



# TESAH TREASURY TRUST PROSPECTUS

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## CONTACT DETAILS

Any enquiries regarding the contents of this Prospectus and Tesah Treasury Trust should be addressed to the following persons:

<p><b>Mrs. Eugenia Basheer</b> <b>Managing Director</b> TESAH CAPITAL LIMITED Eighth Floor, SSNIT Emporium Liberation Road, Airport City Number: 0501410257</p>	<p><b>OR</b></p>	<p><b>Mr. Joshua Adagbe</b> <b>Research/Compliance Officer</b> TESAH CAPITAL LIMITED Eighth Floor, SSNIT Emporium Liberation Road, Airport City Number: 0201653697</p>
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## RESPONSIBILITY STATEMENT AND STATEMENT OF DISCLAIMER

This Prospectus has been prepared in line with the provisions of the Securities Industry Act 2016, Act 929, the Unit Trusts and Mutual Funds Regulations 2001, L.I 1695, and the Securities and Exchange Commission Regulations 2003, L.I 1728, for the purpose of issuing shares for Tesah Treasury Trust (the "Trust"). The Prospectus has been reviewed and approved by the directors of the management company and the Securities and Exchange Commission. The directors of the management company accept full responsibility for the accuracy of the information therein. Having made reasonable inquiries, to the best of their knowledge and belief, they confirm that there are no false or misleading statements, or omission of other facts which would render any statement in the Prospectus misleading. The approval, and registration of this Prospectus, should not be taken to indicate that the Securities and Exchange Commission (Ghana) recommends the Trust or assumes responsibility for the correctness of any statement made or opinion expressed in this Prospectus.

Any information or representations given by any dealer, salesperson, or other person should be disregarded. Offer for subscription or purchase, or issue of units is on the basis of the information contained in this Prospectus and other documents referred to therein. Prior to investing in the Trust, investors should carefully consider the fees and charges levied on the Trust. Unit Trusts and securities investments are subject to market risks and there is no assurance or guarantee that the objective of the Trust will be achieved. As with any investment in securities, the Net Asset Value of the units issued under the Trust can go up or down depending on the factors and forces affecting the capital markets.

This Prospectus does not constitute an offering or solicitation in any jurisdiction in which such an offering may not lawfully be made or solicitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation and may only be used in connection with the offering of Units as contemplated herein.

This Prospectus should be read in its entirety before making an application for Units and should be retained for future reference. A copy of the Deed is available for inspection on the Manager's website and at the Manager's office located at 8th Floor, SSNIT Emporium, Liberation Road, Airport City, Accra, at all times during usual business hours (subject to such reasonable restrictions as the Managers may impose).

## DEFINITIONS

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

<b>Application Form</b>	The application form for shares enclosed with this document
<b>Business Day</b>	Monday to Friday excluding any day designated as a public or statutory holiday in Ghana.
<b>The Act</b>	Securities Industry Act 2016, Act 929
<b>Trustee</b>	Guaranty Trust Bank (Ghana) Limited
<b>The Directors or Board of Directors</b>	The Directors of Tesah Capital Limited
<b>The Trust</b>	Tesah Treasury Trust
<b>Lump Sum Purchase</b>	A onetime purchase
<b>The Manager</b>	Tesah Capital Limited
<b>Management Fee</b>	Annual charge of 1.25% of the daily Net Asset Value of the Trust due to the Manager for providing management, advisory and supervisory services to the Trust.
<b>Net Asset Value</b>	The net assets of the trust as determined in accordance with the terms of this Prospectus.
<b>The Offer</b>	The offer of units of Tesah Treasury Trust to the general public
<b>The Promoters</b>	Tesah Capital Limited
<b>Regular Investment Purchase</b>	The regular periodic purchase of Units
<b>SEC</b>	Securities and Exchange Commission
<b>GSE</b>	Ghana Stock Exchange
<b>Unit Holder</b>	The registered holder of units in the Trust.

# THE TRUST

Tesah Treasury Trust (“The Trust”) is an open-ended unit trust offered to investors who are seeking to maximize short term income while preserving capital. The Trust’s investment objective is to maximize short term income while aiming to preserve capital and to maintain a high degree of liquidity.

The Trust shall invest in a portfolio of government treasury bills, notes and bonds, quasi-government securities and other short term corporate instruments such as fixed deposits, certificates of deposits and commercial papers.

The address for the Fund is

**Eighth Floor, SSNIT Emporium  
Liberation Road, Airport City  
P.O. Box GP 2222, Accra**

And the contact details are;

**Telephone: 0302 977471/0302977813**

**Email: [cis@tesahcapital.com](mailto:cis@tesahcapital.com)**

**Website: [www.tesahcapital.com](http://www.tesahcapital.com)**

# PROSPECTUS SUMMARY

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

## **The Trust**

The name of the Trust is Tesah Treasury Trust. It is an open-ended unit trust. The Trust is authorized and registered in Ghana as a Unit Trust Scheme. The Trust is governed by a Trust Deed. The Trust is a money market trust which will invest primarily in short term sovereign and corporate debt instruments. The trust has two tiers. The Tier 1 is made up of existing securities and re-investments of maturities and coupons in short term money market securities while Tier 2 invests new deposits in short term money market securities.

## **Initial Investment Purchase**

Any amount

## **Investment objective**

Tesah Treasury Trust is an open-ended unit trust offered to investors who are seeking to maximize short term income while preserving capital.

## **The Fund Manager**

Tesah Capital Limited, a company duly licensed by SEC - to provide Fund Management and Investment Advisory services.

## **The Registrar**

Tesah Capital Limited shall act as the Registrar, and shall keep an electronic register of certified Unit Holders which shall be made available for inspection.

## **Transfer Agency Services**

Tesah Capital Limited shall act as the Transfer Agent, and shall provide transfer agency services which shall include processing Unit Holder's requests and issuing statements.

## **Regular Investment Purchases**

A regular investment plan exists for the benefit of investors who would like to purchase Units on a regular basis. The initial minimum investment and the regular investment purchase is set at any amount.

**Management fee**

The Manager shall receive a management fee not exceeding 1.25% per annum of the Trust's net assets computed daily and paid at the end of each calendar month.

**Dividends and Distribution**

No dividends shall be paid out to investors. All net investment income and realized if any, will be reinvested. Any investor who wishes to cash out his/her investment may redeem their Units.

**Redemption**

Units can be redeemed by applying in person at the offices of the Manager or duly authorized agents of the Manager or in writing to the Manager on every business day except on public and statutory holidays.

**Base Currency**

The base currency of the Trust is the Ghana Cedi

**Risk factors**

The Trust is a newly organized open-ended unit trust. Investments of the trust will only consist of treasury, quasi-government securities and corporate debt instruments. The risks associated with investing in the trust will include credit risk, default risk, interest rate risk, and foreign exchange risk.

## THE MANAGER

<b>Name:</b>	Tesah Capital Limited
<b>Date of Incorporation:</b>	11th May, 2010
<b>Country of Incorporation:</b>	Ghana
<b>Registration Number:</b>	CS291102013
<b>Nature of Corporate Firm:</b>	Limited Liability
<b>Address:</b>	8th Floor, SSNIT Emporium, Liberation Road, Airport City, Accra
<b>Telephone:</b>	(233) 302 977 471/302 977 813
<b>Postal Address:</b>	P.O. Box GP 2222, Accra

### Board of Directors of the Fund Manager

NAME	POSITION	OTHER AFFILIATION	OCCUPATION	NATIONALITY
Eric Nana Otoo	Chairman	Director of GAT (Executive), Vanguard Assurance, Apps N Mobile, WARC, EMIGOH	Investment Banker Consultant	Ghanaian
Mensah Seneadza	Member	Director of Schwepps International Limited, HGL Limited, One Ghana Movement, Varied Solutions Company Limited	Business Executive	Ghanaian
Justice Duffu Yankson	Member	Board Member of NPRA	Doctor/Lawyer	Ghanaian
Kwabena Ahenkora Boamah	Member	Director of Signature Kitchens	Business Executive	Ghanaian
Eugenia Basheer	Managing Director	Director of Ruptech Limited	Investment Banker	Ghanaian

The Manager also manages the following collective investment scheme;

FUND	ADDRESS	TELEPHONE	EMAIL	WEBSITE
Tesah Future Fund PLC	8th Floor SSNIT Emporium, Liberation Road Airport City-Accra	0302977813 \ 0302977813	cis@tesahcapital.com	www.tesahcapital.com

## THE TRUSTEE

**Name:** Guaranty Trust Bank (Ghana) Limited

**Date of Incorporation:** October 2004-2006 Country of Incorporation: Ghana

**Registration Number:** CS406022014 Nature of Corporate Firm: Limited Liability

**Address:** 25A, Castle Road, Ambassadorial Area, Ridge, Accra, Ghana

**Telephone:** +233 (302) 611 560, 680 662, 680 746, 676 474

**Fax Number:** +233 (302) 662 727, 664 533

**Postal Address:** PMB CT 416, Cantonments Accra GA/R

**Email Address:** gh.corporateaffairs@gtbank.com

Guaranty Trust Bank (Ghana) Limited is a subsidiary of Guaranty Trust Bank Plc. The Bank was registered **in Ghana in October 2004 and obtained its universal banking license from the Bank of Ghana on February 23, 2006.**

## THE AUDITORS

**Name:** John Kay & Co.

**Address:** Seventh Floor, Trust Towers, Farrar Avenue, Adabraka

**Telephone:** (233) 302 265 406

## THE REGISTRAR

**Name:** Tesah Capital Limited

**Address:** 8th Floor, SSNIT Emporium, Liberation Road, Airport City, Accra

**Telephone:** (233) 302 248 105/302 248 104

# 1. THE CONSTITUTION AND OBJECTIVES OF THE SCHEME

## 1.1 Name of the Scheme

The name of the Scheme is Tesah Treasury Trust.

## 1.2 Nature of the Scheme

The Scheme is an open-end unit trust.

## 1.3 Date of Establishment and Duration

The trust deed for the Trust is dated 12th January, 2021 and shall last perpetually.

## 1.4 Investment Objectives of the Fund

Tesah Treasury Trust ("The Trust") is an open-ended unit trust. The Trust seeks to maximize short term income while aiming to preserve capital and to maintain a high degree of liquidity through diversification and professional fund management.

## 1.5 Fundamental Investment Policy

The Trust shall be established and will operate in accordance with L.I.1695. The Trust shall have two tiers. Both tiers will invest predominantly in a combination of money market securities issued by sovereign states and corporate institutions, and other short-term instruments such as Commercial Papers, Fixed Deposits etc. across global market to achieve the investment objective of the Trust.

The Fund Manager shall have the discretion to select specific investments within these asset classes for both tiers in the Trust:

Asset Class	Percentage of Fund Assets Invested
Short Term Government and Quasi Government Debt Securities	Maximum of 100%
Short Term Local and Foreign Corporate Debt Instruments	Maximum of 75%
Cash and Cash Equivalent	Maximum of 5%

Short Term Corporate Debt Instruments include Fixed deposits, Listed Corporate Debt, Certificates of Deposits and Commercial Papers. These instruments will have the following feature;

- Clearly defined terms and maturity dates not exceeding 364 days.
- Periodic and terminal pay-out provision.
- Compliant with SEC guidelines and regulations. These limits shall be subject to an annual review.

Although the funds will be managed to maximize income, due to inherent risk in securities, the total attainment of the investment objectives of the Trust cannot be guaranteed. The Trust shall however be expected to maximize income on a best effort basis.

### **1.6 Permissible Investments**

The Manager shall invest the assets of the Trust in a variety of local and foreign money market and fixed income securities including treasury bills, notes, bonds, other quasi-government securities and corporate debt.

### **1.7 Limitations on Investment**

The investments of the Trust will be subject to the following restrictions. The Trust shall not except with the consent of the SEC and Unitholders;

- a. invest in commodities, futures or options;
- b. 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 scheme;
- c. make any investment that will result in the manager, trustee or the scheme gaining management control of a company in which the investment has been made;
- d. make short sales of securities or maintain a short position
- e. acquire any securities which are unpaid or partly paid for;
- f. apply any part of the assets of the scheme in the acquisition of an investment which is likely to involve the scheme in any liability, contingent or otherwise;
- g. enter into underwriting or sub-underwriting contracts in relation to the subscription or purchase of any investment.

### **1.8 Dividend Policy**

It is the intention of the Trust to re-invest all its investment income and dividends if any. Therefore, dividends will neither be declared nor distributed. As such, Unit Holders will benefit from a growth in the Net Asset Value of each unit of the Trust they hold.

### **1.9 Borrowing Power**

1. Subject to any statutory requirements and prohibitions for the time being in force and to the terms and conditions of the constitution of the scheme and the scheme particulars, the Trust may borrow up to 15% of its net value of the assets of the scheme, (but only from reputable financial institutions). Such borrowing will be a temporary measure for extraordinary or emergency purposes, as such providing funds to enable the fund manager to meet requests for redeeming interests in the scheme.

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 and at arm's length in accordance with normal banking practice;
  - b. the aggregate outstanding of borrowings whether in local or foreign currency at any time shall not exceed 15 per cent of the net value of the assets of the scheme;
  - 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 scheme;
  - d. for the purpose of securing the borrowing, the Trustee is entitled to charge or pledge in any manner all or any part of the assets of the scheme, and where any part of the assets of the scheme 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 scheme 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 scheme 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 Trustee demanding repayment of the monies secured;
  - f. where borrowing is undertaken for the account of the scheme, 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 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 Trust and the lender had any interest in them.
3. Where the assets of the scheme or any part of the assets is registered in the name of lender as security for a loan obtained for and on behalf of the scheme, the Trustee is liable for any act or omission of the lender's agent with respect to the property
4. Any cash raised by borrowing for the schemes shall constitute a part of the assets of the scheme.

#### **1.10 Maintenance of Prudent Levels of Liquidity**

In the interest of prudence and efficient management of the scheme, the Manager will maintain prudent levels of liquidity. The Manager shall maintain 5% of the net value of the assets of the

trust in near cash instruments to honour redemptions. The Manager may from time to time employ short- term tactical deviations from this policy limit of up to  $\pm 5\%$  of the net value of the assets of the Trust.

### **1.11 Winding Up of Scheme**

The Trust is of an indeterminate duration, however, the occurrence of any of the following events will cause the termination of the Trust and will cause the suspension of redemption of Units as provided in the ordinary course of business:

1. When an event, date or state of affairs specified for termination of the Trust in the Trust's constitution occurs.
2. If the Manager of the Trust, in writing and with the approval of the SEC terminates the Trust on the grounds that;
  - c. the purpose of the Trust cannot be accomplished;
  - d. if the Manager in its absolute discretion, by notice as hereinafter provided, on any date after commencement, terminates the Trust because on such date the aggregate value of the Units outstanding thereafter shall be less than an acceptable amount deemed to make the Trust commercially viable.
3. When the court on an application by the Manager of the Trust or by the SEC, a Unit Holder in the Trust, or a director of the Manager, makes an order to terminate the Trust and the court considers it just and equitable to do so
4. If the Trust is insolvent;
5. If a special resolution for termination is passed by the Unit Holders at a meeting duly convened and held in accordance with the provisions of the Trust Deed and such termination shall take effect from the date on which the said resolution is passed or such later date, if any, as the said resolution may provide.
6. If any law is passed which renders it illegal or impractical in the opinion of the SEC to continue the Trust.

The party terminating the Trust shall give notice to the Unit Holders and the Trustee in the manner provided and by such notice, fix the date at which such termination is to take effect which shall not be less than three months after the service of such notice.

When an event of termination occurs, the Manager shall, on a best effort basis, effect a market sale of all of the Fund's assets for the best prices available at such times. The Unit Holders will subsequently be entitled to receive a distribution in proportion to their respective interests in the Trust of the net cash proceeds derived from the realization the assets of the Trust and which are available for distribution.

### **1.12 Accounting Date**

The accounting period of the scheme or the Trust 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 when the accounting period shall begin on the date of establishment and end on the last day of December in the same year.

## 2. THE CHARACTERISTICS OF INTEREST IN THE TRUST

### 2.1 Type of interests

Interest in the Trust will be in the form of Units.

### 2.2 Entitlement of Units

All Units are entitled to equal participation in the income and property of the Scheme. A Unit Holder's right in respect of the Scheme by his or her Units is that of a right as a Unit Holder in the trust.

### 2.3 Evidence of Units

Contract Notes will be issued to Unit Holders for the purchase of Units and shall be evidence of title to the Units held. The Registrar shall keep an electronic register to record names of investors and all transactions on their behalf.

### 2.4 Voting Rights

Shareholders are entitled to vote on the election of new Directors and other matters submitted to shareholders' vote. The voting rights of shares are as follows:

- a. If there is a show of hands, every member present at the meeting in person or by proxy shall have one vote; and
- b. If there is a poll every member present at the meeting in person or by proxy shall have one vote for every share held.

## 3. VALUATION OF PROPERTY, CHARGES, DISTRIBUTION FEES

### 3.1 Management and Administration of the Trust

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

The Trust would pay for ongoing expenses incurred in its operations such as the management fees, audit fees, legal fees, regulators fees, registration fees, trustee's 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 Trust. The Trust would also bear the cost of acquiring, valuing and disposing of investments.

The fees and charges that will be incurred in the setting up of the Trust 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 Trust over a period of 36 months from the date of the first NAV calculation. These costs (charges and fees) of the initial Trust set up and the IPO will not exceed 5% of the IPO proceeds.

### 3.2 Operating Expenses

The Trust would bear all cost of acquiring, valuing and disposing of investment. All administrative expenses, Unit Holder services, research and other related expenses incurred for the day-to-day operations of the funds is also payable by the Trust.

### 3.3 Determination of Net Asset Value

After the IPO, the net asset value per unit of the Trust shall be determined once daily at 5.00 p.m. (1700hrs) GMT after the close of business on each business day. The Net Asset Value (NAV) per unit will be computed by dividing the net value of the Trust's assets (the value of its assets less its liabilities) by the total number of Units outstanding at such time. Any assets or liabilities initially expressed in terms of currencies other than the Ghanaian Cedi are translated into Cedis on the day of the valuation at the prevailing market rates using the U.S. Dollar as a cross currency for translation purposes.

The following methods will be used to value the Trust's assets;

- a. Money market securities and all other fixed income securities are valued at market value as at the date of valuation.
- b. Foreign instruments in the Trust quoted in currencies other than the Ghana cedi, will be converted to Ghana Cedi (GH¢) using the prevailing daily interbank forex rates from the Bank of Ghana. Fluctuations in the value of foreign currencies in relation to the Ghana Cedi may affect the net asset value of the Trust even if there has not been any change in the foreign currency prices of the Trust's investments.

- c. Where quotations for traded securities are available and reliable, the securities will be valued at the market quotations; where such quotations are not readily reliable or markets on which such securities trade close after the dealing deadline or a significant issuer specific events occur after the close of the market, which in the opinion of the Manager may affect values of the securities, the Trust may use a fair basis to value such securities.

The Manager will continually assess the methods of valuation and recommend changes where necessary to ensure that the Trust'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 Trust the Management Fee of 1.25% which shall be computed daily and be paid at the end of each calendar month based on the number of days within the period. 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 redeemed.

This fee serves as compensation for the Manager's efforts in the day-to-day management of the Trust's portfolio of investments and for financial planning and advice to the Trust.

## VALUATION OF PROPERTY, CHARGES, DISTRIBUTION FEES

### 3.5 Trustee Remuneration

The Trust agrees to pay the Fees to the Trustees in the manner herein set out. The Fees payable at the commencement of this Agreement shall be a Trustee service fee of 0.40 per cent per annum of the Net Asset Value (NAV) of the Trust. The periodic charge payable to the Trustee shall be calculated in respect of successive calendar month periods (payment period) except that no charge shall be payable in respect of the initial offer period. The periodic charge payable will accrue daily and shall be payable annually in arrears. The first payment period shall begin on the day after the end of the initial offer period.

### Fees and Expenses

The table below summarizes the fees and other expenses associated with investing in the Trust.

Fees / Charges	Rate
Front Load	None
Redemption Charge	None

Indicative Annual Trust Operating Expenses (Expenses that are deducted from the Trust's Assets)

<b>Fees / Charges</b>	<b>Rate</b>
Management Fee	1.25%
Trustee Fees	0.40%
Administrative Fees	0.35%
<b>Total Operating Expenses</b>	<b>2.00%</b>

## 4. THE ISSUE AND REDEMPTION OF INTERESTS IN THE TRUST

### 4.1 Days and Times for Issues and Redemption

The Manager will be available to receive requests by investors for the purchase and redemption of interests of the Trust on every business day from 8:00 am to 5:00 pm at the office of the Manager.

### 4.2 Purchase of Units

The office of the Manager shall be opened from 8:00am GMT to 5:00 pm GMT from Mondays to Fridays except weekends and statutory public holidays to receive requests for purchase of Units. When applicants purchase units, the units are purchased at the last published price.

### 4.3 Procedure for Purchase

Applicants shall complete standard application forms which shall then be sent to the office of the Manager. Telephone or electronic requests will be accepted once an indemnity form has been completed by the Client. Cheques will be cleared before the processing of applications by the Manager.

The base currency is the Ghana Cedi. However, applicants making purchases with other currencies should allow for currency conversion which may result in a delay. Foreign currencies shall be converted using the prevailing daily interbank forex rates from the Bank of Ghana. 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; however, applicants can settle their payments with easily convertible currencies but will bear the foreign exchange transaction cost.

Units can only be issued after receipt of subscription monies by 4:00 pm GMT on a valuation day. Application may lapse and be cancelled if settlement is not made.

A contract note shall be issued within three (3) Business Days from the date of receipt of the application form and subscription monies by the Manager. Contract notes shall be mailed electronically to the applicant or his appointed agent.

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 Redemption of Units

- a. The Trust is required to redeem for cash all Units of the Trust on receipt of a written request.
- b. The Manager shall on receipt by its duly authorized agent of a form from an investor to redeem all or any part of the interests comprised in the investor's holding, proceed to do so at a price per interest as at the date of the request less any fee, levies and charges attached to the redemption.

- c. A request for redemption should be satisfied by the Manager on first come first serve basis.
- d. A request for redemption is not valid unless the investor has delivered to the Manager or its authorized agent the document evidencing ownership in interests in the Trust issued to the investor representing the interests to be redeemed, with an endorsement duly completed by the investor or in the case of joint investors, by both or all of them.
- e. The maximum interval between the receipt of a properly documented request for the purchase of interests in a Trust by the Manager and the payment of the redemption money to the investor shall not exceed two working days 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.
- f. A receipt signed by the investor for the monies paid to the investor in respect of the interests held by the investor shall be a valid and sufficient discharge to the Manager and Board of Directors of the Fund, of all obligations on account of an application for redemption of receipt of interests, and in the case of several persons who are registered as joint investors, the receipt shall be signed by every one of the investors.

#### **4.5 Redemption Charge**

There shall be NO redemption charge. Unit Holders may redeem their holdings in the scheme at any time at NO fee.

#### **4.6 Procedure for Redemption**

Notice of redemption shall be deposited with the Manager, and accompanied by the Contract Note relating to the Units to be redeemed together with such other evidence as may be required to prove the holder's title and the right to redeem. The notice will require among other things signatures of all persons, in whose names the Units are registered, signed exactly as their names appear on the purchase documents. In the event that no Contract Note is issued to a Unit Holder, evidence of his or her investment will be via the person's records in the register of the Trust.

The redemption proceeds paid to an applicant will be the Redemption Price per Unit of the Trust (which shall be the computed NAV) multiplied by the number of Units redeemed.

Cheques shall be issued for payment of Units and shall be drawn on an account lodged with the Trustee. The payment of the redemption money for a properly documented request shall be two (2) business days from the date of receipt of redemption instruction, unless for any reason it is not possible to make payment of the redemption money within the time frame. Under such situation payment will be effected as soon as practicable when the difficulty is resolved.

If constraints prevail in the financial markets of countries in which investment of the funds are made to such extent that it affects redemption, the Manager, with the approval of the Securities and Exchange Commission shall extend the period for the payment of redemption proceeds to a

period not exceeding thirty (30) working days. Any further extension of the payment period shall be made with the approval of the SEC.

#### **4.7 Suspension in Dealings**

1. The Manager may, with the approval of the Trustee suspend dealings during;
  - a. any period when the stock exchange on which any investments that form a part of assets of the scheme for the time being are listed, is closed or when dealings at that exchange are restricted or suspended;
  - b. the existence of any state of affairs as a result of which disposal of investments of the Trust would not be reasonably practicable or might seriously prejudice the interests of the investors as a whole and of the assets of the Trust;
  - c. any breakdown in the means of communication normally employed in determining the value of any investment of the Trust or the current price on any stock exchange or when, for any reason, the value of investments of the Trust cannot be promptly and accurately ascertained; or  
  
any period when remittance of money which will or may be involved in the realization of the investment of the Trust or in the payment for investments cannot be carried out.
2. The Manager shall immediately notify the SEC of any suspension in dealings and shall provide the reasons for it.
3. A suspension in dealings may be permitted in exceptional circumstances having regard to the interests of investors and with the prior written consent of the SEC.
4. The suspension shall take effect immediately upon its declaration by the manager and dealings shall resume on the first dealing day after the day on which the condition that caused the suspension ceased.
5. A notice to the effect that dealings have been suspended or resumed shall be published immediately in the newspaper or on the website on which the Scheme's prices are normally published and shall be published at least a month after the first publication during the period of suspension.

#### **4.8 Publication of Unit Price**

1. Except when the determination of the sale and redemption prices have been suspended, the Manager shall publish or cause to be published on their website the issue, and redemption prices of interests in the scheme every business day of the week. The prices may also be ascertained at the office of the Manager.
2. The prices published in consequence of (1), shall be those calculated at the last valuation point prior to the publication of the prices.

3. The last valuation point shall be the close of business day immediately preceding the day on which prices of the scheme are published.

#### **4.9 Market for the Units**

The Units of the Trust 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 Trust are subject to normal market fluctuations and other risks inherent in investing in securities. Although the primary goal of the Trust is to preserve capital and create income for the investor there are risk considerations that are beyond the control of the Manager. The value of the Trust is subject for example to the effects of interest rate and exchange rate fluctuations, inflation, and any other adverse changes in the economic environment. The combined effects of all of these may adversely affect the value of the Trust. There can be no assurance that the expected appreciation in the value of investment will occur. The value of investments and the income derived from them may fall below the expectation of Unit Holders. There is no certainty that the investment objectives of the Trust will actually be achieved and no warranty or representation is given to that effect.

An investor may seek investment advice before subscribing to the Trust.

### 5.2 Credit Risk

The Trust could lose money if the issuer or guarantor of a security invested in by the Trust 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 Trust 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.

### 5.3 Regulatory Risk

The Trust is subject to various forms of regulations. These regulations may have an adverse effect on the Trust. Regulatory authorities may from time to time, issue new regulations and guidelines which may have a direct or indirect impact on securities the Trust will invest in. Regulations issued by central banks to defend currencies, manage external reserves, inflation or enhance economic growth may have a negative impact on the Trust's performance. There is also the risk that possible amendments to the local and foreign legislation (including tax legislation) may cause additional expenses for the Trust.

### 5.4 Legal Risk

Laws and regulations regarding fiduciary duties of officers and directors of investment management firms, and the protection of investors, etc. exist in most of the targeted investee countries, however, their administration may be subject to considerable discretion.

### 5.5 Rating Criteria for Debt Securities

There may be no rating criteria for the debt securities in which the Trust may invest. In purchasing such securities, the Trust 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 conditions and trends, its operating history, the quality of the issuers' management, corporate governance practices and regulatory matters.

### **5.6 Taxation**

The Trust qualifies for the special tax treatment afforded authorized collective investment schemes under the Securities Industries Law, The Income Tax Act, 2015 (Act896) and under the Unit Trust and Mutual Fund Regulations (LI 1695). The performance of the Trust may, however, be affected by tax laws in the other countries it invests in.

### **5.7 Foreign Exchange Risk**

The Fund's performance may be affected by the foreign currency denominated instruments in the portfolio by the fluctuations in the exchange rates between the currencies of the underlying securities and the base currency the Trust is valued in. This risk includes the risk that authorities with jurisdiction over the securities the Trust invests in may impose or modify exchange controls on the currency.

### **5.8 Country Risk**

The performance of the Trust may be affected by changes in the economic environment and market conditions, political developments or changes in legislation and regulatory requirements in the countries the Trust may invest in. Country risk may include sovereign defaults, banking or currency crises, social instability and changes in governmental policies such as requisition, nationalisation and confiscation of assets.

### **5.9 Repatriation Risk**

There may be hurdles and challenges with bringing capital and returns from investments in foreign markets back to the Fund in Ghana. The risk is influenced by factors such as foreign exchange controls, governmental regulation, market conditions, currency fluctuation and liquidity constraints. Restrictions on capital movement, changes in regulation, political stability and unfavourable economic conditions can impede the smooth repatriation of funds to the Fund from its external investments.

### **5.10 Issuer Specific Operational Risk**

The Trust may encounter difficulties that impact its operations. These may include disruptions to the computer systems that drive the business, people or external events such as third party fraud. An internal system of checks and balances shall be put in place to identify and resolve these issues as they occur. Any lapse due to operational risk that could result in losses could affect the Fund Manager's ability to meet its obligations.

## 6. GENERAL AND ADDITIONAL INFORMATION

### 6.1 Publication of Reports

The 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 electronically. Additionally, the reports will be available on the Manager's website in electronic form.

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

Copies of the constitution of the Trust, any amending instrument to the constitution, and the recent annual and half-yearly reports may be inspected at the Manager's Head office which is;

**TESAH CAPITAL LIMITED**  
**8th Floor, SSNIT Emporium**  
**Liberation Road Airport City, Accra**  
**P.O. Box GP 2222, Accra**

### 6.3 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 SEC of the details of the complaint, the action taken in response to it and inform the complainant that the SEC has been notified and provide the date of the notice.
4. After receipt of the notice, the SEC shall investigate the complaint and provide the complainant with such redress as is provided under the Law.

### 6.4 Regular Investment Plan

This is a purchase plan that allows an investor to make payments to the Manager on periodic basis to purchase Units in the Trust. The Regular Investment Plan is applicable only after the initial minimum deposit. The minimum value of subscription to the Regular Purchase Plan shall be any amount and may be transferred automatically from a bank account on a periodic basis to the Manager for investment in the Trust by the Unit Holder. The Trust may alter or terminate this arrangement at any time. Investors are to contact the Manager for further information about this service.

The Regular Investment Plan may also be done by; cash and mobile money payments, standing orders, or postdated cheques to the Manager or the designated Agents of the Manager.

## 6.5 Investment Account

The Manager shall maintain an Investment Account for every unitholder and send an electronic statement on the account to the Unit Holders at least twice a year. The statement will show activities in the account since the preceding statement, if any. Unitholders will receive separate electronic confirmations for each purchase or sale transactions other than automatic investment purchases and the reinvestment of income dividends.

## 6.6 Benefits of investing in the Trust

Investment in Units of the Trust potentially offers several benefits. Many investors, particularly individuals, lack the information or capability to invest in a variety of high-income earning securities. This Trust could significantly address this by changing the characteristics of the investor's portfolio in terms of risk diversification, liquidity and returns. Investors in the Trust have the potential to maximise income on the financial market through a diversified portfolio of mixed short-term securities – maturity profiles and medium to long-term debt securities. This mix of assets has the potential to;

1. Provide safety through investment in government and quasi-government securities,
2. Generate competitive returns at a relatively low risk,
3. Provide diversification across different markets, maturity profiles and yields,
4. Provide liquidity – easy redemption of funds invested and
5. Preserve capital.

Investment selection for the Trust's portfolio will employ professional fund management methods and practices backed by comprehensive research and analysis.

## 6.7 Material Contracts

The contract entered into by the Trust which is considered material for the purpose of this issue is the agreement with the Trustee dated 12th January, 2021 between the Fund manager of the Trust, Tesah Capital Limited and the Trustee of the Trust, Guaranty Trust Bank.

## 6.8 Claims and Pending Litigations

There are no existing claims or pending litigations on the assets of the Trust.

## 6.9 Issue Costs

All the expenses related to the making of this offer for subscription, including fees payable to the regulatory authorities, shall be paid from the assets of the scheme.

## 6.10 Meetings, attendance and voting

1. The investors of the Trust shall meet for the transaction of business at such times and places as 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 electronically at least twenty-one (21) days prior to the meeting using their email addresses in the register of Unit Holders. The Trustees shall prepare or cause to be prepared, in accordance with the Unit Trust and Mutual Fund Regulations 2001, LI 1695, a report referred to as “Investor

Report” in respect of each annual and half-yearly accounting period in order to facilitate the review of the performance of the Trust by Unit Holders.

2. All Units of the Trust have equal rights and voting privileges. Unit Holders are entitled to voting rights as follows;
  - a. If there is a show of hands, each member present in person or lawfully present by proxy at the meeting shall have one vote. Members may appoint multiple proxies, provided each proxy represents a different part of the holding, each of whom will have a vote on a show of hands; and
  - b. If there is a poll, each member present in person or lawfully present by proxy shall have one vote for each Unit held by him.

The Units confer on a Unit Holder participation in the returns on any assets of the scheme and right to receive notices to attend and vote at any general meeting of the Trust.

3. Each Unit Holder is entitled to only one copy of Unit Holders report. Unit Holders’ communications will be electronically mailed to each identified Unit Holder regardless of the number of accounts such Unit Holder has.

### **6.11 Unit Holders Services**

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

### **6.12 Documentation for Inspection**

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

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

**Tesah Capital Limited**

[www.tesahcapital.com](http://www.tesahcapital.com)