

Q What is the GDL Money Market Fund?

The GDL Money Market Fund (“the Fund) is an open-ended mutual fund that seeks to provide safety, liquidity, diversification and competitive return. The Fund will invest in high-quality short-term money market securities, short term debt securities such as Bankers’ Acceptances, Certificates of Deposits, Commercial Papers, Deposits (Fixed/Tenored) with eligible financial institutions, and other instrument introduced and approved by the Central Bank of Nigeria (CBN) from time to time as permissible under SEC Rule 470. GDL Money Market Fund provides an opportunity for a large number of investors to pool resources together to invest in safe assets and earn high income on a quarterly basis. The Fund allows institutional investors to invest alongside individual investors in a diversified portfolio of high yielding and safe money market securities.

Q What are the benefits of investing in the Fund?

The fund will give investors access to liquidity, diversification, regular income, and professional portfolio management. The Fund will utilize the market bargaining power obtained from pooling of funds to enable investors enjoy competitive returns at minimal risk.

Q Who will manage the GDL Money Market Fund?

The GDL Money Market Fund will be professionally managed by Growth and Development Asset Management Limited, currently registered by the Securities & Exchange Commission as a Fund/Portfolio Management firm. GDL Asset Management has an investment grade rating by Agosto & Co

Q How much can I invest in the Fund?

There is no limit to how much you can invest in the Fund, however, the minimum initial investment for the offer is N10,000 (1,000 units), with multiples of N1,000 (100) units thereafter.

Q What is the Minimum Holding Period for the Fund?

The Fund only requires investors to hold units of the Fund for at least 30 Calendar days (1 month).

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

Every Unit-Holder will receive a GDL Money Market Fund Collection Receipt Statement upon payment or investment in the Fund.

Q How do I monitor my investment in the Fund?

You will receive a statement of account on a quarterly basis not more than 15 working days after the end of each quarter. Additionally, Unit Holders can visit the Fund Manager’s website (www.gdl.com.ng) to monitor end-of-day market prices of the Fund.

Q What is the Fund’s Asset Allocation?

The fund would invest between 10%-40% of its total assets in fixed deposits, 50%-70% in short term government securities such as Treasury Bills and 5%-15% in other money market instruments like commercial papers

Q Is there a guaranteed Rate of Return on an investment in the Fund?

Investment return in the Fund is not guaranteed. Indicative Fund return will be made available to investors. We expect that indicative return will not differ materially from the actual return of the Fund.

It is important to note that the return on the Fund is a function of prevailing interest rates in the Nigerian Financial Market. The Fund Manager has no influence over changes in interest rate. Accordingly it is impossible to guarantee any particular rate of return on the investment. However, the Fund Manager will strive to generate competitive returns to unit-holders.

Q How can I profit from my investment?

The Fund Manager will declare dividends and make distributions from the net income of the Fund on a quarterly basis to unit-holders. Unit-holders can elect to receive their dividend in cash or reinvest their dividends in new units at the Offer Price.

Q What is the procedure for selling or redeeming my investment?

Unit-holders can sell their units in the Fund after the initial 30-day holding period. Unit-holders will be required to redeem units online or complete a Redemption Form and return the proof of investment to the Fund Manager. Once these documents have been verified, the redemption request will be processed within five (5) business days. Minimum permissible holding after partial redemption is N1,000 or such balance as advised by the Manager from time to time. However, units redeemed before the expiration of Minimum Investment Holding Period (30days) will attract a handling fee charge of 10% of the income accrued on such investment

Q Who can invest in the GDL Money Market Fund?

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

Q How can I start an investment?

Once the Prospectus has been cleared by the Securities and Exchange Commission, an investment in the Fund can be made by completing a subscription form and making payment into the account details below. Completed subscription forms, with KYC documentation (means of identification, utility bills and passport photograph) and evidence of payment are required to be sent to Growth and Development Asset Management Limited or by mail to moneymarketfund@gdl.com.ng

Q How can I invest as a Foreign Investor?

The Fund assets are denominated in Naira and, as such, capital inflows by foreign investors who subscribe to the Fund shall be converted to Naira at the exchange rate as advised by the Fund Manager's Bankers. 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 effected. The applicable Receiving Banks will issue Certificate of Capital Importation ('CCI') evidencing such foreign currency subscriptions. CCIs 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 the proposed Offer for Subscription.