

YOU ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THE PROSPECTUS. BEFORE SUBSCRIBING, PLEASE CONSULT YOUR STOCKBROKER, SOLICITOR, BANKER OR AN INDEPENDENT INVESTMENT ADVISER REGISTERED BY THE SECURITIES AND EXCHANGE COMMISSION. THIS PROSPECTUS HAS BEEN SEEN AND APPROVED BY THE DIRECTORS OF THE FUND MANAGER AS PROMOTERS OF THE UNIT TRUST AND THEY JOINTLY AND INDIVIDUALLY ACCEPT FULL RESPONSIBILITY FOR THE ACCURACY OF ALL INFORMATION GIVEN AND CONFIRM THAT, HAVING MADE ALL ENQUIRES WHICH ARE REASONABLE IN THE CIRCUMSTANCES, AND TO THE BEST OF THEIR KNOWLEDGE AND BELIEF, THERE ARE NO OTHER FACTS, THE OMISSION OF WHICH WOULD MAKE ANY STATEMENT THEREIN MISLEADING.

"For Information concerning certain risk factors which should be considered by prospective investors, see 'Risk factors' on page 12-13"

## ABRIDGED PARTICULARS OF THE PROSPECTUS

# Cordros Milestone Fund 2023.

*A Balanced Fund Authorized and  
Registered in Nigeria as a  
Unit Trust Scheme.*

### OFFER FOR SUBSCRIPTION

for **5,000,000 UNITS**

of **₦100.00 EACH**

*At Par, Payable in Full on Acceptance.*

APPLICATION LIST OPENS

18TH JUNE 2018

APPLICATION LIST CLOSES

27TH JULY 2018

*Fund Manager*



RC 1069396

*Issuing House*



RC 600461

THIS PROSPECTUS AND THE UNITS WHICH IT OFFERS HAVE BEEN REGISTERED BY THE SECURITIES & EXCHANGE COMMISSION. THE INVESTMENT AND SECURITIES ACT CAP 124 LFN 2007 PROVIDES FOR CIVIL AND CRIMINAL LIABILITIES FOR THE ISSUE OF A PROSPECTUS WHICH CONTAINS FALSE OR MISLEADING INFORMATION. REGISTRATION OF THIS PROSPECTUS AND THE UNITS WHICH IT OFFERS DOES NOT RELIEVE THE PARTIES OF ANY LIABILITY ARISING UNDER THE ACT FOR FALSE OR MISLEADING STATEMENTS CONTAINED OR FOR ANY OMISSION OF A MATERIAL FACT IN ANY PROSPECTUS.

**This Prospectus is dated 17th May, 2018**

## 1 INDICATIVE TIME TABLE

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| <b>DATE</b> | <b>ACTIVITY</b>  | <b>RESPONSIBILITY</b>        |
|-------------|--|------------------------------|
| 18-06-18    | Acceptance List Opens  | Fund Manager                 |
| 27-07-18    | Acceptance List Closes   | Fund Manager                 |
| 03-08-18    | Receiving Agents render returns                                      | Registrars                   |
| 28-08-18    | Allotment Proposal and draft newspaper announcement forwarded to SEC | Issuing House                |
| 14-09-18    | Obtain SEC's clearance of the Basis of Allotment Proposal            | Issuing House                |
| 14-09-18    | Disburse Net Proceeds to Custodian                                   | Receiving Bank               |
| 14-09-18    | Return Excess/Rejected Application Monies                            | Registrar                    |
| 14-09-18    | Publish Allotment announcement in two national daily newspapers      | Issuing House & Fund manager |
| 14-09-18    | Distribution of Statement of Unit Holdings                           | Registrar                    |
| 20-09-18    | Submission of Final Offer Summary Report to SEC                      | Issuing House & Fund Manager |

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

## 2 SUMMARY OF THE OFFER

The following is a summary of the terms and conditions of an investment in the CORDROS MILESTONE FUND 2023. This summary draws attention to information contained elsewhere in the Prospectus. It does not contain all of the information a prospective investor in the Fund should consider in making an investment decision. This summary should be read together with the entire Prospectus.

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

|   |   |
|---|---|
| <b>Fund Manager</b>                               | Cordros Asset Management Limited  |
| <b>Issuing House</b>                              | Cordros Capital Limited   |
| <b>Trustees to The Fund</b>                       | STL Trustees Limited  |
| <b>Custodian</b>                                  | United Bank for Africa PLC (Global Investor Services)   |
| <b>The Offer</b>                                  | 5,000,000 Units of ₦100.00 each in the Fund   |
| <b>Method of Offer</b>                            | Offer for Subscription  |
| <b>Nature of The Fund</b>                         | <p>The CORDROS MILESTONE FUND 2023 is a target date mutual fund which pursues a long-term investment strategy to manage the asset allocation (mix of asset classes) of the fund, to become more conservative as the target date (2023) approaches.</p> <p>The fund is an open-ended fund constituted under a Trust Deed and the units shall be continuously offered to a wide pool of target investors.</p>   |
| <b>Target Investors/<br/>Investor Suitability</b> | <p>The CORDROS MILESTONE FUND 2023 is suitable for retail investors, high net-worth individuals (HNIs) and institutional investors.</p> <p>It is designed to help an investor save towards various needs in the future and minimize risks by avoiding common investment mistakes. Its main features include:</p> <p><b>Diversifying across asset classes:</b> the fund invests in a mix of asset classes (asset allocation) like money market, equity, cash, bonds and alternative asset classes permissible by the Securities &amp; Exchange Commission (“SEC”).</p> <p><b>Adjusting asset allocation for changing risk profile:</b> the asset allocation of the fund is adjusted to become more conservative over time as the target date approaches; investing in growth-seeking assets like equities in the early years and switching progressively towards capital-preservative assets like government treasury bills as the target date (2023) approaches.</p> <p><b>Periodic rebalancing:</b> the asset allocation of the fund is rebalanced periodically to maintain the asset allocation path (the glide path) which the fund follows to become more conservative over time.</p> |
| <b>Units of Sale</b>                              | 25 Units and additional multiples of 10 Units.  |
| <b>Unit Price</b>                                 | ₦100.00 per Unit. (NOTE: Foreign currency subscriptions shall be processed at the prevailing interbank rate at the time of subscription. CCI shall be issued in respect of all successful foreign currency subscriptions).  |
| <b>Fund Size</b>                                  | ₦500,000,000.00   |
| <b>Payment Terms</b>                              | Payable In full on application  |
| <b>Mandatory Subscription</b>                     | The Fund Manager shall subscribe to 5% of the Offer. This subscription is in compliance with SEC regulation that promoters of unit trust schemes in Nigeria must subscribe to a minimum of 5% of the initial issue of such schemes.   |
| <b>Opening Date</b>                               | 18 <sup>th</sup> June, 2018   |
| <b>Closing Date</b>                               | 27 <sup>th</sup> July, 2018   |

|                                  |  |
|----------------------------------|--|
| <b>Use of Proceeds</b>           | The Offer proceeds shall be used in accordance with the Fund's investment objectives and policies. The total offer costs and expenses amount to ₦12,552,500.00 (which includes printing, distribution and advertising expenses) representing 2.51% of the offer size shall be offset from the Offer proceeds.  |
| <b>Minimum Investment Period</b> | Due to the nature of the fund which is aimed at encouraging investors to save towards a target year, the minimum holding period for an investment in the Fund is 180 calendar days from the allotment date. In the case of subscribers under the IPO, this period is 180 calendar days commencing from the published allotment date of the Fund. Redemptions made before the expiration of the minimum holding period are subject to an early redemption fee of 1.50% of redemptive value.   |
| <b>Distributions</b>             | The Fund Manager intends to distribute annual income (less expense) as dividend to Unit Holders on an annual basis. These distributions shall not however, attract withholding tax in the hands of the Unit Holders. Redemption of Units shall be possible at any time after the allotment of such Units. The following distribution options are available to Unit Holders: <ul style="list-style-type: none"> <li>▪ Re-investment option: under this option distributions are to be automatically reinvested in additional Units of the Fund at the Offer Price on the day of distribution.</li> <li>▪ Cash Option: Distributions are paid only via electronic transfer to a Unit Holder's account.</li> </ul>  |
| <b>Redemption</b>                | Unit Holders shall have the right to redeem all or part of the Units held by them at the Bid NAV Price on any Business Day, provided redemption documents are received in accordance with the instructions specified by the Fund Manager from time to time. However, investors are advised to hold their units until the target date in order to maximize their investment returns. Redemption shall be paid within 5 working days following the receipt of the redemption notice by the fund manager. Minimum permissible holding after redemption is 10 units or such balance as advised by the Manager from time to time. Redemptions made before the expiration of the minimum holding period are subject to an Early Redemption fee of 1.50% of the redemption value. |
| <b>Quotation</b>                 | In order to improve visibility of Units of the Fund, the Fund Manager shall make all necessary efforts to obtain an approval of the listing of Units of the Fund on the Exchange. To this end, a formal application shall be made to The NSE for the admission of the Units to its Memorandum List.  |
| <b>Status</b>                    | The Units qualify as securities in which Trustees may invest under the Trustees Investment Act Cap T22 Laws of the Federation of Nigeria 2004.   |
| <b>Oversubscription</b>          | Any oversubscribed portion would be absorbed subject to registration of such additional units with the Commission.   |
| <b>Investment Risks</b>          | The Risks associated with an investment in the Fund are set out in the section titled "Risk Factors" on page 12-13 of this prospectus.   |
| <b>Governing Law</b>             | The Offer shall be governed by and construed in accordance with the laws of the Federal Republic of Nigeria.   |

| <b>Summary Financial<br/>Forecast of Offer</b> |                                 |                |                |                |
|--|---------------------------------|----------------|----------------|----------------|
|  | Net income                      | 70,848         | 64,394         | 57,898         |
|  | Unrealised capital gains        | 33,512         | 29,385         | 22,912         |
|  | <b>Retained earnings</b>        | <b>104,360</b> | <b>93,779</b>  | <b>80,810</b>  |
|  | <b>Appropriation:</b>           |                |                |                |
|  | Retained earnings b/f           | -              | 83,106         | 157,567        |
|  | Distribution                    | (21,254)       | (19,318)       | (17,369)       |
|  | <b>Retained earnings c/f</b>    | <b>83,106</b>  | <b>157,567</b> | <b>221,008</b> |
|  | <b>FORECAST YIELD</b>           |                |                |                |
|  | <b>Return on Investment (%)</b> | <b>21.41%</b>  | <b>15.85%</b>  | <b>11.79%</b>  |

### 3 DIRECTORS OF THE FUND MANAGER AND OTHER CORPORATE INFORMATION

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**CHAIRMAN**

**EMEKA NDU**

70 Norman Williams Street,  
Off Keffi Street,  
Ikoyi, Lagos State,  
Nigeria

**DIRECTOR**

**WALE AGBEYANGI**

70 Norman Williams Street  
Off Keffi Street,  
Ikoyi, Lagos State,  
Nigeria

**MANAGING DIRECTOR (ACTING)**

**LEYE ADEKEYE**

70 Norman Williams Street  
Off Keffi Street,  
Ikoyi, Lagos State,  
Nigeria

**THE FUND MANAGER**

**CORDROS ASSET MANAGEMENT LIMITED**

70 Norman Williams Street,  
Off Keffi Street,  
Ikoyi, Lagos State,  
Nigeria  
Email: [assetmgtteam@cordros.com](mailto:assetmgtteam@cordros.com)  
Website: [assetmanagement.cordros.com](http://assetmanagement.cordros.com)

**COMPANY SECRETARY**

**MBANUGO UDENZE & CO.**

13, Okesuna Street (2nd Floor)  
Obalende,  
Lagos Island,  
Nigeria

**PRINCIPAL OFFICERS OF THE FUND MANAGER**

Leye Adekeye (Acting Managing Director)  
Adegbolahan Aina (Portfolio Manager)  
Christian Orajekwe (Research & Strategy Department)  
Joseph Kolawole (Risk Management)  
Nkechi Ofoegbu (Legal & Compliance)

**MEMBERS OF THE FUND INVESTMENT COMMITTEE**

Leye Adekeye, (Cordros Asset Management)  
Adegbolahan Aina. (Cordros Asset Management)  
Wale Agbeyangi (Cordros Asset Management)  
Toyin Odulate (Independent member)  
Akin Oni (Representative of STL Trustees Limited)

## 4 PROFESSIONAL PARTIES TO THE OFFER

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|                                  |  |
|----------------------------------|--|
| <b>ISSUING HOUSE</b>             | <b>Cordros Capital Limited</b><br>70 Norman Williams Street,<br>Ikoyi, Lagos State.  |
| <b>TRUSTEE TO THE FUND</b>       | <b>STL Trustees Limited</b><br>Skye Bank Building (3rd Floor)<br>30 Marina,<br>Lagos.  |
| <b>CUSTODIAN TO THE FUND</b>     | <b>United Bank for Africa PLC (Global Investor Services)</b><br>12th Floor, UBA House<br>57, Marina<br>Lagos State   |
| <b>SOLICITORS TO THE TRUSTEE</b> | <b>Babalakin &amp; Co</b><br>43A, Afribank Street<br>9th - 12th Floors<br>Victoria Island, Lagos.  |
| <b>REPORTING ACCOUNTANT</b>      | <b>RoseWater Partners</b><br>5 Shagamu Avenue,<br>Ilupeju,<br>Lagos  |
| <b>REGISTRAR</b>                 | <b>First Registrars &amp; Investors Limited</b><br>Plot 2 Abebe Village Road,<br>Iganmu,<br>Lagos.   |
| <b>RECEIVING BANK</b>            | <b>Zenith Bank Plc</b><br>Plot 87,<br>Ajose Adeogun Street,<br>Victoria Island, Lagos.   |
| <b>AUDITOR</b>                   | <b>PKF Professional Services</b><br>PKF House<br>Obanikoro, Lagos.   |
| <b>STOCKBROKERS</b>              | <b>Cordros Securities Limited</b><br>70 Norman Williams Street, Ikoyi<br>Lagos.<br><br><b>Pilot Securities Limited</b><br>3 Strong Tower Terraces, Ikeja GRA, Lagos.<br><br><b>Apel Assets &amp; Trust Limited</b><br>8, Alhaji Bashorun Street, Off Norman Williams Crescent, Ikoyi<br>Lagos.<br><br><b>Vetiva Securities Limited</b><br>Plot 266B Kofo Abayomi Street<br>Victoria Island, Lagos. |

## 5 CORDROS MILESTONE FUND 2023 (PARTICULARS OF THE FUND)

### 5.1 A BRIEF ON THE FUND

The CORDROS MILESTONE FUND 2023 is a target date balanced fund which pursues a long-term investment strategy to manage the asset allocation (mix of asset classes) of the fund, to become more conservative as the target date (2023) approaches.

Main features of the Fund include:

Diversifying across asset classes: the fund invests in a mix of asset classes (asset allocation) like money market, equity, cash, bonds and alternative asset classes permissible by the Securities & Exchange Commission (“SEC”).

Adjusting asset allocation for changing risk profile: the asset allocation of the fund is adjusted to become more conservative over time as the target date approaches; investing in growth-seeking assets like equities in the early years and switching progressively towards capital-preservative assets like government treasury bills as the target date (2023) approaches.

Periodic rebalancing: the asset allocation of the fund is rebalanced periodically to maintain the asset allocation path (the glide path) which the fund follows to become more conservative over time.

The Fund is an open-ended fund authorized and registered in Nigeria as a Unit Trust Scheme under Section 160 of the Investment and Securities Act. The Fund is governed by a Trust deed with STL Trustees Limited as Trustees to the Fund. 5,000,000 Units of the fund are to be issued via an Offer for Subscription at the launch of the Fund at ₦100 per unit of the fund.

As an open-ended fund, registered units in the Fund shall be continuously offered to investors and the Fund Manager shall be ready to redeem the units on behalf of Unit Holders at all times throughout the duration of the Trust constituting the Fund.

### 5.2 PROSPECT OF THE FUND

The CORDROS MILESTONE FUND 2023 offers investors the opportunity to earn the highest total return (that is a combination of income and long-term capital appreciation) over time consistent with its asset mix.

### 5.3 INVESTMENT OBJECTIVE AND POLICY

The fund's main objectives remain to maximize total returns and reduce volatility as the fund approaches the target date. The investment focus is initially on growing assets and shifts towards capital preservation to manage future income risk. As the Fund gets closer to the target date, the asset allocation shifts to reflect shorter investment time horizons.

The Fund is designed to provide diversification across asset classes and is monitored and rebalanced periodically. It shall invest in a combination of equities, high-return short term money market securities, bonds including government, sovereign and corporate bonds. These eligible securities must have received an investment grade rating from a SEC registered agency.

### 5.4 ASSET ALLOCATION

The proposed asset allocation of the CORDROS MILESTONE FUND 2023 is described in the schedule below:

| Proposed Asset Class Asset | Asset Allocation Range | Target Weighting (%) |        |        |        |        |
|----------------------------|------------------------|----------------------|--------|--------|--------|--------|
|                            |                        | Year 1               | Year 2 | Year 3 | Year 4 | Year 5 |
| Equities                   | 5% - 65%               | 55%                  | 50%    | 45%    | 20%    | 5%     |
| Fixed Income (Bonds)       | 10% - 60%              | 35%                  | 30%    | 25%    | 20%    | 10%    |
| Money Market               | 10% - 85%              | 10%                  | 20%    | 30%    | 60%    | 85%    |
| Cash                       | 0%-5%                  |                      |        |        |        |        |

**5.5 YIELD OF THE FUND**

The fund target yield:

| <b>CORDROS MILESTONE FUND 2023</b> | <b>2019</b> | <b>2020</b> | <b>2021</b> |
|------------------------------------|-------------|-------------|-------------|
| <b>Return on Investment</b>        | 21.41%      | 15.85%      | 11.79%      |

**5.6 INVESTMENT STRATEGY**

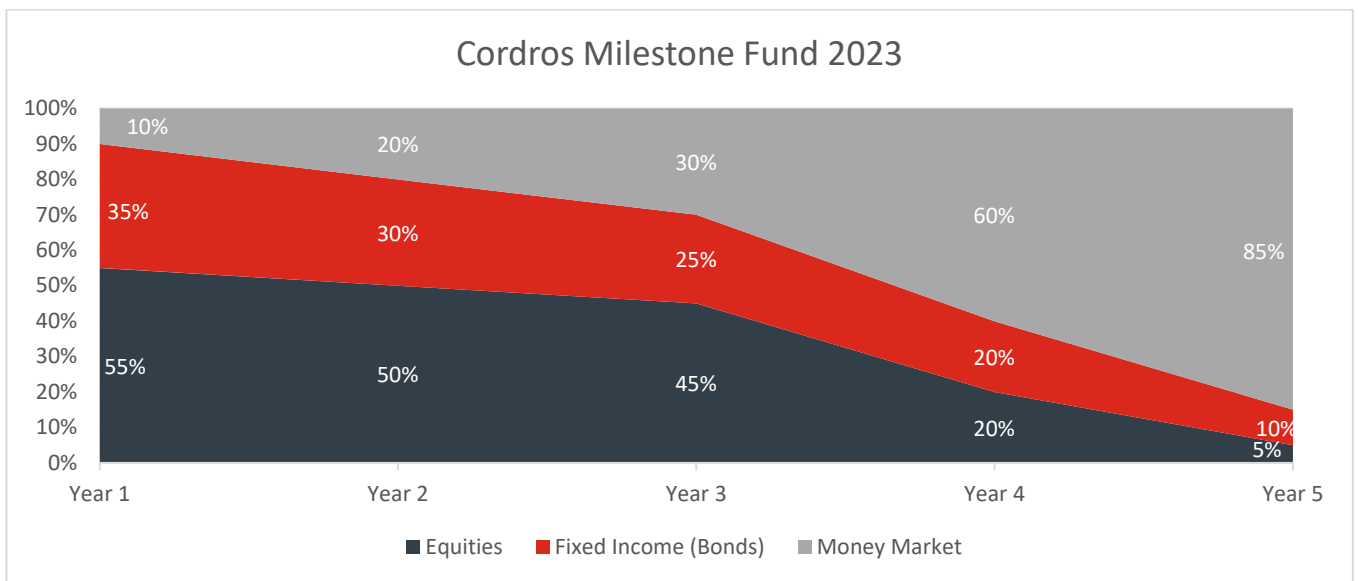
**Asset Allocation** - The asset allocation shall change over time according to a predetermined ‘glide path’ as the fund approaches the target date (2023). The glide path shows the shift across asset classes towards a more conservative investment strategy as the target date approaches. It shall invest more in growth-seeking assets in the early years; thereafter investing more in capital-preservation assets in the latter years.

**Security Selection** – The Fund Manager shall analyse each asset class to select securities with the highest risk-adjusted growth potential in the early years and securities with the highest income-generating potential in the latter years.

The Fund shall employ an “active” management approach while relying on the experience of the Fund Manager to adopt risk and return estimation tools to select securities.

**5.7 GLIDE PATH:**

**CORDROS MILESTONE FUND 2023 (GLIDE PATH)**



**5.8 TARGET INVESTORS/INVESTOR SUITABILITY**

The CORDROS MILESTONE FUND 2023 seeks the highest total return (that is a combination of income and long-term capital appreciation) over time consistent with its asset mix. It is designed for retail investors, high net-worth individuals and institutional investors (Firms, societies, religious bodies, employee schemes amongst several others) whose primary goal is to minimize the risk associated with saving via a diversified investment solution across different asset classes.

This fund presents the following investment incentives to Unit Holders:

- Diversification Investment Approach: Allocate available funds to a diverse set of asset classes with the help of a Fund Manager to minimize risk;
- Diversified Fund Rebalancing: The fund is designed to protect investors from substantial losses around the proposed target date;
- Unique Equity Allocation: A significant allocation of investments to Equity with the opportunity for adjustments to adequately capture growth;
- Access to Highly Experienced Fund Managers;
- Competitive returns with minimum investment.

## **5.9 INVESTMENT INCENTIVES**

The Fund shall utilize the market bargaining power obtained from pooling of funds to enable investors enjoy competitive returns at minimal risk. The fund shall also give investors access to diversification, tax incentives and professional portfolio management.

## **5.10 INVESTMENT DISCRETION**

The Fund Manager shall exercise its discretion on investment of the Fund pursuant to the Trust Deed, policies instituted by the Investment Committee and in accordance with the Investment and Securities Act 2007 and Rules and Regulations of the SEC as prescribed from time to time. Within these bounds, the Fund Manager shall be responsible for all the decisions as to the investment strategies, assets, size and timing of the investment the Fund seeks to make.

## **5.11 INVESTMENT GUIDELINES AND RESTRICTIONS**

The Fund Manager shall adhere strictly to the investment objective of the Fund by investing only in such instruments that are permissible in accordance with SEC Rules and Regulations as stated in the trust deed and approved by the commission. The following restrictions shall however, apply:

- Investments shall not be made for the purpose of exercising control over the management or operating policies of issuers of securities held.
- The Fund may not make loans except that it may buy and hold qualifying debt instruments in accordance with its mandate.

## **5.12 SUBSCRIPTION TO THE FUND**

Investors can subscribe to Units of the Fund after the initial offering period from the Fund Manager or any of its designated agents/representatives or through any medium that may be approved and provided by the Fund Manager from time to time. Payment for Units of the Fund can be made by a personal or manager's cheque or via a wire transfer made in accordance with instructions on the form.

## **5.13 INVESTMENT THRESHOLD**

The initial minimum investment shall be 25 units of the Fund. Additional units shall be issued in multiples of 10 units and payable in full upon subscription.

## **5.14 MINIMUM INVESTMENT PERIOD**

The minimum holding period for an investment in the Fund is 180 calendar days from the date of subscription. This period commences from the Allotment Date for subscribers under the IPO of the Fund.

## **5.15 MEETINGS OF UNIT HOLDERS AND VOTING RIGHTS**

As the need arises or at the request in writing of Unit Holders holding not less than 25% in value of the Units for the time being outstanding (other than Units of which the Fund Manager is beneficial owner), the Fund Manager shall call a General Meeting of the Unit Holders with the consent of the Trustee. Any resolution put to vote shall

be decided on a show of hands. Each Unit Holder shall have one vote. Where a Poll is demanded, each Unit Holder shall have one vote for every unit held.

## 5.16 INCOME AND DISTRIBUTION

The Manager intends to distribute annual income (less expenses) as dividend to Unit-Holders on annually basis.

## 5.17 DISTRIBUTION OPTIONS AND PAYMENT

The following Distribution options are available to Unit Holders:

**Reinvestment Option:** Under this option, distributions are to be automatically reinvested in additional Units of the Fund at the Offer Price on the day of distribution.

**Cash Option:** Distributions are paid via electronic transfer to Unit Holder's bank account.

## 5.18 TAX CONSIDERATIONS

Distributions of dividends to Unit Holders shall be tax exempt. Also any capital gains derived by the Unit Holders from the redemption of units in the Fund shall be tax exempt. Foreign investors should contact their respective tax authorities for the tax treatment of income earned in Nigeria. Please note that taxation-related issues are subject to changes in legislations. Investors are therefore advised to seek tax advice regarding an investment in the Fund from their professional tax advisers.

## 5.19 STATEMENT OF UNIT-HOLDING

Every unit holder shall be entitled to a statement of unit holding, which shall be evidence of their title to the number of units specified on such documents. Joint Unit Holders shall be entitled to one statement in respect of the units held jointly by them which shall be delivered to the joint holder whose name first appears on the Register.

## 5.20 REDEMPTION OF UNITS

Unit Holders shall have the right to redeem all or part of the Units held by them on any Business Day, provided redemption documents are received in accordance with the instructions specified by the Fund Manager from time to time. Redemption shall be paid within 5 working days following the receipt of the redemption notice by the fund manager.

The Minimum permissible holding after redemption is 10 units or such balance as advised by the Fund Manager from time to time. Investors are advised to hold their units until the target date in order to maximize their investment returns. The minimum holding period for an investment in the Fund is 180 calendar days from the date of subscription. In the case of subscribers under the IPO, this period is 180 calendar days commencing from the published allotment date of the Fund. No additional charges shall be required on redemption. However, units redeemed before the expiration of the minimum investment period (180 days) shall attract an Early Redemption fee of 1.50% of redemptive value.

## 5.21 TRANSFER AND TRANSMISSION OF UNITS

Every Unit Holder shall be entitled to transfer the Units or any Units held by him through the Fund Manager in accordance with the provisions of the Trust Deed. The Fund Manager shall not transfer or redeem units without the submission of a Fund statement of Unitholding relating to such units, which must be surrendered before any transfer or redemption whether for the whole or any part thereof can be processed.

## 5.22 VALUATION OF UNITS OF THE FUND

The NAV of the Fund shall be determined on the basis of amortized cost method in line with the rules of SEC. The cost is the price the Fund pays for an instrument or security adjusted for accrual of discounts and amortization of premium.

## 5.23 FEES, CHARGES & EXPENSES OF THE FUND

### Offer Expenses:

All charges and fees (including VAT where relevant) for establishing the Fund, including regulatory fees payable to the SEC, professional fees to transaction parties, brokerage commission and administrative expenses estimated at ₦12,552,500.00 per fund representing 2.51% of the offer size shall be borne by the Fund. These costs shall be defrayed from the offer proceeds.

### Management & Incentive Fees:

A management fee of 1.50% per annum shall be due quarterly in arrears (i.e. at a rate of 0.375% of the net asset value per quarter) to the Fund Manager. The Fund Manager shall be entitled to an incentive fee not exceeding 20% of total returns in excess of 10% of the Fund's Net Asset Value per annum.

### Operating Expenses:

All operating expenses including charges and expenses incurred in connection with the management of the Fund plus annual fees payable to the Trustee, Auditor, Custodian and Rating Agency shall not exceed 5% of the NAV of the Fund. The Trustee shall be paid an annual fee of 0.05% of the Net Asset Value of the Fund which is payable quarterly in arrears. The Custodian shall be paid an annual fee of 0.05% of the value of the Fund's assets under custody will accrue daily and be realized quarterly, over the tenure of the Custody Agreement of the Fund.

### Early Redemption Fee:

The minimum holding period for an investment in the Fund is 180 calendar days from the date of subscription. In the case of subscribers under the IPO, this period is 180 calendar days commencing from the published allotment date of the Fund. Redemptions made before the expiration of the minimum holding period are subject to an Early Redemption fee of 1.50% of the redemptive value.

## 5.24 RISK FACTORS

The value of investment in the Fund as well as the amount of return received on investment, may fluctuate significantly from day to day and over time. The fund manager shall adopt prudent investment guideline and shall ensure that a robust risk management framework is integrated into every aspect of the Fund's investment process. The under listed are the principal risks of investing in the Fund.

i.) Equity Securities Risk: Stock markets are volatile. The price of equity securities fluctuates based on changes in a company's financial position, overall market and economic conditions

ii.) Debt Securities Risk: Investing in debt securities, such as bonds and some money market instruments, involve specific risks including:

- **Default Risk:** This is the risk that a borrower/issuer of fixed income securities in which the Fund Manager may invest shall be unable to make payment or interest as at when due.
- **Income Risk:** The market value of the Fund would vary from day to day due to changes in interest rates. A rise in interest rates would cause the market value of the Fund to decrease while a fall in interest rates would increase the market value of the Fund.
- **Reinvestment Risk:** This is the risk that future money market investments might be at a lower interest rate in comparison to the prevailing rate or that there may be no viable investment opportunity to re-invest

in. This is possible in a declining interest rate environment due to the short term maturity of the investible assets.

iii.) Foreign Currency Risk: Foreign Investors who subscribe to the Fund are not immune to adverse changes in exchange control regulation, exchange rate variations, political instability, statutory and other government regulations, as the Fund's assets are denominated in the Nigerian local currency.

iv.) Inflation Risk: This is the risk that an increase in price levels shall undermine the purchasing power of the Fund's value of investment and returns.

v.) Early Redemption Risk: Investors who redeem units of a CORDROS MILESTONE FUND 2023 before the scheduled maturity date shall receive the current NAV per unit less redemption charges which may be less than the amount invested.

## **5.25 RISK MANAGEMENT STRATEGY**

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

The Fund Manager shall from time to time stress test the portfolio using various simulation scenarios to show any potential risk that could impact the Fund. The result of the test shall be reported to the investment committee.

The Fund Manager shall ensure that the Fund's assets are optimally diversified among the approved asset classes. In the case of fixed income instruments, the credit ratings of approved Issuers shall also be monitored on an ongoing basis.

The Fund Manager shall also stress test the portfolio on a regular basis by simulating various scenarios of the potential impact of the principal risk factors on the Fund. The result of the test shall be reported to the investment committee of the Fund.

## 6 FINANCIAL PROJECTIONS

### 6.1 LETTER FROM THE REPORTING ACCOUNTANT

The following is a copy of the letter on the Profit Forecast by RoseWater Partners, the Reporting Accountant to the Offer:



20 December 2017

The Directors  
**Cordros Asset Management Limited**  
70 Norman Williams Street  
Ikoyi  
Lagos.


Gentlemen,

We have reviewed the accounting bases and calculations for the profit forecast of Cordros Milestone Fund 2023 (for which the Directors of the Fund Manager, Cordros Asset Management Limited, are solely responsible) for the years ending 31 March 2019, 2020 and 2021.

In our opinion, the annexed forecast, so far as the accounting bases and calculations are concerned, has been properly compiled based on the bases and assumptions made by the Directors as set out on pages 2 to 4 and is presented on a basis consistent with the accounting policies normally adopted by the company. However, there will usually be differences between forecasts and actual results, because events and circumstances frequently do not occur as expected and these differences may be material.

We have no responsibility to update this report for events and circumstances occurring after the date of this report.

Yours faithfully,  
**RoseWater Partners**  
**Reporting Accountants**

  
**Kayode SUNMOLA**  
**Managing Partner/CEO**  
**FRC/2013/ICAN/00000004166**



## FINANCIAL PROJECTIONS

### 6.2 PROFIT PROJECTIONS FOR THE YEARS ENDING MARCH 31, 2019 - 2021

#### CORDROS ASSET MANAGEMENT LIMITED

##### PROFIT FORECAST FOR THE YEARS ENDING 31 MARCH 2019; 2020 AND 2021

The Directors are of the opinion that subject to unforeseen circumstances, and based on the assumptions in note 2.2, the forecast income after taxation for the Cordros Milestone Fund 2022 for the years ending 31 March 2019; 2020 and 2021 shall be in the order of ₦70,848,000; ₦64,394,000; and ₦57,898,000 respectively as detailed below:

|  | 2019             | 2020             | 2021            |
|--|------------------|------------------|-----------------|
| <b>Income</b>  | <b>₦'000</b>     | <b>₦'000</b>     | <b>₦'000</b>    |
| Dividend income - Net of WHT                               | 12,065           | 14,546           | 16,497          |
| Investment income - Coupon                                 | 27,297           | 21,157           | 16,123          |
| Interest income - Net of WHT                               | 8,116            | 10,579           | 14,664          |
| Realised Gain  | 33,512           | 29,385           | 22,912          |
| <b>Gross income</b>  | <b>80,990</b>    | <b>75,667</b>    | <b>70,196</b>   |
| <b>Expenses</b>  |                  |                  |                 |
| Fees and operating expenses                                | ( 1,829)         | ( 2,033)         | (2,218)         |
| Management fees  | (8,313)          | (9,240)          | (10,080)        |
| <b>Total expenses</b>                                      | <b>( 10,142)</b> | <b>( 11,273)</b> | <b>(12,298)</b> |
| <b>Net income before taxation</b>                          | <b>70,848</b>    | <b>64,394</b>    | <b>57,898</b>   |
| Taxation   | -                | -                | -               |
| <b>Net income after taxation</b>                           | <b>70,848</b>    | <b>64,394</b>    | <b>57,898</b>   |
| <b>STATEMENT OF COMPREHENSIVE INCOME AND APPROPRIATION</b> | <b>2019</b>      | <b>2020</b>      | <b>2021</b>     |
|  | <b>₦'000</b>     | <b>₦'000</b>     | <b>₦'000</b>    |
| Net income   | 70,848           | 64,394           | 57,898          |
| Unrealised capital gains                                   | 33,512           | 29,385           | 22,912          |
| <b>Retained earnings</b>                                   | <b>104,360</b>   | <b>93,779</b>    | <b>80,810</b>   |
| <b>Appropriation:</b>                                      |                  |                  |                 |
| Retained earnings brought forward                          | -                | 83,106           | 157,567         |
| Distribution   | (21,254)         | (19,318)         | (17,369)        |
| <b>Retained earnings carried forward</b>                   | <b>83,106</b>    | <b>157,567</b>   | <b>221,008</b>  |
| <b>FORECAST YIELD</b>                                      | <b>2019</b>      | <b>2020</b>      | <b>2021</b>     |
|  | <b>₦'000</b>     | <b>₦'000</b>     | <b>₦'000</b>    |
| Net Asset Value at the beginning of year                   | 487,448          | 591,808          | 685,587         |
| Dividend income - Net of WHT                               | 12,065           | 14,546           | 16,497          |
| Investment income - Coupon                                 | 27,297           | 21,157           | 16,123          |
| Interest income - Net of WHT                               | 8,116            | 10,579           | 14,664          |
| Realised Gain  | 33,512           | 29,385           | 22,912          |
| Unrealised Capital Gains                                   | 33,512           | 29,385           | 22,912          |
| <b>Gross Asset Value at the end of year</b>                | <b>601,950</b>   | <b>699,860</b>   | <b>778,695</b>  |

### 6.3 FORECAST YIELD FOR THE YEARS ENDING MARCH 31, 2019 - 2021

| FORECAST YIELD                              | 2019           | 2020           | 2021           |
|---|----------------|----------------|----------------|
|   | N'000          | N'000          | N'000          |
| Net Asset Value at the beginning of year    | 487,448        | 591,808        | 685,587        |
| Dividend income - Net of WHT                | 12,065         | 14,546         | 16,497         |
| Investment income - Coupon                  | 27,297         | 21,157         | 16,123         |
| Interest income - Net of WHT                | 8,116          | 10,579         | 14,664         |
| Realised Gain                               | 33,512         | 29,385         | 22,912         |
| Unrealised Capital Gains                    | 33,512         | 29,385         | 22,912         |
| <b>Gross Asset Value at the end of year</b> | <b>601,950</b> | <b>699,860</b> | <b>778,695</b> |
| Fees and operating expenses                 | ( 1,829)       | ( 2,033)       | (2,218)        |
| Management fees                             | (8,313)        | (9,240)        | (10,080)       |
| Taxation                                    | -              | -              | -              |
| <b>Net Asset Value at the end of year</b>   | <b>591,808</b> | <b>685,587</b> | <b>766,397</b> |
| <b>Increase in Net Asset Value</b>          | <b>104,360</b> | <b>93,779</b>  | <b>80,810</b>  |
| <b>Return on Investment (%)</b>             | <b>21.41%</b>  | <b>15.85%</b>  | <b>11.79%</b>  |

## 6.4 LETTER FROM THE ISSUING HOUSE

The following is a copy of the letter from the Issuing House on the profit forecast



December 21, 2017  
The Directors  
Cordros Asset Management Limited  
70, Norman Williams Street  
Ikoyi  
Lagos.

Dear Sirs,

### **OFFER FOR SUBSCRIPTION OF 5,000,000 UNITS OF ₦100.00 EACH IN THE CORDROS MILESTONE FUND 2023 ("THE FUND")**

We write further to the Prospectus issued in respect of the Offer for Subscription of 5,000,000 units in the Fund. The Prospectus contains forecasts of the Fund for the periods ending March 31, 2019, 2020 and 2021 respectively.

We have discussed with you and with Rosewaters Partners, the Reporting Accountant, the bases and assumptions upon which the forecasts were made. We have also considered the letter dated December 20, 2017 from the Reporting Accountant regarding the accounting bases and calculations upon which the forecasts were compiled.

Having considered the assumptions made by you, as well as the accounting bases and calculations reviewed by the Reporting Accountant, we consider that the forecasts (for which you as Directors are solely responsible) have been made by you after due and careful enquiry.

Yours faithfully,

### **FOR AND ON BEHALF OF THE ISSUING HOUSE:**

A handwritten signature in black ink, appearing to read 'Wale Agbeyangi', written over a faint circular stamp.

**WALE AGBEYANGI  
MANAGING DIRECTOR  
CORDROS CAPITAL LIMITED**

## 7 HISTORICAL FINANCIAL INFORMATION OF THE FUND MANAGER

### 7.1 STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED DECEMBER 31, 2016

|                                   | 31 December 2016  | 31 December 2015  |
|-----------------------------------|-------------------|-------------------|
|                                   | ₦                 | ₦                 |
| <b>Continuing operations</b>      |                   |                   |
| Fee and commission income         | 29,717,290        | 37,463,076        |
| Interest income                   | 1,809,320         | -                 |
| Other operating income            | 130,000           | -                 |
| <b>Net operating income</b>       | <b>31,656,610</b> | <b>37,463,076</b> |
| Employee expense                  | (19,383,974)      | (14,510,459)      |
| Depreciation and Amortization     | (7,331,892)       | (2,391,855)       |
| Other operating expenses          | (1,902,506)       | (17,350,634)      |
| <b>Profit before taxation</b>     | <b>3,038,238</b>  | <b>3,210,128</b>  |
| Income tax expense                | (479,990)         | (1,776,446)       |
| <b>Profit for the year</b>        | <b>2,558,248</b>  | <b>1,433,682</b>  |
| Earnings Per Share (Kobo) - Basic | 1.71              | 0.96              |

### 7.2 STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED DECEMBER 31, 2016

|  | 31 December 2016 | 31 December 2015 |
|--|------------------|------------------|
|  | ₦                | ₦                |
| Profit for the year  | 2,558,248        | 1,433,682        |
| <b>Other comprehensive income:</b>   |                  |                  |
| <b>Items that may be subsequently reclassified to profit or loss</b>                                   |                  |                  |
| Unrealised net gain/(losses) on available for sale financial assets arising during the year before tax | -                | -                |
| <b>Items that shall not be reclassified to profit or loss</b>  |                  |                  |
| Income tax relating to components of other comprehensive income  | -                | -                |
| <b>Other comprehensive loss for the year</b>   | <b>-</b>         | <b>-</b>         |
| <b>Total comprehensive income for the year</b>   | <b>2,558,248</b> | <b>1,433,682</b> |

7.3 STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2016

|                                     | 31 December 2016   | 31 December 2015   |
|-------------------------------------|--------------------|--------------------|
|                                     | ₺                  | ₺                  |
| <b>Assets</b>                       |                    |                    |
| Cash and bank balances              | 58,288,580         | 454,353,552        |
| Available for sale investments      | 50,000,000         | -                  |
| Other receivables                   | 31,941,190         | 64,528,084         |
| Property and equipment              | 9,094,768          | 2,967,604          |
| Intangible assets                   | 9,168,464          | 7,708,145          |
| <b>Total Assets</b>                 | <b>158,493,002</b> | <b>529,557,385</b> |
| <b>Liabilities</b>                  |                    |                    |
| Balance on clients' account         | -                  | 221,449,107        |
| Other liabilities                   | 1,898,515          | 153,848,250        |
| Current income tax liability        | 1,273,761          | 703,779            |
| Deferred income tax liability       | 948,163            | 1,741,934          |
| <b>Total liabilities</b>            | <b>4,120,439</b>   | <b>377,743,070</b> |
| <b>Equity</b>                       |                    |                    |
| Ordinary shares                     | 150,000,000        | 150,000,000        |
| Retained earnings                   | 4,372,563          | 1,814,315          |
| <b>Total equity</b>                 | <b>154,372,563</b> | <b>151,814,315</b> |
| <b>Total liabilities and equity</b> | <b>158,493,002</b> | <b>529,557,385</b> |

## 8 INFORMATION ON THE FUND MANAGER AND THE TRUSTEE

### 8.1 BRIEF PROFILE OF THE FUND MANAGER

Cordros Asset Management Limited ('CAML') is a subsidiary of Cordros Capital Limited licensed by the Securities & Exchange Commission as a fund/portfolio management company with effect from the 28<sup>th</sup> of March, 2013. CAML is committed to creating value for its diverse clientele base and ensuring their investment objectives are achieved within the agreed parameters. CAML understands the portfolio structure that should be adopted and the role of the Asset Manager in achieving the investor's overall investment objectives. At CAML, customer's satisfaction is at the heart of all we do and we ensure our client's portfolios are managed using a robust and well-defined risk management strategy. Cordros Asset Management offers services in Portfolio Management, Wealth Management and Mutual funds.

### 8.2 DIRECTORS OF THE FUND MANAGER

- Chukwuemeka Ndu - Chairman
- Wale Agbeyangi - Group Managing Director
- Leye Adekeye – Acting Managing Director

### 8.3 PRINCIPAL OFFICERS OF THE FUND MANAGER

- Leye Adekeye – Acting Managing Director
- Adegbolahan Aina - Portfolio Manager
- Joseph Kolawole – Risk Management
- Orajekwe Christian Ndubueze - Research and Strategy
- Nkechi Ofoegbu - Legal & Compliance

### 8.4 BRIEF PROFILE OF THE TRUSTEE

STL Trustees Limited was incorporated in 1991 as EIB Trustees Limited, and later changed to Skye Trustees following the merger of its former parent company (EIB International Bank) and 5 other Banks in 2005. It is registered by the Securities and Exchange Commission and duly licensed to carry out the dual functions of Trusteeship and Fund/Portfolio Management. Managed by a Team of highly skilled personnel in all relevant areas to its functions, STL Trustees Limited has over the past two decades built an outstanding Track Record and Pedigree and is currently one of the dominant players within the trusteeship industry in Nigeria with a business size in excess of N2 Trillion. STL occupies a critical and independent role in many corporate finance, investment banking and asset management transactions. As part of our Corporate Trust service, we render Trusteeship services to Issuers of debt instruments such as the Federal/State Governments, Government Parastatals and corporate entities. Other core areas of our business include Trusteeship of Mutual Funds, Debenture Trust Issues under Consortium Finance/Loan Syndication, Project Finance and Structured Finance; Fund/ Portfolio Management, Real Estate Trust, Custodial Services, Nominee Services, Company Secretarial Services, Special Purpose Vehicle Trust as well as Private Trust/ Estate Planning. STL Trustees Limited is overseen by a Board of Trustees consisting of seasoned professional of impeccable character and who have established themselves in their various areas of professional endeavours.

### 8.5 DIRECTORS OF THE TRUSTEE

The Board of STL Trustees consist of the following persons:

| S/N | Name                       | Designation       |
|-----|----------------------------|-------------------|
| 1.  | Mr. Olawale A. Edun        | Chairman          |
| 2.  | Mr. Kayode Falowo          | Director          |
| 3.  | Mr. Afolabi Caxton-Martins | Director          |
| 4.  | Mrs. Connie Ogundare       | Director          |
| 5.  | Mrs. Chioma Okee-Aguguo    | Director          |
| 6.  | Mrs. Funmilayo T. Ekundayo | Managing Director |

## **8.6 PRINCIPAL OFFICERS OF THE TRUSTEES**

- Akinwumi Oni - Head, Trust Services/Legal
- Nimi Animashaun - Head, Marketing and Business Development
- Oko U. Mba - Head, Accounts & Operations

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

- Leye Adekeye, (Cordros Asset Management Ltd)
- Adegbolahan Aina. (Cordros Asset Management Ltd)
- Wale Agbeyangi (Cordros Asset Management Ltd)
- Toyin Odulate (Independent Member)
- Akin Oni (Representative of STL Trustees Limited)

## 9 STATUTORY & GENERAL INFORMATION

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### 9.1 AUTHORIZATION

The establishment of the Fund and the issuance of the Units pursuant to the Offer for Subscription are duly and properly authorised by a resolution passed on Monday, 23rd October 2015, by the Board of Directors of the Fund Manager.

The Fund is also authorised and registered in Nigeria as a Collective Investment Scheme by the SEC in accordance with Section 160 of the ISA.

### 9.2 CLAIMS AND LITIGATIONS

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

### 9.3 STATEMENT OF INDEBTEDNESS

As at 31st December 2016, the Fund Manager had no Term loans, Finance lease facilities or Redeemable bonds in the ordinary course of business. Also, the Fund Manager has no outstanding debentures, mortgages, charges or similar indebtedness or material contingent liabilities other than in the ordinary course of business.

### 9.4 CONSENTS

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

|                                      |  |
|--------------------------------------|--|
| <b>DIRECTORS OF THE FUND MANAGER</b> | Emeka Ndu ( <i>Chairman</i> )<br>Wale Agbeyangi ( <i>Group Managing Director</i> )<br>Leye Adekeye ( <i>Acting Managing Director</i> ) |
| <b>COMPANY SECRETARY</b>             | Mbanugo Udenze & Co  |
| <b>ISSUING HOUSE</b>                 | Cordros Capital Limited  |
| <b>TRUSTEE TO THE FUND</b>           | STL Trustees Limited   |
| <b>STOCKBROKERS</b>                  | Cordros Securities Limited<br>Pilot Securities Limited<br>Apel Assets & Trust Limited<br>Vetiva Securities Limited                     |
| <b>CUSTODIAN TO THE FUND</b>         | United Bank for Africa Plc (Global Investor Services)  |
| <b>SOLICITORS TO THE TRUSTEE</b>     | Babalakin & Co   |
| <b>REPORTING ACCOUNTANT</b>          | RoseWater Partners   |
| <b>REGISTRARS</b>                    | First Registrars & Investors Limited   |
| <b>RECEIVING BANK</b>                | Zenith Bank Plc  |
| <b>AUDITOR</b>                       | PKF Professional Services  |

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

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

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

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

## 9.7 RELATIONSHIP BETWEEN THE FUND MANAGER AND THE ISSUING HOUSE

The Fund Manager and the Issuing House have common shareholders and both are subsidiaries of the Group. They have common Directors.

## 9.8 MATERIAL CONTRACTS

The following agreements have been entered into and are considered material to this Offer:

1. A **Trust Deed**, dated 17<sup>th</sup> May, 2018, between Cordros Asset Management Limited and STL, under which the Fund is constituted;
2. A **Vending Agreement**, dated 17<sup>th</sup> May, 2018 between Cordros Asset Management Limited and Cordros Capital Limited, under which the Issuing House on behalf of Cordros Asset Management Limited have agreed to offer 5,000,000 Units of ₦100.00 each in the Fund to the general public; and
3. A **Custody Agreement**, dated 17<sup>th</sup> May, 2018 between STL Trustees Limited, Cordros Asset Management Limited and United Bank for Africa Plc (Global Investor Services), pursuant to which the Fund Manager has appointed United Bank for Africa Plc (Global Investor Services) to act as custodian of the Fund's investments, cash and other assets and to accept responsibility for the safe custody of the Deposited Property which is delivered to and accepted by the Custodian.

Other than as stated above, the Fund Manager has not entered into any material contracts except in the ordinary course of business.

## 9.9 DOCUMENTS AVAILABLE FOR INSPECTION

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

1. Certificates of Incorporation of the Fund Manager and the Trustee.
2. Memorandum and Articles of Association of the Fund Manager and the Trustee.
3. The resolution of the Board of Directors of the Fund Manager authorising the creation of the Fund and the issuance of 5,000,000 Units of the Fund.
4. The Audited Accounts of Cordros Asset Management Limited for the year ended December 31, 2016.
5. The duly executed Prospectus, abridged prospectus, trust deed, vending agreement and custody agreement issued in respect of the Offer.
6. The Report of Reporting Accountant on the Financial Forecast of the Fund for the 3 years ending December 31, 2021.
7. Solicitors' Opinion on Claims and Litigations involving the Fund Manager.
8. The written consents of all the Directors of the Fund Manager and all Professional Parties.
9. The SEC letter authorising the Fund and registering the Units being offered.

## 10 PROCEDURE FOR APPLICATION AND ALLOTMENT

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### 10.1 APPLICATION

1. The general investing public is hereby invited to apply for Units of the Fund through any of the Receiving Agents listed in this Prospectus.
2. Applications for Units must be made in accordance with the instructions set out at the back of the Application Form attached hereto. Care must be taken to follow these instructions, as applications which do not comply shall be rejected.
3. The Application List for the Units now being offered shall open on 18<sup>th</sup> June, 2018 and close on 27<sup>th</sup> July, 2018. Applications must be for a minimum of 25 Units and in multiples of 10 Units thereafter. The number of Units for which an application is made and the value of the cheque or bank draft attached should be entered in the boxes provided on the Application Form.
4. A single applicant should sign the declaration and write his/her full names, address, daytime telephone number and mobile telephone number in the appropriate space on the Application Form. Where the application is being made on behalf of a minor, the full names of the applicant and the minor as well as the date of birth of the minor should be provided. Item "2" should be used by joint applicants. A corporate applicant should affix its seal in the box provided and state its incorporation Registration Number (RC).
5. Applications in Naira below ₦10million should be forwarded together with a bank draft for the full amount of the purchase price made payable to any of the Receiving Agents listed in this Prospectus. The cheque or draft must be drawn on a bank in the same town or city in which the Receiving Agent is located and crossed "CORDROS MILESTONE FUND 2023" with the name, address and daytime telephone number of the applicant written on the back. All bank commissions, stamp duties and transfer charges must be prepaid by the applicant. All cheques and drafts shall be presented to the Receiving Bank upon receipt of application and any application in respect of which cheques are returned unpaid shall be rejected and returned through the post at the applicant's risk.
6. Foreign currency subscribers are advised to contact the Receiving Bank for the applicable exchange rate on the day the payment for the subscription is being transferred. Payments should be made in US Dollars to the Receiving Bank through the correspondent bank detailed below:

|   |   |
|---|---|
| INTERMEDIARY BANK NAME:                   | <b>Citibank N.A (Canada Square, Canada Wharf, London, E 14 5LB)</b> |
| SORT CODE                                 | 18-50-08  |
| SWIFT ADDRESS:                            | CITIGB2L  |
| IBAN NUMBER:                              | GB80CIT118500810407941  |
| ACCOUNT NO.                               | 10407941 (USD)  |
| ACCOUNT NAME:                             | <b>Zenith Bank Plc</b>  |
| FUNDS FOR FURTHER CREDIT TO ACCOUNT NAME: | CORDROS MILESTONE FUND 2023   |
| BENEFICIARY'S ACCOUNT NO:                 | 5070785495  |
| USD AMOUNT:                               | <i>Please complete as appropriate</i>                               |
| ORDERING PARTY:                           | <i>Please complete as appropriate</i>                               |

## **10.2 ALLOTMENT**

The Issuing House and the Directors of the Fund Manager reserve the right to accept or reject any application in whole or in part for not meeting the conditions of the Offer. In the event of an over subscription, additional Units of the Fund shall be allotted subject to the Security and Exchange Commission's approval.

## **10.3 APPLICATION MONIES**

All application monies shall be retained in a separate bank account by the Receiving Bank pending allotment. If any application is not accepted or is accepted for fewer Units than the number applied for, a crossed cheque for the full amount paid or the balance of the amount paid (as the case may be) shall be returned by registered post within five (5) Business Days of allotment.

Certificate shall be sent by registered post to the physical address provided by the subscriber on the attached Application Form and/or by electronic mail to the email address provided on the attached Application Form, not later than 15 Business Days from the date of allotment.

## 11 RECEIVING AGENTS

All capital market operators with current SEC registration as at the date of this Prospectus are eligible to act as Receiving Agents to the Issue. A brokerage commission of 0.75% shall be payable on the value of allotted Units in respect of successful applications bearing their official stamp.

| BANKS                                 |                                      |                                   |                                 |
|---------------------------------------|--------------------------------------|-----------------------------------|---------------------------------|
| Access Bank Plc                       | First City Monument Bank Plc         | Stanbic IBTC Bank Plc             | Wema Bank Plc                   |
| Diamond Bank Plc                      | Guaranty Trust Bank Plc              | Standard Chartered Bank Limited   | Zenith Bank Plc                 |
| EcoBank Nigeria Plc                   | Heritage Bank Limited                | Sterling Bank Plc                 |                                 |
| Enterprise Bank Limited               | Keystone Bank Limited                | Union Bank of Nigeria Plc         |                                 |
| Fidelity Bank Plc                     | Mainstreet Bank Limited              | United Bank for Africa Plc        |                                 |
| First Bank of Nigeria Plc             | Skye Bank Plc                        | Unity Bank Plc                    |                                 |
|                                       |                                      |                                   |                                 |
| STOCKBROKERS AND OTHERS               |                                      |                                   |                                 |
| Adonai Stockbrokers Ltd               | Express Discount Asset Mgt. Ltd      | Kundila Finance Services Ltd      | Rostrum Inv. Sec. Ltd           |
| African Alliance Stockbrokers Ltd     | Falcon Securities Ltd                | Lambeth Trust & Investment Co     | Royal Crest Finance Ltd         |
| Alangrange Securities Ltd             | FBN Securities Limited               | LB Securities Ltd                 | Securities Africa Financial Ltd |
| Allbond Investment Ltd                | FCSLAsset Mgt. Company Ltd           | Lead Securities & Inv. Ltd        | Security Swaps Ltd              |
| Apel Asset Ltd                        | Finmal Finance Services Ltd          | Lighthouse Asset Management       | SFC Securities Limited          |
| Atlas Portfolio Ltd                   | First Inland Sec & Asset Mgt. Ltd    | Long Term Global Capital Ltd      | Sigma Securities Ltd            |
| BFCL Assets & Securities Ltd          | FIS Securities Ltd                   | Marina Securities Ltd             | Signet Inv. & Sec Ltd           |
| Capital Assets Securities Ltd         | Foresight Sec &Inv. Ltd              | MBC Securities Ltd                | Skyview Capital Limited         |
| Capital Bancorp Ltd                   | Forthright Sec. &Inv. Ltd            | Mega Equities Ltd                 | SMADAC Securities Ltd           |
| Capital Express Securities Ltd        | Fortress Capital Ltd                 | Mercov Securities Ltd             | Solid Rock Sec. & Inv. Ltd      |
| Capital Trust Brokers Ltd             | FSDH Securities Limited Investments  | Meristem Stockbrokers Ltd         | Springboard Trust &             |
| Centre Point Investment Ltd           | Future View Financial Services       | Midas Stockbrokers Ltd            | Stanwal Securities Ltd          |
| CardinalStone Securities Limited      | Global Assets Mgt. Nig. Ltd          | Mission Securities Ltd            | Strategy & Arbitrage Ltd        |
| Century Securities Limited            | Global view Consult & Inv. Ltd       | Molten Trust Limited              | Summa Guaranty & Trust Co Ltd   |
| ChapelHill Denham Securities Ltd      | GMT Securities                       | Network Capital Ltd               | TFS Securities & Inv. Co Ltd    |
| Clearview Investment Company Ltd.     | Golden Securities Ltd Ltd            | Networth Sec. & Finance Ltd       | The Bridge Securities Ltd       |
| Citi Investment Capital Limited       | Golden Securities Ltd                | Newdevco Finance Securities L     | Tiddo Securities Ltd            |
| City-Code Trust & Investment Co Ltd   | Greenwich Trust Ltd                  | Nigerian International Securities | Topmost Finance &               |
| Compass Investment & Securities       | GTI Capital Ltd                      | PAC Securities Limited            | Tower Assets Management Ltd     |
| Cordros Securities Limited            | Harmony Securities Limited           | Partnership Investment Co Ltd     | Tower Sec. Inv. Co. Ltd         |
| Core Trust & Investment Ltd           | Heritage Capital Limited             | Peace Capital Limited             | Transworld Inv. & Sec. Ltd      |
| Covenant Securities & Asset           | Horizon Stockbrokers Ltd             | Phronesis Securities Ltd          | Trusthouse Investment Ltd       |
| Cowry Securities Limited              | IBTC Asset Management Ltd            | Pilot Securities Limited          | TRW Stockbrokers Ltd            |
| Cradle Trust Finance & Securities Ltd | ICMG Securities Ltd                  | Pinefields Investment Serv. Ltd   | UBA Securities Ltd              |
| Crownwealth Assets Management Ltd.    | ICON Stockbrokers Ltd                | Pivot Trust & Inv. Co. Ltd.       | UNEX Securities Investment Ltd  |
| CSL Stockbrokers Ltd                  | Imperial Asset Managers Ltd          | Primera Africa Securities Ltd     | Valmon Securities Ltd           |
| Diamond Securities Ltd                | Integrated Trust & Investments Ltd   | Prominent Securities Ltd          | Valueline Sec. &Inv. Ltd        |
| Diamond Trust Ltd                     | Interstate Securities Ltd Securities | PSI Securities Ltd                | VetivaSecurities Ltd            |
| Dunn Loren Merifield Securities Ltd   | Investment Centre Ltd                | Pyramid Securities Ltd            | Woodland Capital Mkt. Plc       |
| Dynamic Portfolio Ltd                 | Investment One Stockbrokers Ltd      | Reading Investments Ltd           | WSTC Financial Services         |
| EDC Securities Ltd                    | Kapital Care Trust & Sec. Ltd        | Rencap Securities Nig. Ltd        | Yobe Inv. & Sec. Ltd            |
| Edgefield Capital Management Ltd      | Kedari Securities Limited            | Resort Securities & Trust Ltd     | Yuderb Inv. Sec. Ltd            |
| Equity Capital Solutions Ltd          | Kinley Securities Ltd                | Reward Investments & Serv Ltd     | Zenith Securities Ltd           |



### 13 INSTRUCTIONS FOR COMPLETING THE APPLICATION FORM

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1. Application should be made only on this Application form, Photocopy, downloaded or scanned copies of the Application form.
2. Applications must not be less than the minimum number of units stated on the Application Form. Application for more than the minimum number of units must be in the multiples stated on the Application Form. The number of units for which an application is made and the amount of the cheque or bank draft attached should be entered in the boxes provided.
3. The Application form when completed should be lodged with any of the receiving agents listed on page 26. Applications must be accompanied by a cheque or bank draft made out for the full amount payable on application. The cheque or draft must be crossed "CORDROS MILESTONE FUND 2023" with the name, address and daytime telephone number of the applicant written on the back. In the case of electronic payments application form must be accompanied by online transfer receipt evidencing payment to the Fund. All bank commissions and transfer charges must be prepaid by the applicant. All cheques and drafts shall be presented upon receipt and all applications in respect of which cheques are returned unpaid shall be rejected. Account Name - Cordros Milestone Fund 2023, Account Number – 1015547706, Bank Name-Zenith Bank
4. Payment above ₦10,000,000.00 (Ten Million Naira) should be transferred via RTGS into the issue proceeds account domiciled with the Receiving Bank
5. The applicant should make only one application, whether in his/her own name or in the name of a nominee. Multiple or suspected multiple applications shall be rejected.
6. Joint applicants must all sign the Application form.
7. An application from a group of individuals should be made in the names of those individuals. An application by a firm which is not registered should be made either in the name of the proprietor or in the names of the individual partners.
8. An application from a corporate body must bear the corporate body's seal and be completed under the hand of a duly authorised officer.
9. An application by an illiterate should bear his right thumb print on the Application Form.
10. The applicant should not print his signature. If he is unable to sign in the normal manner he should be treated for the purpose of this Offer as an illiterate and his right thumbprint should be clearly impressed on the Application Form.
11. All foreign currency subscriptions should be credited to the correspondent bank accounts specified on Page 24 of this Abridged Prospectus. The applicable Receiving Bank/s shall issue CCI's evidencing such foreign currency subscriptions. CCI's are required to enable subsequent repatriation, in a freely convertible currency, of the dividends from or proceeds of any future sale of the Units acquired in this IPO.

