Retail Investors. Any additional purchases beyond the prescribed minimums must be in multiples of GH¢10,000 and GH¢50 for Institutional and Retail Investors respectively.

This Prospectus is being issued under the Securities Industry Law 1993(P.N.D.C.L 333) as amended and the Unit Trusts and Mutual Funds Regulations (L.I 1695). Copies of the Prospectus, together with copies of documents specified therein, have been delivered to the Commission.

The Initial Public Offering period for Units of the Fund will begin from 8:30 am on 27th June 2016 and end 5:00 pm on 18th July 2016.

Any change to this period will be made by the Manager with the approval of the Commission. All applications for Units, either directly or through receiving agents of the Manager, should be sent to the Manager at its registered offices below:

**EDC Investments Limited,  
3rd Floor, Valco Trust House,  
22 Ambassador Re-development Area,  
Ridge, Accra.**

---

## PROSPECTUS SUMMARY

---

The following summary is qualified in its entirety by the more detailed information included elsewhere in the Prospectus.

<b>The Fund</b>	The name of the fund is the <b>EDC Ghana Money Market Fund</b> . It is an open-ended unit trust scheme authorized and registered in Ghana as a unit trust scheme. The Fund is governed by its Trust Deed.
<b>Units offered at the IPO</b>	500,000 Units at GH¢1 per Unit.
<b>Initial minimum purchase amounts for Units</b>	The minimum initial purchase amount for Units during the IPO, and thereafter, is set at GH¢50,000 for Institutional Investors and GH¢100 for Retail Investors.
<b>Investment objective and policy</b>	The Fund seeks to maximize income in line with prevailing Ghanaian money market rates, while aiming to preserve capital and to maintain a high degree of liquidity by investing in a broadly diversified portfolio of short-term, high quality money market securities.
<b>The Manager</b>	EDC Investments Limited, a SEC-Licensed investment adviser.
<b>Regular Investment Plan</b>	A regular investment plan exists for the benefit of Retail Investors who would like to purchase Units on a regular basis. The minimum initial purchase amount for Units is set at GH¢100 and thereafter the regular investment purchase amount is set at GH¢50.
<b>Management Fee</b>	The Manager shall receive from the Fund the Management Fee as remuneration for all services it provides to the Fund. The Management fee shall not exceed 1% and 1.25% per annum of the Fund's average daily Net Asset Value for Institutional and Retail Investors respectively.
<b>Distribution</b>	The Fund will operate as a money market fund and consequently its main focus will be to maximize income while providing liquidity and preserving

---



---

## PROSPECTUS SUMMARY

---

capital invested. The Manager intends make Distributions from the net income of the Fund on a quarterly basis to the Unit Holders. The Unit Holders shall have the option to elect to be paid Distributions or to reinvest their Distributions in new Units at the relevant daily NAV per Unit. Unit-Holders who elect to have their Distributions reinvested in new Units shall be entitled to Units that shall be equal in value to the amount they otherwise would have received in cash as a Distribution.

### **Redemption**

Unit-Holders shall have the right to redeem all or part of the Units held by them at the relevant daily NAV per Unit on any Business Day, provided redemption requests are in accordance with the Prospectus and other instructions specified by the Manager from time to time. The Fund will make redemption payments within twenty-four and forty-eight hours to Institutional and Retail Investors respectively after acceptance of the redemption request.

### **Base Currency**

The base currency of the Fund is the Ghana Cedi (GHC).

### **Risk factors**

The Fund is a newly organized money market open-ended unit trust scheme. Investments of the Fund will be subject to normal market fluctuations. Risks associated with fixed income securities include issuer risk, interest rate risk, credit risk and liquidity risk.

## **OFFER TIMETABLE**

Application list opens	<b>27th June 2016</b>
Application list closes	<b>18th July 2016</b>
Receiving agents make returns to Manager	<b>25th July 2016</b>
Issue and dispatch of Contract Notes	<b>1st August 2016</b>
Final dispatch of contract note	<b>5th August 2016</b>

---



---

## THE MANAGER

---



---

**Name:** **EDC Investments Limited**  
**Date of Incorporation:** **6th February 2007**  
**Country of Incorporation:** **Ghana**  
**Registration Number:** **No. CA-31,520**  
**Nature of corporate form:** **Limited Liability**

**Address:** 3rd Floor, Valco Trust House, 22 Ambassadorial  
 Redevelopment Area, Ridge, P.O. Box AN16746, Accra

**Telephone Number:** **+233 (0) 3020 251720/3/4**  
**Fax number:** **+233 (0) 3020 251734**  
**Holding Company:** **Ecobank Development Corporation**

---



---

## BOARD OF DIRECTORS OF THE MANAGER

---



---

Name	Other Affiliation		Address	Occupation	Nationality
<b>Paul-Harry Aithnard</b>	Chairman	Director of EDC Stockbrokers Ltd	Immeuble Alliance, Avenue Terrason de Fougères 01 B.P. 4107 Abidjan 01 Cote d'Ivoire	Investment Manager	Togolese
<b>Kisseih Antonio</b>	Managing Director	NA	3 Watson Avenue, Mayfair Estates, Upper Airport Hills, East Airport, Accra	Investment Manager	Ghanaian
<b>Rosemary Yeboah</b>	Member	Director of EDC Stockbrokers Ltd and Ecobank Ghana Ltd.	Plot 2, Off Lake Avenue, East Legon, Ajiringanor, Accra	Banker	Ghanaian
<b>Latyr Diop</b>	Member	Director of EDC Stockbrokers Ltd & EBI Investment Corporation	22 Ambassadorial Re-development Area, Ridge, Accra	Investment Banker	Ghanaian

The Board of Directors of the Manager is responsible for the overall supervision of the operations of the Fund

---

## THE TRUSTEE

---

Name:	<b>Universal Merchant Bank (Ghana) Limited</b>
Date of Incorporation:	<b>10th June 1971</b>
Country of Incorporation:	<b>Ghana</b>
Certificate of Incorporation No:	<b>5102</b>
Nature of corporate form:	<b>Limited Liability</b>
Address:	57 Examination Loop, North Ridge, Accra
Telephone Number:	<b>+233 (0) 302 666331-5</b>
Fax number:	<b>+233 (0) 302 667305</b>

---

## BOARD OF DIRECTORS OF THE TRUSTEE

---

**Elizabeth Zormelo**  
**John Awuah**  
**Mawuli Hedo**  
**Dr. Alhassan Iddrisu**  
**Ras Boateng**  
**William Ofei-Quartey**  
**Joseph Tackie**  
**Menson Torkonoo**  
**Ken Tshribi**

---

## OTHER ADVISORS

---

### AUDITORS

John Kay and Co.  
 7th Floor, Trust Towers  
 Farrar Avenue, Adabraka  
 P. O. Box 16088  
 Airport, Accra  
 Tel 0302 235406/238371  
 Fax 0302 238371  
 Email : jkayal@4u.com.gh jkaya1@yahoo.com

### SOLICITORS

Lawfields Consulting  
 #799/3, 5th Crescent  
 Asylum Down  
 PMB CT 244  
 Accra

---

# 1. THE CONSTITUTION AND OBJECTIVES OF THE FUND

---

## 1.1 Name of the Fund

The name of the fund is the EDC Ghana Money Market Fund (the "Fund")

## 1.2 Nature of the Fund

The Fund is an open-end unit trust scheme.

## 1.3 Date of Establishment and Duration

The Trust Deed for the Fund is dated 29th May 2015

## 1.4 Investment Objectives of the Fund

The Fund is an open-ended unit trust scheme which seeks to maximize income in line with prevailing Ghanaian money market rates, while aiming to preserve capital and to maintain a high degree of liquidity by investing in a broadly diversified portfolio of short-term, high quality money market securities.

## 1.5 Fundamental Investment Policy

The Fund shall be established and will operate in accordance with L.I.1695. The Fund shall be marketed as a "money market fund", which means it will invest in a combination of money market securities to achieve its investment objective.

Although the Fund will be managed to maximize income, the total attainment of the investment objectives of the Fund cannot be guaranteed. The Fund shall however be expected to maximize income on a best effort basis.

## 1.6 Permissible Investments

The Fund is authorized to and will invest in the full spectrum of money market securities. The Fund will thus invest in short term, high quality money market securities such as treasury bills and notes, banker's acceptances, promissory notes, call money and fixed deposits of highly rated institutions, other money market funds and such other money market securities as and when they become available.

## 1.7 Investment in schemes managed by the Manager or its associates.

The Manager is authorized to invest in other money market collective investment schemes whether managed by the Manager, its associates or by any other person. If the Fund invests in any other money market collective investment scheme managed by the Manager or any of its associates, the Manager shall ensure there are no management fees payable by the Fund in respect of the Fund's investment in such scheme (i.e. no "double charging").

## 1.8 Limitations on Investment

Except with the prior approval of the Commission, the Manager shall not for or on behalf of the Fund:



- a) invest more than 25 per cent of the NAV of the Fund in exposure issued by a single issuer;
- b) invest more than 10 per cent of the NAV of the Fund in other money market collective investment schemes;
- c) invest in any security with a tenor to maturity exceeding 13 months;
- d) purchase securities on margin, except that the manager may obtain such short term credit as may be necessary for the clearance of purchases and sales of securities constituting or to be included in the assets of the Fund;
- e) acquire any securities which are unpaid or partly-paid for;
- f) apply any part of the assets of the Fund in the acquisition of an investment which is likely to involve the Fund in any liability, contingent or otherwise;
- g) enter into underwriting or sub-underwriting contracts in relation to the subscription or purchase of any investment; or

### **1.9 Distribution Policy**

Unit Holders have the right to receive their Distributions or authorize the Manager to reinvest their Distributions. Distributions will be paid out to or reinvested for Unit Holders quarterly.

### **1.10 Borrowing Power**

1. Subject to any statutory requirements and prohibitions for the time being in force and to the terms and conditions of the Trust Deed and the Prospectus, the Fund may borrow up to 15 per cent of the NAV of the Fund, (but only from reputable financial institutions). Such borrowing will be a temporary measure for extraordinary or emergency purposes, such as providing funds to enable the Manager to meet request for redeeming Units in the Fund.

#### **2. The following provisions shall apply in connection with the borrowing:**

- a. the borrowing may be from any duly licensed bank including the Trustee or its associate on the best commercial terms;
- b. the aggregate outstanding of borrowings whether in local or foreign currency at any time shall not exceed 15 per cent of the NAV of the Fund;
- c. any interest on the borrowing and expenses incurred in negotiating, entering into, varying, carrying into effect and terminating the borrowing arrangements shall be payable out of the assets of the Fund;
- d. for the purpose of securing the borrowing, the Manager is entitled to charge or pledge in any manner all or any part of the assets of the Fund, and where any part of the assets of the Fund or any document of title of the assets is for the time being under the custody and control of a person other than the Trustee in consequence of any charge or pledge, the provisions of the regulations as to the custody and control of the assets of the Fund or the documents of title to the assets shall be deemed not to have been infringed;
- e. any charge or pledge on the assets of the Fund shall be made upon the terms that no action shall be taken to enforce the security constituted until thirty days after notice in writing has been given to the Manager demanding repayment of the

- monies secured;
- f. where borrowing is undertaken for the account of the Fund, Fund assets that form part of the deposited property may be registered in the lender's name or a nominee appointed by the lender; provided that the lender or its nominee, enters into a written commitment that under no circumstances will it pledge or obligate any part of the Fund assets to any other person or use any part of them to margin, guarantee, secure, discharge or settle any borrowing, trades or contracts, or dispose of any part of them, or treat them as if any person other than the Fund and the lender had any interest in them.
3. Where the assets of the Fund or any part of the Fund assets is registered in the name of lender as security for a loan obtained for and on behalf of the Fund, the Fund Manager/Trustee is liable for any act or omission of the lender's agent with respect to such Fund assets.
  4. Any cash raised by borrowing for the Fund shall constitute a part of the assets of the Fund.

#### **1.11 Maintenance of Prudent Levels of Liquidity**

In the interest of prudence and efficient management of the Fund, the Manager will maintain prudent levels of liquidity.

#### **1.12 Termination of the Fund**

- A. The Manager may, by giving three months' notice in writing to the Trustee and Unit Holders and with the approval of the Commission, terminate the Fund if:
  1. The purpose of the Fund cannot be accomplished; or
  2. In the Manger's bona fide opinion the Fund has failed to attract sufficient participation to enable it to be viable; or
  3. The Manager, at its absolute discretion, determines that on any date after the IPO the aggregate value of the Units issued are less than an acceptable amount deemed to make the Fund commercially viable.
- B. The Trustee may, by giving three months' notice in writing to the Unit Holders and with the approval of the Commission, terminate the Fund if:
  1. 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;
  2. If in the opinion of the Trustee, (i) the Manager shall be incapable of performing or shall in fact fail to perform its duties satisfactorily (ii) the Manager shall do any other thing which is calculated to bring the Fund into disrepute or to be harmful to the interest of the Unit Holders (iii) it is

impractical or inadvisable to continue the Fund, 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

3. If any law shall be enacted which renders it illegal to continue the Fund
- C. The party terminating the Fund shall give notice to the Unit Holders 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.
- D. Upon the Fund being terminated the Trustee shall proceed as follows:-
1. The Trustee shall sell all investments then remaining in their hands as part of the Fund's assets and such sale shall be carried out and completed in such manner and within such period after the termination of the Fund as the Trustee thinks advisable.
  2. The Trustee shall use the proceeds of the sale of the Fund's assets to pay off the liabilities of the Fund and shall thereafter from time to time distribute to the Unit Holders all net cash proceeds derived from the realization of the Fund's 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 Fund and full provision for all costs, charges, expenses and claims by the Trustee in connection with or arising out of the liquidation of the Fund 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.

### **1.13 Accounting Date**

The accounting period of the Fund shall begin from the first day of January and end on the last day of December in each calendar year, except for the year of establishment where the accounting period will be included in that of the next calendar year.

---

## 2. THE CONSTITUTION AND OBJECTIVES OF THE FUND

---

### 2.1 Entitlement of Units

Unit Holders interests in the Fund will be in the form of Units. All Units are entitled to equal participation in the income and assets of the share class of the Fund they are invested. A Unit Holder's right in respect of the Fund is that of a right as a Unit Holder in the Fund.

### 2.3 Evidence of Units

A Contract Note will be issued to Unit Holders for the purchase of Units and will be evidence of title to Units.

All Unit Holders will also be registered in the Fund Unit Holder register maintained by the Manager, which will also be evidence of title to Units.

---

## 3. VALUATION OF ASSETS, CHARGES, DISTRIBUTION & FEES

---

### 3.1 Management and Administration of the Fund

The Manager will provide general management, investment management, registrar, transfer agency, accounting and other administrative services to the Fund. The responsibilities of the Manager with respect to the administration of the Fund include Unit registration and transfer agency services, calculation of the NAV per Unit and the preparation of annual and interim reports.

### 3.2 Operating Expenses

The fees and charges that will be incurred in the setting up of the Fund as well as the IPO, including but not limited to fees payable to receiving agents (if any) and all other related expenses will initially be borne by the Manager but will be amortised and charged back to the Fund over a period of 36 months from the date of the first NAV calculation. These costs (charges and fees) of the initial Fund set up and the IPO will not exceed 15% of the IPO proceeds

The Fund would pay for ongoing expenses incurred in its operations such as the Management Fees, audit fees, legal fees, regulators fees, registration fees, Trustees fees and expenses, printing fees, cost of annual general meetings, bank charges, postage, prospectus, brokerage and any other expense directly incurred in the running and administration of the Fund.

The Fund would also bear the cost of acquiring, valuing and disposing of investments.

### 3.3 Determination of Net Asset Value

After the IPO the NAV per Unit will be computed daily by dividing the net value of the Fund's assets (the value of its assets less its liabilities) by the total number of Units outstanding at such time. The Fund will be wholly invested in money market securities which shall be valued at cost plus accrued interest as at date of valuation.

The Manager will continually assess the methods of valuation and recommend changes where necessary to ensure that the Fund's investments are valued at their fair value as determined in good faith by the Manager.

### 3.4 Manager's Remuneration

The Manager shall receive from the Fund the Management Fee which shall accrue daily and be paid at the end of each calendar month. Should a Unit Holder redeem any Units before the end of a calendar month the daily accrued Management Fee for that calendar month will be paid to the Manager on such Units redemption.

### 3.5 Trustee Remuneration

The Fund will pay the fees to the Trustees in the manner herein set out. The fees payable shall be (i) an initial set up fee of GH¢4,0000 (one-off fee) and (ii) an annual Trustee service fee payable annually in arrears based on the NAV of the Fund at the end of each financial year which shall be as follows:

Up to GH¢10m	0.40%
GH¢10m – GH¢50m	0.30%
GH¢50m – GH¢100m	0.25%
Beyond GH¢100m	0.20%

---

## 4 THE ISSUE AND REDEMPTION OF UNITS IN THE FUND

---

### 4.1 Initial Public Offer of Units and minimum purchase amounts for Units

The IPO price will be at GH¢1 per Unit and it is expected to raise a minimum amount of GH¢500,000. The IPO will remain open for a period not exceeding twenty (20) Business Days inclusive of the days on which the IPO opens and closes.

The minimum initial purchase amount per Retail Investor shall be GH¢100 and for Institutional Investors GH¢50,000. Subsequent purchase amounts for Units shall be in multiples of GH¢50 and GH¢10,000 for Retail and Institutional Investors respectively.

### 4.2 Days and Times for Issues and Redemptions of Units

Application to purchase or requests to redeem Units can be made, on every Business Day from 8:00 am to 5:00 pm by completing and submitting the Fund's Application Form or redemption form to the offices of the Manager, or its duly authorized agents.

### **4.3 Procedure for Unit Purchase**

Applicants shall complete the Application Form which shall then be sent to the office of the Manager for acceptance and processing.

Accepting an application to purchase Units shall be at the discretion of the Manager. Cheques will be cleared first before the processing of applications by the Manager.

The base currency is the Ghana Cedi (GH¢). However, applications making purchases with other currencies should allow for currency conversion which may result in a delay. Foreign currencies shall be converted using the prevailing Inter-Bank exchange rate. The Manager will inform an applicant if possible, the total number of Units allotted and the total cost after the price at which the Units are to be issued has been established. Payments for Units shall be made in Ghana Cedis (GH¢), however, applicants can settle their payments with easily convertible currencies but will bear the foreign exchange transaction cost.

After the IPO Units can only be issued on a Valuation Day if the Manager accepts the application for Units and receives the subscription monies by 12:00 pm GMT on the same Valuation Day. Acceptance of applications and subscription monies received by the Manager after 12:00 pm GMT on a Valuation Day will only be processed and Units issued on the following Valuation Day.

Applications may lapse and be cancelled if settlement is not made.

After the application for Units was accepted and the subscription monies have been fully paid and the registration particulars submitted, Contract Notes shall be mailed to the applicant or his appointed agent if requested at the risk of the applicant.

The Manager has the right to reject any application to purchase Units. When an application is rejected the subscription monies (without interest) shall be returned to the applicant through the post or electronic transfer at the risk of the applicant.

### **4.4 Procedure for Redemption of Units**

During the IPO all Unit redemptions will be processed by the Manager at GH¢ 1 per Unit.

After the IPO all, or any part of, a Unit Holder's Units can only be redeemed on a Valuation Day if the Manager accepts the redemption request by 12:00 pm GMT on the same Valuation Day. Acceptance of a redemption request by the Manager after 12:00 pm GMT on a Valuation Day will only be processed and Units redeemed on the following Valuation Day.

A request for redemption is not valid unless the Unit Holder's has delivered to the Manager or its authorized agent the document evidencing ownership, as may be required by the Manager, of Units issued to the Unit Holder representing the Units to be redeemed.

The maximum interval between the receipt and acceptance by the Manager of a properly documented Unit redemption request and the payment of the redemption money to the Unit Holder shall be 24 hours for Institutional Investors and 48 hours for Retail Investors

except that if for any reason it is not possible to make payment of the redemption money within this time frame, the Commission shall be notified immediately of this with reasons.

The Unit redemption request form will require among other things signatures of all persons, in whose names the Units are registered, signed exactly as their names appear on the relevant Contract Note and/or the Unit Holder's register of the Fund. For Institutional Investors, the redemption request form shall be signed by the authorized signatories who have been mandated as such. In the event that no Contract Note is issued or available to a Unit Holder, evidence of the investment will be via records in the Unit Holder's register of the Fund.

The Manager may at its discretion limit the number of Units of the Fund redeemed on any Valuation Day to Units representing ten per cent or more of the outstanding Units of the Fund or Units representing ten percent or more of the total Net Asset Value of the Fund on that Valuation Day. In this event, the limitation will apply pro rata so that all Unit Holders wishing to have Units of the Fund redeemed on that Valuation Day realise the same proportion of such units. Units not redeemed, but which would otherwise have been redeemed, will be carried forward for redemption on the next Valuation Day and will be dealt with in priority (on a rateable basis) to redemption requests received subsequently (subject always to the foregoing limit). If requests for redemptions are so carried forward, the Manager will inform the Unit Holders affected.

#### **4.5 Market for the Units**

The Units of the Fund will not be listed on any stock exchange. All dealings in the Units will be at the registered office of the Manager.

---

## **5. RISK FACTORS AND SPECIAL CONSIDERATIONS**

---

### **5.1 Cautionary Statements**

The investments of the Fund are subject to normal market fluctuations and other risks inherent in investing in securities. These risks may include income risk, credit risk, liquidity risk, reinvestment risk, inflation risk among others. There can be no assurance that the expected appreciation in the value of investment will occur. There is no guarantee of capital, income or yield relating the Fund's investments and it may fall below the expectation of Unit Holders. There is no certainty that the investment objectives of the Fund will actually be achieved and no warranty or representation is given to that effect.

Investment advice may be sought by an investor before subscribing to the Fund.

### **5.2 Interest Rate Risk**

Interest rate risk is the risk that fixed income securities will decline in value because of an increase in interest rates. As nominal interest rates rise, the value of certain fixed income

securities held by the Fund is likely to decrease. A nominal interest can be described as the sum of a real interest rate and an expected inflation rate. Inflation rate changes can be sudden and unpredictable, and the Fund may lose money as a result of movements in interest rates.

Fixed income securities with longer durations tend to be more sensitive to changes in interest rates usually making them more volatile than securities with shorter durations. Variable and floating rate securities are less sensitive to interest rate changes but may decline in value if their interest rates do not rise as much, or as quickly, as interest rates in general.

A wide variety of factors can cause interest rates to rise (e.g. central bank monetary policies, inflation rates, general economic conditions etc.)

### **5.3 Credit Risk**

The Fund could lose money if the issuer or guarantor of a money market security invested by the Fund is unable or unwilling to make timely principal/and or interest payments, or to otherwise honour its obligations. Securities to be invested in by the Fund will be subject to varying degrees of credit risk. Litigation, legislation or other political events, local business or economic conditions, or the bankruptcy of the issuer could have a significant effect on an issuer's ability to make payments of interest and principal.

### **5.4 Legal Risk**

Ghana's law regarding fiduciary duties of officers and directors of investment management firms, and the protection of investors are developing and laws may not exist to cover all contingencies. As a result, the administration of laws and regulations by government agencies may be subject to considerable discretion.

### **5.5 No Rating Criteria For Debt Securities**

There is no credit rating agency in Ghana and therefore there no rating criteria for these debt securities in which the Fund may invest. In purchasing such securities, the Fund will rely on the Manager's thorough due diligence, analysis of such investments, professional judgment, analysis and experience in evaluating the credit worthiness of an issuer. The Manager will take into consideration, among other things, the issuer's resources, and its sensitivity to economic regulatory matters.

### **5.6 Taxation**

Currently under Ghanaian tax laws, all Distributions from the Fund to Unit Holders are exempt from income tax.

### **5.7 Target Market Risk**

EDC Ghana Money Market Fund has identified individuals, corporate bodies, associations, pension funds, endowment funds, provident funds and other institutions as its target market.

The Fund is structured to meet the investment needs of the following types of investors:



- i. Ghanaian citizens and corporate institutions.
- ii. Foreigners and foreign corporate institutions.
- iii. Lecturers, students, workers of the tertiary institutions and tertiary institutions.
- iv. Ghanaian financial institutions and insurance companies.
- v. Endowment, pension and pension funds.
- vi. Churches and religious organizations.
- vii. Professional bodies, associations and clubs.

There is the risk that the targeted investor's may either have insufficient funds or interest in the Fund during the IPO to make it a success. The Manager guarantees an initial minimum subscription of five hundred thousand Ghana Cedis (GH¢500, 000). In the event that after the closure of the IPO the minimum subscription is not raised, the Manager guarantee to purchase Units to make up for the short fall between the amount raised and the guarantee minimum subscription. This sufficiently ensures that the IPO would be a success.

---

## 6. GENERAL AND ADDITIONAL INFORMATION

---

### 6.1 Publication of Reports

The Fund's annual and half-year accounts and reports will be published before the expiry of four months and two months respectively after the end of the accounting period for a full and half-year. Annual and half-yearly accounts and reports will be mailed to Unit Holders at the address the Manager have on record for them.

### 6.2 Inspection of Constitution and Reports of the Fund

Copies of the Trust Deed, any amending instrument to the Trust Deed, the latest Prospectus and the recent annual and half-yearly reports may be inspected and obtained from the Manager's head office which is:

EDC Investments Limited  
 3rd Floor, Valco Trust House,  
 #22 Ambassadorial Redevelopment Area, Ridge,  
 P.O. Box AN16746, Accra

### 6.3 Unit Holder Complaints Procedure

1. The Manager shall maintain a register into which shall be recorded every complaint received, the date on which the complaint was received, and the details of it.
2. The Manager shall investigate or cause the investigation of all complaints received in an expeditious manner.
3. If, for any reason, the complaint is not settled to the satisfaction of the complainant within three months after its receipt by the Manager, the Manager shall give

notice to the Commission of the details of the complaint, the action taken in response to it and inform the complainant that the Commission has been notified and provide the date of the notice.

4. After receipt of the notice, the Commission shall investigate the complaint and provide the complainant with such redress as is provided under the Law.

#### **6.4 Guaranteed Minimum Initial Subscription for the IPO**

The Board of Directors of the Manager guarantees an initial minimum subscription of Five hundred thousand Ghana Cedis (GH¢500, 000). In the event that after the closure of the IPO the minimum subscription is not raised the Manager guarantee to purchase Units to make up for the short fall between the amount raised and the guaranteed minimum subscription.

#### **6.5 Regular Investment Plan**

This is a purchase plan that allows a Retail Investor to make payments to the Manager on a regular basis to purchase Units in the Fund. Under the he Regular Investment Plan the minimum initial purchase amount for Units is set at GH¢100 and thereafter the regular investment purchase amount is set at GH¢50. The regular payments may be transferred automatically from a bank account to the Manager for investment in the Fund by the Unit Holder. The Manager may alter or terminate this arrangement at any time. Investors are to contact the Manager for further information about this service.

Regular Investment Plan purchases may also be done by cash payment, standing orders or postdated cheques to the Manager or the designated agents of the Manager.

#### **6.6 Investment Account**

The Manager shall maintain an investment account for every Unit Holder and send a statement on the account to the Unit Holders at least once a year or on request from the Unit Holder. The statement will show activities in the account since the preceding statement, if any. Unit Holders will receive separate confirmations for each Unit purchase or redemption transaction including automatic investment purchases and the reinvestment of income distributions.

#### **6.7 Material Contracts**

The contract entered into by the Fund which is considered material for the purpose of this issue is the Trust Deed dated 29th May 2015 between the Fund Manager and Universal Merchant Bank Ghana Limited.

#### **6.8 Meetings, attendance and voting**

(1) The Unit Holders of the Fund shall meet for the transaction of business at such times and places as the Board of Directors of the Manager and the Trustee may determine except that the Manager shall hold such meetings at least once a year. Notices of all meetings will be published in a widely circulated print media at least twenty-one (21) days prior to the meeting. Notices will be sent to registered Unit Holders by post at least twenty-one (21) days prior to the meeting using their addresses in the register of Unit Holders. The Trustees shall

prepare or cause to prepare in accordance with the Unit Trust and Mutual Fund Regulations 2001, LI 1695, a report referred to as the "Investor Report" in respect of each annual and half-yearly accounting period in order to facilitate the review of the performance of the Fund by Unit Holders.

(2) During such meeting, on a show of hand, each Unit Holder present at the meeting in person, or lawfully represented by proxy, shall have one vote for each Unit held. The Units confer a Unit Holder participation in the returns on any assets of the Fund and right to receive notices to attend and vote at any general meeting of the Fund.

(3) Each Unit Holder is entitled to only one copy of the Investor Report. Unit Holders communications will be mailed to each identified Unit Holder regardless of the number of accounts such Unit Holder has.

### **6.9 Unit Holders Services**

The Fund may offer a number of Unit Holder services and plans designed to facilitate investment in Units of the Fund. Full details as to each of such services and plans may be obtained from the Manager. These services shall be free of charge.

### **6.10 Documentation for Inspection**

Copies of the following documents may be inspected at the offices of the Manager

- i. Fund Particulars/Prospectus
- ii. Certificate of Incorporation of the Manager
- iii. Certificate to Commence Business of the Manager
- iv. Trust Deed

---

## **7. IPO APPLICATIONS AND DISPATCH OF CONTRACT NOTES**

---

### **7.1 Application**

Application for Units must be made on the Application Form attached. Care must be taken to complete the form as wrongly completed form will be rejected.

Application for the Units during the IPO will be for GH¢1 per unit. Application for the Units must be for a minimum of GH¢100 for Retail Investors and GH¢50,000 for Institutional Investors.

The number of Units for which application is made and the amount of the cheque, money order or cash attached should be entered in the spaces provided. An applicant should write

his/her full name and address in the space provided. All joint applicants should provide their full names and addresses in the space provided. There must be a name of a child or children in whose name(s) the account is being held in trust, if applicable.

Each completed and signed Application Form should be forwarded together with cash, cheque or electronic funds transfer for the full amount of the purchase price to the Manager or any of the receiving agents listed below.

Cheques and money orders must be crossed "EDC GHANA MONEY MARKET FUND" and made payable to the Receiving Agent with whom the application is lodged. All money transfer charges if any, must be paid by the applicant by boldly endorsing and signing as commission to the drawer's account number. No application will be accepted unless this has been done. All cheques will be presented upon receipt and all applications in respect of which cheques returned unpaid will be rejected.

## **7.2 Dispatch of Contract Notes**

The Manager reserves the right to accept or reject any application. Subscription monies will be retained in a separate bank account by EDC GHANA MONEY MARKET FUND, pending investment. Contract Notes for accepted applications will be sent by post at the applicant's risk within twenty eight (28) days of the close of the IPO.

If any application is not accepted, the amount paid on application will be returned in full either in person to the subscriber, through the post, or a designated bank account within 28 days of the IPO, or after 28 days, interest will be paid at the prevailing Bank of Ghana Prime Rate.

## **7.3 Receiving Agents for IPO Purposes**

Completed and signed Application Form(s) together with payment for Units applied for can be submitted to:

- 1) The offices of the Manager being:

EDC Investments Limited, 3rd Floor, Valco Trust House, #22 Ambassadorial  
Redevelopment Area, Ridge, P.O. Box AN16746, Accra;

- 2) Any Ecobank Ghana Branch;

Copies of the Prospectus and Application Form(s) may be obtained free of charge from the Offices of the Manager or any Ecobank Ghana Branch.

---

## APPLICATION FORM

---

**Note: This form is required to apply for investments.**

Please send the completed form to:

**EDC Investments Limited  
Third Floor, Valco Trust House,  
#22 Ambassadorial Redevelopment Area, Ridge,  
P.O. Box AN16746, Accra**

---

# EDC GHANA MONEY MARKET FUND

---

## ACCOUNT APPLICATION FORM

---

### Individual Client

To be completed by Applicant(s) (Please write in BLOCK LETTERS)

Accounts Type (Please tick one)

Single Account     Joint Account

In Trust For (ITF) Name \_\_\_\_\_

Account Number \_\_\_\_\_

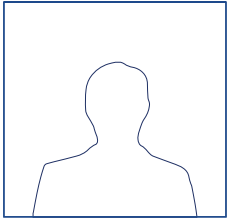
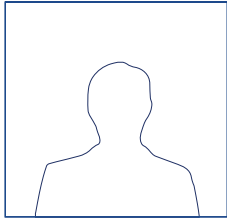
Initial Investment Account \_\_\_\_\_

Regular Investment Plan GHc \_\_\_\_\_

How Often     Weekly     Monthly     Quarterly

Others (Please specify) \_\_\_\_\_

## APPLICATION FORM

 <p><b>First Applicant</b></p>	Branch Code <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> PEP <input type="checkbox"/> R.P <input type="checkbox"/> High <input type="checkbox"/> Low	 <p><b>Second Applicant</b></p>
---	---	--

<b>FIRST APPLICANT</b>	<input type="checkbox"/> Mr. <input type="checkbox"/> Miss <input type="checkbox"/> Mrs. <input type="checkbox"/> Dr. <input type="checkbox"/> Prof. <input type="checkbox"/> Others	<b>Marital Status</b>
Full Name		<input type="checkbox"/> Married
Date of Birth	(dd / mm / yyyy)	<input type="checkbox"/> Single
Email Address		<input type="checkbox"/> Divorced
Postal Address		<b>Nationality</b>
Residential Address		<input type="text"/>
Telephone (Residential)		<b>Country of Residence</b>
Mobile Phone		<input type="text"/>
Fax.		<b>Mother's Maiden Name</b>
		<input type="text"/>

<b>SECOND APPLICATION</b> (In the case of a joint account)	<input type="checkbox"/> Mr. <input type="checkbox"/> Miss <input type="checkbox"/> Mrs. <input type="checkbox"/> Dr. <input type="checkbox"/> Prof. <input type="checkbox"/> Others	<b>Marital Status</b>
Full Name		<input type="checkbox"/> Married
Date of Birth	(dd / mm / yyyy)	<input type="checkbox"/> Single
Email Address		<input type="checkbox"/> Divorced
Postal Address		<b>Nationality</b>
Residential Address		<input type="text"/>
Telephone (Residential)		<b>Country of Residence</b>
Mobile Phone		<input type="text"/>
Fax.		<b>Mother's Maiden Name</b>
		<input type="text"/>

<b>FIRST APPLICANT</b>	<b>Valid National ID Type</b> (Please tick one)
	<input type="checkbox"/> Passport <input type="checkbox"/> Voter's ID card <input type="checkbox"/> Driver's License <input type="checkbox"/> Others (Please specify) <input type="text"/>
ID Number	<input type="text"/>
Expiration Date	<input type="text"/> (dd / mm / yyyy)

<b>SECOND APPLICANT</b>	<b>Valid National ID Type</b> (Please tick one)
	<input type="checkbox"/> Passport <input type="checkbox"/> Voter's ID card <input type="checkbox"/> Driver's License <input type="checkbox"/> Others (Please specify) <input type="text"/>
ID Number	<input type="text"/>
Expiration Date	<input type="text"/> (dd / mm / yyyy)

## APPLICATION FORM

## NEXT OF KIN

Full Name

Date of Birth

  
(dd / mm / yyyy)

Postal Address

Telephone / Mobile

Telephone / Residence

Email

## DATA PROVIDED IN THIS SECTION WILL BE USED MAINLY FOR STATISICAL PURPOSES

Occupation (Please tick one)  Trading / Gen Business  Student  Professional  Administration Others (Please Specify)

Nature of Employer's Business

Monthly Net Income (GH¢)  
(Please tick one) 0 - 500 500 - 1,000 1,000 - 2,000 2,000 - 5,000 5,000 - 10,000 10,000 above

Date Employed

(dd / mm / yyyy)

Type of Investor (Please tick one)

 Multinational Foreign Company Local Company Institutional Individual

Name of Introducer / Agent (Where applicable)

## BANK ACCOUNT DETAILS

Bank Name

Branch

Account Name

Account Number

## APPLICATION FORM

### EDC GHANA MONEY MARKET FUND- OPERATIONS AND MANAGEMENT AGREEMENT

The EDC Ghana Money Market Fund is an open ended Fund that invests in a wide range of short term instruments including but not limited to Treasury Bills and Notes, Commercial Papers, Bankers Acceptances and Certificate of Deposits. The Fund seeks to maximize income in line with prevailing Ghanaian money market rates, while aiming to preserve capital and maintain a high degree of liquidity. The minimum initial purchase amount per Retail Investor shall be GH¢100. Subsequent purchase amounts for Units shall be a minimum of GH¢50 for Retail. Distributions from the net income of the Fund shall be made to unit holders on a quarterly basis.

The Unit Holders shall have the option to elect to be paid Distributions or to reinvest their Distributions in new Units at the relevant daily NAV per Unit. Unit-Holders who elect to have their Distributions reinvested in new Units shall be entitled to Units that shall be equal in value to the amount they otherwise would have received in cash as a Distribution.

Unit-Holders shall have the right to redeem all or part of the Units held by them at the relevant daily NAV per Unit on any Business Day. The Fund will make redemption payments within 48 hours. There are no penalties for redemptions.

**NB: If your account is below GH¢ 100 at the time of withdrawal, it will be liquidated.**

First Applicant: Date   
(dd / mm / yyyy)

Joint Application (If any): Date   
(dd / mm / yyyy)

Signature \_\_\_\_\_

Signature \_\_\_\_\_

Kindly Indicate Signature Mandate (Please tick)

Any To Sign

Both to Sign

### OFFICE USE ONLY

Receiving Officer's Name

Date  (dd / mm / yyyy)

Signature \_\_\_\_\_

Official Stamp \_\_\_\_\_



---

## NOTES

---

---

---

## NOTES

---

---



**EDC Investments Limited**

Third Floor, Valco Trust House,  
#22 Ambassadorial Redevelopment Area, Ridge,  
P.O. Box AN16746, Accra