

This document is important and should be read carefully. If you are in any doubt as to its contents or the action to be taken, please consult your Banker, Stockbroker, Accountant, Solicitor or any other professional adviser for guidance immediately. Investment in the Bonds involves risk. For information concerning certain risk factors which should be considered by prospective investors, see "Risk Factors" commencing on page 41 hereof.



UNITED CAPITAL PLC
RC 444999
₦30,000,000,000
DEBT ISSUANCE PROGRAMME
SHELF PROSPECTUS

This Shelf Prospectus and the Bonds which it offers have been approved and registered by the Securities and Exchange Commission (the "SEC" or the "Commission"). It is a civil wrong and a criminal offence under the Investments and Securities Act No. 29 of 2007 (the "ISA" or the "Act") to issue a prospectus which contains false or misleading information. Clearance and registration of this Shelf Prospectus and the Bonds which it offers do not relieve the parties of any liability arising under the Act for false and misleading statements contained herein or for any omission of a material fact.

This Shelf Prospectus has been issued in compliance with Part IX of the Act, the Rules and Regulations of the Commission 2013 (as amended) ("SEC Rules"), the listing requirements of The Nigerian Stock Exchange ("The NSE") and FMDQ OTC Securities Exchange Plc ("FMDQ") and contains particulars in compliance with the requirements of the Commission for the purpose of giving information with regard to the ₦30,000,000,000 Debt Issuance Programme (the "Programme").

Under the Programme, United Capital Plc ("United Capital" or the "Issuer" or the "Company") may from time to time issue bonds as more fully described herein (the "Bonds"). Bonds issued under the Programme may be (i) senior and unsecured; or (ii) senior and secured; or (iii) subordinated; or (iv) equity linked; or (v) convertible; or (vi) exchangeable or (vii) any other format recognised by the SEC, the FMDQ and The NSE and may be issued from time to time in separate series, amounts, prices and on terms to be set out in any accompanying supplementary Prospectus or Pricing Supplement.

The maximum aggregate nominal amount of all Bonds issued from time to time and outstanding under the Programme shall not exceed ₦30,000,000,000 over the three (3) years specified by the SEC as at the date of this Shelf Prospectus or any other time frame prescribed by the SEC following the issue of this Shelf Prospectus, including any amendments thereto.

This Shelf Prospectus is to be read and construed in conjunction with any Pricing Supplement hereto and all documents, which are incorporated herein by reference and, in relation to any series of the Programme, together with the applicable Pricing Supplements.

The registration of this Shelf Prospectus ("Prospectus"), including any Pricing Supplement shall not be taken to indicate that the Commission endorses or recommends the Bonds or assumes responsibility for the correctness of any statements made or opinions or reports expressed in this Shelf Prospectus. No Bond will be allotted or issued on the basis of this Shelf Prospectus later than the date that falls three (3) years after the date of the issue of this Shelf Prospectus or any other time frame prescribed by the SEC following the issue of this Shelf Prospectus.

A decision to invest in the Bonds offered by United Capital should be based on consideration by the Qualified Institutional Investor and High Net-Worth Investor of this Shelf Prospectus and any document incorporated by reference as a whole.

For information about certain risk factors which should be considered by prospective investors, see the section on "Risk Factors" on pages 41 to 46.

Investors are advised to note that liability for false or misleading statements or acts made in connection with this Shelf Prospectus is provided in sections 85 and 86 of the Act.

LEAD ISSUING HOUSE / BOOK RUNNER



BARCLAYS SECURITIES NIGERIA LIMITED (RC 1383925)

JOINT ISSUING HOUSES / BOOK RUNNERS



FSDH MERCHANT BANK LIMITED (RC 199528)



UNION CAPITAL MARKETS LIMITED (RC 370890)

THIS SHELF PROSPECTUS IS DATED 28 March, 2019

THE PROGRAMME IS VALID FOR 3 YEARS FROM THE DATE OF ISSUANCE

This Shelf Prospectus will be available on the following websites through the 3 year Validity Period
www.unitedcapitalplcgroup.com; www.sec.gov.ng

IMPORTANT NOTICES

This Shelf Prospectus has been prepared by Issuing Houses on behalf of United Capital Plc in connection with its N30,000,000,000 Debt Issuance Programme for the purpose of giving information to prospective investors in respect of the Bonds described herein. The SEC has cleared and registered this Shelf Prospectus.

The Board of Directors accepts full responsibility for the accuracy of all information contained in this Shelf Prospectus and confirms (having taken all reasonable care to ensure that is the case) that the information contained in this Shelf Prospectus is in accordance with the provisions of the ISA, Rules and Regulations of the Securities and Exchange Commission 2013 (as amended), the listing and quotation requirements of FMDQ and The NSE and has not omitted anything likely to affect the import of such information.

No person has been authorised to give any information or to make any representation not contained in or not consistent with this Shelf Prospectus or any other information supplied in connection with the Programme and, if given or made, such information must not be relied upon as having been authorised by the Issuer or any of the parties to the Programme.

Neither this Shelf Prospectus nor any other information supplied in connection with the Bonds: (i) is intended to provide the basis of any credit or other evaluation or (ii) should be considered as a recommendation by the Issuer or any of the Issuing Houses that any recipient of this Shelf Prospectus or any other information supplied in connection with the issue of Bonds should purchase the Bonds.

Each prospective investor contemplating the purchase of any Bonds should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness of the Issuer. Neither this Shelf Prospectus nor any other information supplied in connection with the issue of the Bonds constitutes an offer or invitation by or on behalf of the Issuer or any of the Issuing Houses to any person to subscribe for or to purchase the Bonds.

Neither the delivery of this Shelf Prospectus nor the offering, sale or delivery of the Bonds shall in any circumstance imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Programme continues to remain correct as of any time subsequent to the date indicated in the document containing the same.

The Issuing Houses do not undertake to review the financial condition or affairs of the Issuer throughout the life of the Bonds or to advise any investor in the Bonds of any information coming to their attention. The Issuing Houses have not separately verified the information contained in this Shelf Prospectus and accordingly no representation, warranty or undertaking, express or implied, is made and to the fullest extent permitted by law. No responsibility or liability is accepted whether in contract or otherwise by any Issuing House as to the accuracy or completeness of the information contained in this Shelf Prospectus or any other information supplied in connection with the Bonds or their distribution. Each person receiving this Shelf Prospectus acknowledges that such person has not relied on the Issuing Houses or any person affiliated with any of the Issuing Houses in connection with its investigation of the accuracy of this Shelf Prospectus or such information or its investment decision.

The receipt of this Shelf Prospectus or any information contained in it or supplied with it or subsequently communicated to any person does not constitute investment advice from any of the Issuing Houses to any prospective investor. Prospective investors should make their own independent assessment of the merits or otherwise of subscribing to the Bonds offered herein and should seek their own professional advice in connection with any prospective investment by them.

The distribution of this Shelf Prospectus and the offer or sale of Bonds may be restricted by law in certain jurisdictions. Persons who come into possession of this Shelf Prospectus or any Bonds must inform themselves about, and observe any such restrictions. In particular, there are restrictions on the distribution of this Shelf Prospectus and the offer or sale of Bonds in the United States of America, the United Kingdom and certain other jurisdictions.

IMPORTANT NOTICES

The Issuer does not represent that this Shelf Prospectus may be lawfully distributed, or that any Bonds may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, nor does it assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer which would permit a public offering of any Bonds or distribution of this document in any jurisdiction (other than Nigeria) where action for that purpose is required. Accordingly, no Bonds may be offered or sold, directly or indirectly, and neither this Shelf Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any Applicable Law and Regulations.

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KEY TERMS AND ABBREVIATIONS

In this document, unless otherwise stated or clearly indicated by the context, the following words have the meanings stated opposite them.

“Programme Limit”	₦30,000,000,000 (Thirty Billion Naira Only) being the maximum aggregate Nominal Amount of all the Bonds that may be issued under the Programme
“Applicable Law”	Any applicable Nigerian law (including common law), statute, constitution, judgment, treaty, regulation, rule, by-law, order, decree, code of practice, circular, directive, other legislative measure, guidance note, requirement, request, guideline or injunction (whether or not having force of law and, to the extent not having force of law, is generally complied with by persons to whom it is addressed or applied) of or made by any authority, and as amended from time to time, which is binding and enforceable on or against the Issuer or the subject matter of, or any party to any of the Issue Documents
“Board” or “Directors” or “Board of Directors”	The members of the Board of Directors of United Capital Plc, who as at the date of this document are those persons whose names are set out on Page 14 of this Shelf Prospectus
“Bonds”	The registered bonds or any other type of debt instruments or securities that will be issued by the Company from time to time in accordance with the terms of this Shelf Prospectus and any applicable Pricing Supplement with the maximum aggregate nominal value not exceeding ₦30,000,000,000 (Thirty Billion Naira Only)
“Bondholder” or “Holders”	A person in whose name a Bond is registered in the Register of Bonds
“Business Day”	Any day except Saturdays, Sundays and public holidays declared by the Federal Government on which banks in Nigeria are open for business
“CAMA”	Companies and Allied Matters Act Chapter C20 LFN 2004 (as may be amended from time to time)
“CBN”	Central Bank of Nigeria established pursuant to the Central Bank of Nigeria Act 2007 (as may be amended from time to time)
“Certificates”	In relation to the Bonds, a certificate in or substantially in the form specified in the Schedule to the Programme Trust Deed or such other form of confirmation as the Trustees may approve, and includes any new certificate, in each case relating to the applicable Conditions and evidencing the entitlement of the Holder of the Bonds specified in the Programme Trust Deed
“CGT Act”	Capital Gains Tax Act, Cap C1 LFN 2004 (as may be amended from time to time)
“CITA”	Companies' Income Tax Act Chapter C21, LFN, 2004 (as may be amended from time to time)

KEY TERMS AND ABBREVIATIONS

“Conditions”	In relation to the Bonds of any Series, the terms and conditions in accordance with which the Bonds will be issued as set out in the section headed “Final Terms and Conditions of the Bonds” in the relevant Series Trust Deed or as may otherwise be endorsed on or incorporated by reference into the Bonds constituting such Series and which is in the form or substantially in the form specified in the Trust Deed; having regard to the terms of the Bonds of the relevant Series, as may be agreed between the Issuer and the Trustees, in each case as may be from time to time modified in accordance with the provisions of the Trust Deed
“Coupon”	The interest payable on any Bond (other than Zero Coupon Bonds) in the amount and on the dates specified in the Series Trust Deed
“Coupon Commencement Date”	The date of issue for any particular Series of Bonds or such other date as may be specified in the Pricing Supplement from which the Coupon on the Bonds begins to accrue
“Coupon Determination Date”	The date falling no later than 3 (three) Business Days prior to the Coupon Payment Date on which the Trustees determine the Coupon Rate applicable to a Bond (other than Fixed Rate Bonds and Zero Coupon Bonds)
“Coupon Payment Date”	The date on which Coupons are to be paid to Bondholders as specified in the relevant Pricing Supplement
“Coupon Period”	The period from (and including) a Coupon Payment Date (or as the case may be the Coupon Commencement Date) to (but excluding) the next Coupon Payment Date
“Coupon Rate”	The applicable rate of the Coupon as stated in the relevant Pricing Supplement and for a Floating Rate Bond, this will be the rate determined on a Coupon Determination Date for each Coupon Period by the Trustees
“CSCS” or the “Clearing System”	Central Securities Clearing System Plc
“Event of Default”	The events of default, which are particularly described in Condition 9 of the Terms and Conditions of the Programme
“Par Value”	The value the Bondholder will get per Bond on the Maturity Date
“Federal Government” or “FGN”	Federal Government of Nigeria
“FIRS”	Federal Inland Revenue Service
“Fixed Rate Bonds”	Bonds in respect of which interest is to be calculated and paid on a fixed rate basis and will not change during the life of the Bonds
“Floating Rate Bonds”	Bonds in respect of which interest is payable in accordance with a variable benchmark rate as prescribed in the relevant Pricing Supplement
“FMDQ” or “FMDQ OTC”	FMDQ OTC Securities Exchange Plc a SEC licensed OTC market securities exchange

KEY TERMS AND ABBREVIATIONS

“FMDQ Rules”	The Listing Rules of the FMDQ as approved by SEC on 6 October 2016 as may be amended from time to time
“Force Majeure”	Any event or circumstance (or combination of events or circumstances) that is beyond the reasonable control of the Issuer and the Trustees, which materially and adversely affects the ability of any party to perform its obligations under or pursuant to the Trust Deed, which could not have been reasonably foreseen, including without limitation change of law, national emergency, war, acts of God, invasion by foreign enemy, revolution, act of terrorism, civil commotion, and industrial unrest
“FX”	Foreign Exchange
“GDP”	Gross Domestic Product
“IFRS”	International Financial Reporting Standards
“IMF”	International Monetary Fund
“ISA”	Investments and Securities Act No. 29 of 2007 (as amended from time to time)
“Issue Date”	The date on which the Bonds are issued as specified in the applicable Pricing Supplement in relation to any particular Series or Tranche
“Issue Documents”	The documents required to be executed and delivered in connection with the issue of the Bonds and includes this Shelf Prospectus the Programme Trust Deed, and in relation to any Series, the Series Trust Deed, the Pricing Supplement and any other agreement or document filed with the Commission in relation to the issue of the Bonds
“Issue Price”	The price at which the Bonds are issued, as specified in the Pricing Supplement
“Issuer”	United Capital Plc
“Issuing Houses” or “Issuing Houses / Book Runners”	Barclays Securities Nigeria Limited, FSDH Merchant Bank Limited, Union Capital Markets Limited and any other issuing house appointed from time to time by the Issuer either generally in respect of the Programme or in relation to a particular Series or Tranche of Bonds
“Joint Issuing Houses / Joint Book Runners”	FSDH Merchant Bank Limited, Union Capital Markets Limited and any other issuing house appointed from time to time by the Issuer either generally in respect of the Programme or in relation to a particular Series or Tranche of Bonds
“LFN”	Laws of the Federation of Nigeria 2004 (as may be amended from time to time)
“Lead Issuing House” or “Lead Issuing House / Book Runner”	Barclays Securities Nigeria Limited, or if not so appointed, any successor issuing house appointed from time to time by the Issuer to lead a specific Series or Tranche of Bonds

KEY TERMS AND ABBREVIATIONS

“Material Adverse Effect”	For as long as the Bonds are outstanding, the occurrence of any event or series of events, which, in the opinion of the Trustees, has adversely affected or could adversely affect (a) the ability of the Issuer to perform or comply with any of its obligations under the Trust Deed or (b) the business, operation, performance, condition (financial or otherwise), assets, or prospects of the Issuer; or (c) the validity or enforceability of any of the Programme documents or the rights or remedies of any party thereunder;
“Maturity Date”	The date on which the Principal Amount or the final Instalment Amount (as defined in Condition 4 of the Programme Trust Deed (Redemption, Purchase and Options) of Bonds of a Series becomes due and payable;
“Naira” or “₦” or “NGN”	The Naira, the lawful currency of the Federal Republic of Nigeria
“NBS”	The National Bureau of Statistics
“Nigeria”	The Federal Republic of Nigeria and the word “Nigerian” shall be construed accordingly
“NSE Rules”	The Listing Rules of the Nigerian Stock Exchange
“Offer”	The offer of the Bonds to investors
“OTC”	Over the counter
“Ordinary Shares”	The ordinary shares of the Company held by the shareholders of the Company
“PITA”	Personal Income Tax Act Chapter, P8, LFN 2004 (as amended from time to time)
“Principal Amount Outstanding”	The principal amount outstanding and remaining unredeemed on the Bonds at any particular time
“Programme” or “Debt Issuance Programme”	The Debt Issuance Programme described in this Shelf Prospectus pursuant to which the Issuer may issue several separate Series or Tranches from time to time with varying maturities and variable rates of interests: provided however that the aggregate value does not exceed ₦ 30,000,000,000 (Thirty Billion Naira)
“Programme Trust Deed” or “Trust Deed”	A master trust deed made between the Issuer and the Trustees, in relation to the Programme
“Prospectus” or “Shelf Prospectus”	This Shelf Prospectus dated 28 March, 2019 including any supplementary shelf prospectus
“Rating Agencies”	Agusto & Co. Limited and any other rating agency appointed from time to time by the Issuer either generally in respect of the Programme or in relation to a particular Series or Tranche of Bonds
“Receiving Banks”	United Bank for Africa Plc and any other receiving bank appointed from time to time by the Issuer either generally in respect of the Programme or in relation to a particular Series or Tranche of Bonds

KEY TERMS AND ABBREVIATIONS

“Registrar”	Any entity (authorised to carry out registrar functions) appointed by the Issuer with respect to each Series or Tranche of Bonds in the applicable Series Trust Deed, serving as custodian of the Register for such Series or Tranche of Bonds
“Reporting Accountant”	Ernst & Young or any successor reporting accountant appointed from time to time by the Issuer to lead a specific Series or Tranche of Bonds
“Rules & Regulations”	SEC Rules, FMDQ Rules and NSE Rules
“SEC” or the “Commission”	The Securities and Exchange Commission
“SEC Rules”	The Rules and Regulations of the Securities & Exchange Commission (2013) (as amended) issued pursuant to the ISA (as may be amended from time to time)
“Series”	A Tranche together with any further Tranche or Tranches which are (i) expressed to be consolidated and form a single series and (ii) identical in all respects (including as to listing) except for their respective Issue Dates, Maturity Dates, Coupon Commencement Dates and/or Issue Prices
“Series Trust Deed”	The Trust Deed made between the Issuer and the Trustees in relation to a specific Series under the Programme
“Supplementary Prospectus” or “Pricing Supplement”	The document(s) to be issued pursuant to this Shelf Prospectus, which shall provide final terms and conditions of a specific Series or Tranche of Bonds under the Programme or supplement information contained in the Shelf Prospectus
“The NSE” or “The Exchange”	The Nigerian Stock Exchange
“Tranche”	Bonds which are identical in all respects (including as to listing)
“Trustees”	STL Trustees Limited, United Capital Trustees Limited, UTL Trust Management Services Limited and/or any other trustee that may be appointed from time to time
“USD” or “US\$”	The United States Dollar, the lawful currency of the United States of America
“VAT”	Value Added Tax as provided for in the VAT Act as may be amended from time to time
“VAT Act”	The Value Added Tax Act, Cap V1, LFN 2004 (as amended)

FORWARD LOOKING STATEMENTS

Certain statements included herein may constitute forward-looking statements that involve a number of risks and uncertainties. Such forward-looking statements can be identified by the use of forward looking terminology such as “estimates”, “believes”, “expects”, “may”, “are expected to”, “intends”, “will”, “will continue”, “should”, “would”, “seeks”, “approximately”, or “anticipates”, or similar expressions or the negative thereof or other variations thereof or comparable terminology, or by discussions of strategy, plans or intentions. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this Shelf Prospectus and include statements regarding the Issuer’s intentions, beliefs or current expectations concerning, amongst other things, the results of operations, financial condition, liquidity, prospects, objectives or goals of the Company. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future.

Prospective investors should be aware that forward-looking statements are not guarantees of future performance of the Issuer or the industry in which the Issuer operates and that the Issuer’s actual results of operations, financial condition and liquidity and the development of the industry in which it operates may differ materially from those made in or suggested by the forward-looking statements contained in this Shelf Prospectus. Such forward-looking statements are necessarily dependent on assumptions, data or methods that may be incorrect or imprecise and that may be incapable of being realized. In the event that the Issuer’s actual results of operations, financial condition, liquidity and the development of the industry in which the Issuer operates are consistent with the forward looking statements contained in this Shelf Prospectus, it is not guaranteed that those results or developments would be indicative of results or developments in subsequent periods.

Factors that could cause actual results to differ materially from the Issuer’s expectations are contained in cautionary statements in this Shelf Prospectus and include, among other things, the following:

- Overall political, economic and business conditions in Nigeria;
- Changes in government regulations, especially those pertaining to financial institutions;
- Changes in tax requirements, including tax rate changes, new tax laws and revised tax law interpretations;
- Economic and political conditions in international markets, including governmental changes;
- The demand for the Issuer’s products and services;
- Competitive factors in the industries in which the Issuer and its customers operate;
- Interest rate fluctuations and other capital market conditions;
- Exchange rate fluctuations; and
- The timing, impact and other uncertainties of future actions.

The sections of this Shelf Prospectus entitled “**Risk Factors**”, “**Description of United Capital Plc**”, “**Reporting Accountant’s Report**” and “**Statutory and General Information**” contain more detailed discussions of the factors that could affect the Issuer’s future performance and the industry in which it operates. In light of these risks, uncertainties and assumptions, the forward-looking events described in this Shelf Prospectus may not occur.

Nevertheless, when evaluating forward-looking statements, prospective investors should carefully consider the foregoing factors, other uncertainties and events, as well as other risks identified in this Shelf Prospectus.

The Issuer does not undertake any obligation to update or revise any forward looking statement, whether as a result of new information, future events or otherwise. All subsequent written and oral forward looking statements attributable to the Issuer or to persons acting on its behalf are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere in this Shelf Prospectus.

OTHER INFORMATION

THIRD PARTY INFORMATION

The Issuer has obtained certain statistical and market information that is presented in this Shelf Prospectus on such topics as the Nigerian economic landscape and related subjects from certain government and other third-party sources described herein. The Issuer has reproduced such information and, so far as the Issuer is aware and is able to ascertain from information published by such third parties, no facts have been omitted that would render the reproduced information inaccurate or misleading. Nevertheless, prospective investors are advised to consider this data with caution.

Prospective investors should also note that some of the Issuer's estimates are based on such third-party information. Neither the Issuer nor any of the Issuing Houses have independently verified the figures, market data or other information on which these third parties have based their studies. Certain statistical information reported herein has been derived from official publications of, and information supplied by, a number of Government agencies and ministries, including the CBN, the Debt Management Office ("**DMO**") and the National Bureau of Statistics ("**NBS**").

ROUNDING

Certain figures included in this Shelf Prospectus have been subject to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

ISSUE OF PRICING SUPPLEMENTS

Following the registration of this Shelf Prospectus with the SEC, a Supplementary Prospectus or Pricing Supplement may be prepared by the Issuer and Issuing Houses for the approval of the SEC, as the case may be, in accordance with Rule 279(3)(6)(b) of the SEC Rules.

Statements contained in any such Supplementary Prospectus or Pricing Supplement shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Shelf Prospectus. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Shelf Prospectus.

United Capital declares that, to the best of its knowledge and honest belief, no material facts have been omitted from, and there are no material misstatements in this Shelf Prospectus, which would make any statement contained herein misleading or untrue. United Capital will, in the event of any significant new factor or material mistake or inaccuracy relating to information included in this Shelf Prospectus that is capable of affecting the assessment of the Programme or the Bonds prepare a Supplementary Prospectus to this Shelf Prospectus or publish a new prospectus for use in connection with any subsequent issue of Bonds.



UNITED CAPITAL PLC (RC No: 444999)
UBA House, 12th Floor, 57 Marina, Lagos, Nigeria
Tel: +234 1 280 7596, +234 1 280 7302

DECLARATION BY THE ISSUER

This Shelf Prospectus has been prepared on our behalf by the Issuing Houses for the purposes of providing information and disclosures on United Capital Plc (the "Company"), to prospective investors in connection with the Programme and the investment in the securities issued therein.

On behalf of the Board of Directors, we hereby make the following declarations:

1. We confirm that the information contained in this Shelf Prospectus is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import;
2. There has been no significant change in the financial condition or material adverse change in the prospects of the Company as at the date of this Shelf Prospectus;
3. The Company is not in breach of any terms and conditions in respect of borrowed monies which resulted in the occurrence of an event of default and an immediate recall of such borrowed monies during the twelve (12) months preceding the date of this Shelf Prospectus; and
4. No prosecution has been commenced against either the Company or any of its subsidiaries during the twelve (12) calendar months immediately preceding the date of this Shelf Prospectus in respect of any breach or contravention of any provision of the Companies and Allied Matters Act Chapter C20 Laws of the Federation Nigerian 2004 or the listing requirements of any recognised Securities Exchange.

SIGNED for and on behalf of
UNITED CAPITAL PLC

By its duly authorised representatives

Peter Ashade
Chief Executive Officer

Leo Okafor
Company Secretary

Odiri Oginni
Chief Financial Officer

OLAYINKA A. DOHERTY ESQR
OLAYINKA A. DOHERTY & CO.
Barristers, Solicitors and
Notaries Public
6, Tokunboh Street, Lagos Island
Lagos State.



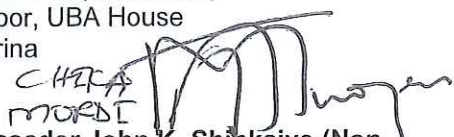
www.unitedcapitalplcgroup.com

PARTIES TO THE PROGRAMME

Directors and Company Secretary of the Issuer

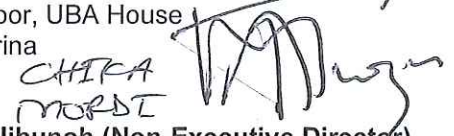
Chika Mordi (Chairman)

12th Floor, UBA House
57 Marina
Lagos

CHIKA MORDI


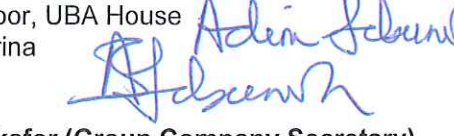
Ambassador John K. Shinkaiye (Non-Executive Director)

12th Floor, UBA House
57 Marina
Lagos

CHIKA MORDI


Adim Jibunoh (Non-Executive Director)

12th Floor, UBA House
57 Marina
Lagos

Adim Jibunoh


Leo Okafor (Group Company Secretary)

12th Floor, UBA House
57 Marina
Lagos

LEO OKAFOR

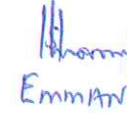

Peter Ashade (Group Chief Executive Officer)

12th Floor, UBA House
57 Marina
Lagos

 Peter Ashade

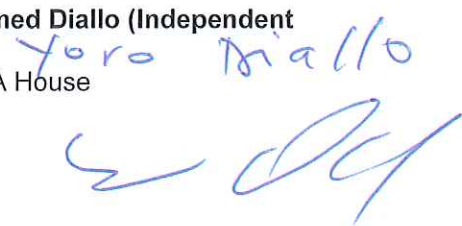
Emmanuel N. Nnorom (Non-Executive Director)

12th Floor, UBA House
57 Marina
Lagos

 EMMANUEL N. NNOROM

Yoro Mohammed Diallo (Independent Director)

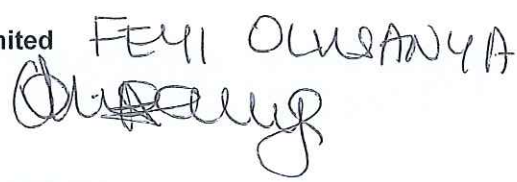
12th Floor, UBA House
57 Marina
Lagos

Yoro Diallo


Lead Issuing House / Book Runner

Barclays Securities Nigeria Limited

38A Glover Road
Ikoyi
Lagos

FEYI OLUWANUYA


Joint Issuing Houses / Book Runners

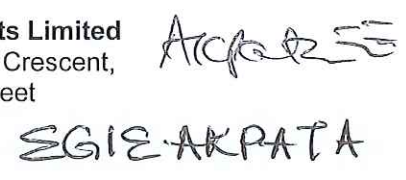
FSDH Merchant Bank Limited

UAC House (5th – 8th floors)
1/5 Odunlami Street
Lagos

TAIWO OTITI


Union Capital Markets Limited

7 Fatai Durosini Etti Crescent,
Off Ligali Ayorinde Street
Victoria Island
Lagos

AGIARSE
EGIE AKPATA


Issuer's Counsel

M.E. Esonanjo & Co

27 Oyewole Street Palmgrove
Ilupeju
Lagos

 MATTHEW ESONANJO

Transaction Counsel

G. Elias & Co

6 Broad Street
Lagos Island
Lagos


Nosakhare Aguelor

Reporting Accountant

Ernst & Young

10th & 13th Floor, UBA House
57 Marina
Lagos

Okafemi Alabi


PARTIES TO THE PROGRAMME

Trustees

STL Trustees Limited

3rd Floor, Skye Bank Building
30 Marina Lagos
Lagos

Funmi Ekundayo
Funmi Ekundayo

United Capital Trustees Limited

12th Floor, UBA House
57 Marina
Lagos

Tokunbo Ajayi
Tokunbo Ajayi

Legal Counsel to the Trustees ⁽¹⁾:

Banwo & Ighodalo
98, A'wolowo Road
South-West Ikoyi
Lagos

Stockbrokers

United Capital Securities Limited

12th Floor, UBA House
57 Marina
Lagos

BANWO CRITSEJAFAR
Banwo Critsejafar

Receiving Bank

United Bank for Africa Plc
UBA House
57 Marina
Lagos

UCHE IKE
Ramifunig
nt

UTL Trust Management Services Limited

2nd Floor, ED Building
47 Marina
Lagos

OLUFUNKE AIYEPOLA
OLUFUNKE AIYEPOLA

Rating Agency

Agusto & Co. Limited

5th Floor, UBA House
57 Marina
Lagos

Olusegun Owoade
Olusegun Owoade

Auditor

Deloitte & Touche

Civic Towers, Ozumba Mbadiwe Road
Victoria Island
Lagos

Yetunde Odetayo
Uodetayo

¹ Banwo & Ighodalo is the Legal Counsel to the Trustees on the Programme and is not a Party to the Programme

DOCUMENTS TO BE INCORPORATED BY REFERENCE

This Shelf Prospectus should be read and construed in conjunction with:

1. The Issuer's Audited Annual Reports for the financial years ended 31 December 2015, 31 December 2016 and 31 December 2017, comprising the audited annual financial statements of the Issuer and prepared in compliance with the Companies and Allied Matters Act Cap c20 LFN 2004, International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board and prescribed by the Financial Reporting Council of Nigeria ("FRCoN") (which include standards and interpretations approved by the FRCoN, together with its pronouncements thereon from time to time, and applied on a consistent basis; and
2. Each applicable Pricing Supplement or Supplementary Prospectus relating to any Series of the Bonds issued under this Shelf Prospectus

The Issuer will, in the event of any material change in its financial position, which is not reflected in this Shelf Prospectus, prepare an amendment or supplement to this Shelf Prospectus. Furthermore, the Issuer's information given in this Shelf Prospectus and the terms and conditions of additional Bonds to be issued under the Programme may be updated in a Supplementary Prospectus pursuant to the Rules & Regulations. Any such amendment or supplement will be incorporated by reference into this Shelf Prospectus and forms an integral part hereof. Any statement contained in a document that is incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Shelf Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Shelf Prospectus.

This Shelf Prospectus and any Pricing Supplement (as applicable) are accessible, and copies of them are available free of charge at the offices of the Issuing Houses from 8:00 am till 5:00 pm on Business Days, and on the website of the Issuer (www.unitedcapitalplcgroup.com), during the validity of the Programme.

Telephone enquiries should be directed to the Issuing Houses on:

Barclays Securities Nigeria Limited: +234 1 700 0275

FSDH Merchant Bank Limited: +234 1 271 6284

Union Capital Markets Limited: +234 1 280 6860-1

THE PROGRAMME

This Shelf Prospectus is issued pursuant to the provisions of the ISA, the Rules and Regulations and contains particulars in compliance with the requirements of the SEC, NSE and FMDQ for the purpose of giving information to the public with regard to the ₦30,000,000,000 Debt Issuance Programme established by the Issuer. The specific terms of each Series or Tranche in respect of which this Shelf Prospectus is being delivered will be set forth in the applicable Pricing Supplement and shall include the specific designation, aggregate principal amount, the currency or currency unit for which the Bonds may be purchased, maturity date, interest provisions, authorised denominations, Issue Price, any terms of redemption and any other specific terms. If a specific issue under the Programme requires a listing, an application will be made to The NSE and/or the FMDQ for the admission of such Bonds to the relevant exchange.

Each of the Directors represents that he/she has taken reasonable care to ensure that the information concerning the Issuer contained in this Shelf Prospectus is true and accurate in all material respects as at the date of this Shelf Prospectus and confirms, having made all reasonable enquiries, that to the best of his/her knowledge and belief, there are no material facts, the omission of which, would make any material statement herein misleading or untrue.

LEAD ISSUING HOUSE / BOOK RUNNER



BARCLAYS SECURITIES NIGERIA LIMITED (RC 1383925)

JOINT ISSUING HOUSES / BOOK RUNNERS



FSDH MERCHANT BANK LIMITED (RC 199528)



UNION CAPITAL MARKETS LIMITED (RC 370890)

ON BEHALF OF



**UNITED CAPITAL PLC
RC 444999**

are authorised to issue this Shelf Prospectus in respect of
THE ₦30,000,000,000 DEBT ISSUANCE PROGRAMME

This Shelf Prospectus contains:

1. on page 13, a declaration to the effect that the Issuer and its subsidiaries did not breach any terms and conditions in respect of borrowed monies which resulted in the occurrence of an Event of Default and an immediate recall of such borrowed monies during the twelve (12) calendar months immediately preceding the date of filing an application with the SEC for the registration of This Shelf Prospectus;
2. on pages 67 to 71, the Reporting Accountant's Report on the Issuer's historical financial information, prepared by Ernst & Young for incorporation in this Shelf Prospectus;
3. on pages 65 to 66, extracts of the Rating Reports prepared by Augusto & Co.; and
4. on page 73, the details and summary of the claims and litigation against the Issuer prepared by G.Elias & Co.

VALIDITY PERIOD OF THE SHELF PROSPECTUS AND DELIVERY OF DOCUMENTS

This Shelf Prospectus is valid from its date until 27 March, 2022 (“**Validity Period**”). No Bonds shall be issued or allotted on the basis of this Shelf Prospectus read together with the applicable Pricing Supplement(s) later than the Validity Period or any other validity period as enforced by the SEC from time to time unless the Validity Period is renewed by the Commission.

This Shelf Prospectus can be obtained free of charge from the offices of the Issuer and any of the Issuing Houses and can also be downloaded from the respective websites of the Commission and the Issuer, throughout its Validity Period.

SUMMARY OF THE PROGRAMME

This summary should be read as an introduction to this Shelf Prospectus. It does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Shelf Prospectus as a whole, any Pricing Supplement and other documents, if any, incorporated by reference into this Shelf Prospectus.

TERMS	DESCRIPTION
Issuer:	United Capital Plc.
Programme Description:	<p>A Debt Issuance Programme undertaken by the Issuer of convertible and non-convertible, senior or subordinated debt instruments to be issued in Series and or Tranches. The Programme covers Fixed Rate Bonds, Floating Rate Bonds, Reverse Floating Bonds, Zero Coupon Bonds, any combinations thereof and in any other format recognised by the SEC, all of which shall be denominated in Naira or in such other currency as may be agreed between the Issuing Houses and the Issuer and specified in the applicable Pricing Supplement.</p> <p>No Bonds shall be offered on the basis of this Shelf Prospectus or any Pricing Supplement after the expiration of the Validity Period or any other validity period as enforced by the SEC from time to time unless the Validity Period is renewed by the SEC.</p> <p>The Bonds shall be constituted by the Programme Trust Deed and a Series Trust Deed. A Series Trust Deed will be issued in respect of each Series, provided that any terms and conditions relevant to additional Bonds, if any, under the Programme shall be governed by the relevant Series Trust Deed.</p>
Programme Limit:	₦30,000,000,000 (Thirty Billion Naira) aggregate principal amount of Bonds outstanding at any one time.
Lead Issuing House / Book Runner:	Barclays Securities Nigeria Limited, or if not so appointed, any successor issuing house appointed from time to time by the Issuer to lead a specific Series or Tranche of Bonds
Joint Issuing Houses / Joint Book Runners:	FSDH Merchant Bank Limited, Union Capital Markets Limited and any other Issuing House appointed as Joint Issuing House/Book runner from time to time in relation to a specific Series of Bonds issued under the Programme.
Trustees:	STL Trustees Limited, United Capital Trustees Limited, UTL Trust Management Services Limited or such other Trustees specified in applicable Pricing Supplement.
Method of Issue:	The Bonds issued under the Programme may be offered and sold by way of public offering, private placement, through a book building process and/or any other methods as described in the applicable Pricing Supplement, within Nigeria or otherwise, in each case in accordance with the applicable Rules and Regulations.
Issuance in Series:	The Bonds will be issued in Series, and each Series may comprise one or more Tranches issued on different dates. The Bonds in each Series will have identical terms (except that the Issue Dates, Maturity Dates, Issue Price, Coupon Commencement Dates and related matters may be different). Details applicable to each Series and Tranche will be specified in the applicable Pricing Supplement.
Currency:	The Bonds shall be denominated in Naira (₦) or in such other currency as may be agreed between the Issuer and the Issuing Houses and specified in the relevant Pricing Supplement, subject to compliance with all applicable legal and regulatory requirements. Where any currency other than the Naira is specified in the relevant Pricing Supplement, the selling restrictions and additional disclosure requirements applicable to such other currency will be specified in the relevant Pricing Supplement.

SUMMARY OF THE PROGRAMME

Use of Proceeds:	The net proceeds from each Series or Tranche under the Programme will be used solely for the purposes for which the Bonds were issued and shall be disbursed in the manner disclosed in the applicable Pricing Supplement.
Maturities:	The Bonds shall have such maturities, as may be agreed by the Issuer and the Issuing Houses and specified in the applicable Pricing Supplement, subject to such maturities as may be allowed or required from time to time by the relevant laws or regulations applicable in Nigeria.
Maturity Date:	As specified in the applicable Pricing Supplement.
Tenor:	The tenor of a particular Series or Tranche shall be determined by the Issuer and the Issuing Houses and specified accordingly in the applicable Pricing Supplement for the Bonds being issued.
Issue Price:	Bonds may be issued at Par Value or at a discount to Par Value. The Issue Price of a specific Series or Tranche shall be specified in the applicable Pricing Supplement.
Closing Date:	The Closing Date of a specific Series or Tranche shall be stated in the applicable Pricing Supplement.
Coupon:	Bonds may be interest-bearing or non-interest bearing. The Coupon, if any, payable on the Bonds shall be determined by the Issuer and Issuing Houses and stated accordingly in the applicable Pricing Supplement.
Frequency:	The frequency of payment of interest and any other monies due on the Bonds shall be specified in the applicable Pricing Supplement.
Repayment:	Repayment terms in respect of the Bonds issued under the Programme shall be specified in the applicable Pricing Supplement.
Day Count Convention:	In case of Zero Coupon Bonds: Act/360 (actual number of days in a Month and 360 days in a Year). In case of Fixed and Floating Rate Bonds: Act/365 (actual number of days in a Month and 365 days in a Year) or Act/Act (actual number of days in a Month and actual number of days in a Year), as the case may be. Different day count conventions may be stipulated in the applicable Pricing Supplement.
Principal Redemption:	Bonds will be redeemed on the dates specified in the relevant Pricing Supplement.
Early Redemption:	Early redemption will be permitted only to the extent specified in the applicable Pricing Supplement, and subject to any applicable legal and regulatory limitations.
Redemption Amount:	The relevant Pricing Supplement will specify the redemption amount or, if applicable, the basis for calculating the redemption amounts payable
Form of Bonds/ Transferability:	The Bonds will be issued in un-certificated or book entry form registered with a separate identification code with the CSCS as specified in the applicable Pricing Supplement. Where Bonds are represented by a Certificate(s), such Certificate will be numbered serially with an identifying number recorded in the relevant Certificate and in the Register. The Bonds will be freely transferable in accordance with the provisions of the Trust Deed.
Interest Rate:	<p>Bonds issued under the Programme may be issued on a fixed rate, floating rate, zero coupon, indexed rate, variable rate or reserve floating rate or as defined in the applicable Pricing Supplement.</p> <p>Fixed Rate Bonds: Fixed interest will be payable semi-annually in arrears, or as specified in the relevant Pricing Supplement;</p> <p>Floating Rate Bonds: will bear interest set separately for each Series by reference to a specified variable benchmark rate plus a fixed spread. The benchmark rate and the applicable spread shall be specified in the applicable Pricing Supplement;</p>

	<p>Zero Coupon Bonds: may be issued at their principal amount or at a discount and will not bear interest, other than in the case of default interest for late payment as prescribed in the applicable Pricing Supplement;</p> <p>Indexed Bonds: payments of principal in respect of index redemption Bonds or of interest in respect of index linked interest Bonds will be calculated by reference to such index and/or formula or to changes in the prices of Bonds as prescribed in the applicable Pricing Supplement;</p> <p>Convertible Bonds: may bear a fixed rate or floating rate of interest, and have attached thereto, a right to convert such amount or holding of Bonds into fully paid ordinary shares of the Issuer as prescribed in the applicable Pricing Supplement;</p> <p>Exchangeable Bonds: may provide the Bondholder (and/or the Issuer) with an option to convert the Bonds or other securities into shares in a parent or subsidiary company of the Issuer as prescribed in the applicable Pricing Supplement;</p> <p>Variable Rate Bonds: will bear a rate of interest that varies in accordance with a pre-determined schedule as prescribed in the applicable Pricing Supplement.</p>
Interest Period(s) or Interest Payment Date(s) for Floating Rate Bonds:	Such period(s) or date(s) as shall be specified in the applicable Pricing Supplement.
Listing:	Each Series or Tranche may be listed on the NSE and/or FMDQ platform, and/or admitted to listing, trading and/or quotation by any other listing authority, stock exchange and/or quotation system as specified in the applicable Pricing Supplement.
Bonds Trading & Liquidity:	Bonds may trade OTC or on any other recognised trading platform between banks and qualified market counterparties.
Rating:	The Issuer was assigned a rating of Bbb+ by Agosto & Co. Limited in August 2018. The rating is valid for a period of one year from the date of the rating exercise, following which the ratings will be reviewed. Bonds issued under the Programme will be assigned a minimum of two ratings and such ratings shall be indicated in the applicable Pricing Supplement.
Taxation:	Payments in respect of the Bonds to the Bondholders will be made without deduction for or on account of withholding taxes imposed by Nigerian law. In the event that any such deduction is made, the Issuer will be required to pay additional amounts to cover the amounts so deducted. Details of this and other tax considerations are set out on page 47 (Tax Considerations) of this Shelf Prospectus.
Negative Pledge:	For as long as any of the Bonds remains outstanding, the Issuer shall not create any mortgage, charge, pledge, lien or any encumbrance upon the whole or any part of its present or future undertaking, business, assets or revenues to secure any indebtedness for listed bonds or other listed securities, unless the Issuer's obligations under the Bonds are secured equally and rateably therewith or have the benefit of such other security, guarantee, indemnity or other arrangement as the Trustees in their absolute discretion shall deem not to be materially less beneficial to the Holders.
Governing Law:	The Bonds and all related contractual rights, obligations and related documentation will be governed by, and construed in accordance with the laws of Nigeria.

INFORMATION RELATED TO THE PROSPECTUS

This Shelf Prospectus has been prepared by the Issuer in connection with the ₦30,000,000,000 (Thirty Billion Naira) Debt Issuance Programme, for the purpose of giving information to the prospective investors in respect of the Bonds described herein. The SEC has cleared this Shelf Prospectus and will register the securities listed herein. The registration of this Shelf Prospectus and any Pricing Supplement by the SEC shall not be taken to indicate that the SEC endorses or recommends the Bonds to be issued under the Programme or assumes responsibility for the correctness of any statements made or opinions or reports expressed herein.

This Shelf Prospectus contains certain statements, estimates and projections with respect to the future performance of the Issuer. These statements, estimates and projections reflect various assumptions by the Issuer concerning its anticipated future performance, which have been included solely for illustrative purposes. These statements, estimates and projections should not, however, be relied upon as representations, warranties or undertakings, expressed or implied, as to the future financial condition of the Issuer, and actual occurrences may vary materially from the projected developments contained herein and/or the assumptions on which such statements, estimates and projections were based.

The receipt of this Shelf Prospectus or any information contained in it or supplied with it or subsequently communicated to any person does not constitute investment advice from the Issuing Houses to any prospective investor. Prospective investors should make their own independent assessment of the merits or otherwise of subscribing to the securities offered herein and should seek their own professional advice in connection with any prospective investment by them.

Nothing in this Shelf Prospectus should be construed to mean that the Issuing Houses are bound to provide any information coming to their attention to any Bondholder or potential investors in the Bonds. Also, no Issuing House is bound to advise any investor or potential investors on the financial condition or affairs of the Issuer during the life of the Programme contemplated therein.

SCHEDULE 3

GENERAL TERMS AND CONDITIONS OF THE BONDS

The Bonds are constituted by a trust deed (the “**Programme Trust Deed**”) dated 28 March, 2019 between United Capital PLC (the “**Issuer**”) and United Capital Trustees Limited (the “**United Capital Trustees**”), STL Trustees Limited (“**STL Trustees**”) and UTL Trust Management Services Limited (“**UTL Trust**”). (United Capital Trustees, STL Trustee and UTL Trust are collectively referred to as the **Trustees** which expression shall include all persons for the time being appointed as trustee or trustees under the Programme Trust Deed).

Any Tranche or Series of Bonds which is to be created and issued pursuant to the Programme Trust Deed shall be constituted by, be subject to and have the benefit of a Series Trust Deed (the “**Series Trust Deed**”) between the Issuer and the Trustees. The Issuer shall execute and deliver such Series Trust Deed to the Trustees containing such provisions (whether or not corresponding to any of the provisions contained in the Programme Trust Deed) as the Trustees may require. Each Series Trust Deed shall set out the form of the Tranche of Bonds to be so constituted thereby and maybe accompanied by legal opinions (in form and substance satisfactory to the Trustees) or supporting authorisations/approvals as may be required by the Trustees.

The Holders are entitled to the benefit of and are bound by, and are deemed to have notice of, all the provisions of the Programme Trust Deed and the relevant Series Trust Deed applicable to them. The Programme Trust Deed and any Series Trust Deed are hereinafter collectively referred to as the Trust Deed.

These terms and conditions include summaries of, and are subject to the detailed provisions of the Programme Trust Deed and the Series Trust Deed. Except otherwise stated, words and expressions defined in the Programme Trust Deed shall bear the same meanings when used herein.

CONDITION 1

CURRENCY, FORM, TITLE AND DENOMINATION

(a) Issue and Currency

The Bonds may be issued by the Issuer in Series or Tranches pursuant to the Programme Trust Deed. A Tranche of Bonds may, together with a further Tranche or Tranches, form a Series of Bonds issued, provided that the aggregate nominal amount of all Bonds Outstanding under the Programme at any one point in time does not exceed the Programme Limit. The Supplementary Shelf Prospectus/Pricing Supplement for each Tranche of Bonds is (to the extent relevant) incorporated herein for the purposes of those Bonds and supplements these General Conditions.

The Supplementary Shelf Prospectus/Pricing Supplement may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with these General Conditions, replace or modify these General Conditions for the purposes of those Bonds.

The Bonds shall be in registered form or as may be specified in the applicable Final Terms, in a specified currency and in specified denomination(s).

(b) Form and Title

Uncertificated Bonds

The Bonds shall be issued in dematerialised (book-entry) form which shall be registered with a separate securities identification code with the CSCS and each Holder shall be issued an E-allotment Notification. Each Holder shall be entitled to deal in the same in accordance with CSCS procedures and guidelines.

The CSCS Statement of Account shall be conclusive and binding for all purposes save in the case of manifest error and such person shall be treated by the Issuer, the Trustees and the Registrar as the legal and beneficial owner of such aggregate number of Bonds for all purposes.

Certificated Bonds

A Holder may elect to receive a Certificate covering the aggregate Principal Amount of his beneficial interest in the Bonds PROVIDED THAT joint Holders shall be entitled to only one (1) Certificate in respect of the Bonds jointly held by them which Certificate shall be delivered to that one of the joint Holders whose name appears first in the Register and the delivery of a Certificate to one of such persons shall be deemed to be sufficient delivery to all.

Each Certificate will be numbered serially with an identifying number which will be recorded on the relevant Certificate and in the Register of Holders of Bonds of the applicable Series ("**Register**") which the Issuer will procure to be kept by the Registrar.

Title to the Bonds passes only by registration in the Register. The Holder of any Series will (except as otherwise required by law) be treated as its legal and beneficial owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest or any writing on, or the theft or loss of, the Certificate issued in respect of it) and no person will be liable for so treating the Holder.

(c) Listing

A Tranche of Bonds may be listed on the NSE and/or the FMDQ-OTC or on such other or further financial exchange(s) as may be determined by the Issuer, subject to any applicable laws. Unlisted Bonds may also be issued under the Programme. The Supplementary Shelf Prospectus/Pricing Supplement will specify whether or not a Series or Tranche of Bonds will be listed, on which financial exchange(s) they are to be listed (if applicable) and, if such Series or Tranche of Bonds are to be listed on the NSE, the relevant platform or sub-market of the NSE such Tranche of Bonds are to be listed.

(d) Denomination

The aggregate nominal amount, specified currency and specified denomination of a Series or Tranche of Bonds will be specified in the Supplementary Shelf Prospectus/Pricing Supplement.

(e) Closed Periods

No Holder may require the transfer of the Bonds: (i) during the period of fifteen (15) days ending on the due date for redemption of, or payment of any Coupon or Instalment Amount in respect of that Bond; (ii) after any Bond has been called for redemption by the Issuer or a Holder pursuant to Condition 4 (*Redemption, Purchase and Options*); or (iii) following the issuance of default notice to the Issuer by the Trustees pursuant to Condition 9 (*Events of Default*).

CONDITION 2

STATUS OF THE BONDS

(a) Status of the Senior Bonds

Unless otherwise specified in the Supplementary Shelf Prospectus/Pricing Supplement, the Senior Bonds shall constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference or priority among themselves. The payment obligations of the Issuer under the Senior Bonds in respect of principal and any Coupon thereon shall, save for such obligations as may be preferred by applicable legislation relating to creditor's rights, at all times rank at least equally with all other unsecured and unsubordinated indebtedness and monetary obligations of the Issuer, present and future.

(b) Status of the Subordinated Bonds

Subordinated Bonds are direct, unsecured and subordinated obligations of the Issuer and rank *pari passu* and without any preference among themselves and at least *pari passu* with the claims of all holders of Subordinated Indebtedness.

In the event of the Winding-up of the Issuer, the claims of the Trustees and the holders of Subordinated Bonds against the Issuer to payment of principal and Coupon in respect of the Subordinated Bonds will rank:

- (a) subordinated in right of payment to the payment of all Senior Indebtedness; and
- (b) *pari passu* without any preference among themselves.

The provisions of this Condition 2(b) apply only to the principal and Coupon in respect of the Subordinated Bonds and nothing in this Condition 2(b) or in Condition 10 shall affect or prejudice the payment of the costs, charges, expenses, liabilities or remuneration of the Trustee or the rights and remedies of the Trustee in respect thereof.

CONDITION 3

COVENANTS

For as long as any of the Bonds remains Outstanding (as defined in the Programme Trust Deed), the Issuer shall/undertakes to comply with the following covenants:

(a) Negative Pledge

The Issuer shall not create any mortgage, charge, pledge, lien or any encumbrance upon the whole or any part of its present or future undertaking, business, assets or revenues to secure any indebtedness for listed bonds or other listed securities, unless the Issuer's obligations under the Bonds are secured equally and rateably therewith or have the benefit of such other security, guarantee, indemnity or other arrangement as the Trustees in their absolute discretion shall deem not to be materially less beneficial to the Holders. Provided that the restrictions in this Condition 3(a) will not apply to Permitted Security.

(b) Restricted Payments

The Issuer shall not declare or pay any dividend in cash or otherwise or make a distribution (whether by way of redemption, acquisition or otherwise) in respect of its share capital if an Event of Default has occurred and is continuing.

(c) No Consolidation or Merger

Save as provided in the Programme Trust Deed, the Issuer, without the prior written consent of the Trustees (such consent not to be unreasonably withheld), shall not consolidate with or merge into any other Person (or enter into any transaction whose effect would be similar to that of a merger) or sell, convey, transfer, lease or otherwise dispose of all or substantially all of its property and assets to any Person by one or more transactions or series of transactions (whether related or not).

(d) Cessation of Business

Save as otherwise permitted in Clause 15.1.2 of the Programme Trust Deed, the Issuer shall not cease to carry on its business as a full, effective and valid going concern. The Issuer shall not engage in any business or activities not permitted under its memorandum and articles of association or relevant laws applicable to its continued corporate existence. The Issuer shall procure that no material change that would have a Material Adverse Effect is made to the nature of its business from that carried on as at the date of the relevant Series Trust Deed or conduct its business in a manner that might jeopardize the Issuer's fulfillment of its obligations under the Trust Deed.

(e) **Trustees Not Obligated to Monitor Compliance**

The Issuer shall furnish the Trustees annually, with a certificate on which the Trustees may rely to confirm the Issuer's compliance with the Conditions (including Conditions 3(b), 3(c) and 3(d)). Notwithstanding this, the Trustees are not obliged to monitor compliance by the Issuer with the Conditions (including Conditions 3(b), 3(c) and 3(d)).

CONDITION 4

REDEMPTION, PURCHASE AND OPTIONS

A Series or Tranche of Bonds will be redeemed on the Maturity Date in accordance with Condition 4(a) (*Scheduled Redemption*). If "*Redemption at the option of the Issuer (Call Option)*" and/or "*Redemption at the option of the Bondholders of Bonds (Put Option)*" is specified as applicable in the Supplementary Shelf Prospectus/Pricing Supplement, a Tranche of Bonds may, or upon the occurrence of an Event of Default as set out in Condition 9 (*Events of Default*) be redeemed prior to its Maturity Date in accordance with this Condition 4 (*Redemption, Purchase and Options*).

(a) **Scheduled Redemption**

Unless previously redeemed or purchased and cancelled as specified below, the Bonds will be redeemed at the Final Redemption Amount on the Maturity Date subject to the provisions contained in Condition 5 (*Payments*).

(b) **Redemption by Instalments and Final Redemption**

(i) Unless previously redeemed, purchased and cancelled as provided in this Condition 4, Bonds of a Series or Tranche that provide for Instalment Dates and Instalment Amounts shall be partially redeemed on each Instalment Date at the related Instalment Amount specified in respect of such Bonds. The outstanding nominal amount of such Bonds shall be reduced by the Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the nominal amount of such Bonds, such proportion) for all purposes with effect from the related Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused, in which case, such amount shall remain outstanding until the Relevant Date relating to such Instalment Amount. The Registrar shall update the Register to reflect the amount outstanding within 5 Business Days of the Instalment Date.

(ii) "**Instalment Amount**" means the portion of the Principal Amount payable on a date specified in the applicable Final Terms (the "**Instalment Date**")

(iii) Unless previously redeemed, purchased and cancelled as provided below, the Bonds shall be finally redeemed on the Maturity Date specified in the relevant Final Terms at its Final Redemption Amount (which, unless otherwise provided in respect of the Bonds, is its nominal amount) or, in the case of Bonds falling within paragraph (i) above, its final Instalment Amount.

(c) **Early Redemption**

The Early Redemption Amount payable in respect of Bonds of a Series (upon redemption of such Bonds pursuant to Condition 4(c) or upon it becoming due and payable as provided in *Condition 9 (Events of Default)*), shall be the Final Redemption Amount unless otherwise specified in the Final Terms in respect of the Bonds.

(d) **Redemption at the Option of the Issuer (Call Option)**

If the Issuer is specified in the Supplementary Shelf Prospectus/Pricing Supplement as having an option to redeem, the Bonds may, be redeemed at the option of the Issuer in whole or, if so specified in the Supplementary Shelf Prospectus/Pricing Supplement, in part, upon the Issuer, having given:

TERMS AND CONDITIONS OF THE PROGRAMME

- (i) not less than thirty (30) and not more than sixty (60) days, or such other period as specified in the Supplementary Shelf Prospectus/Pricing Supplement, notice to the Holders in accordance with *Condition 13 (Notices)*; and
- (ii) not less than seven (7) days before giving the notice referred to above, to redeem all or some of the Bonds then Outstanding on the Optional Redemption Date(s) (Call) and at the Optional Redemption Amount(s) (Call) specified in, or determined in the manner specified in, the Supplementary Shelf Prospectus/Pricing Supplement together, if appropriate, with Coupon accrued up to (but excluding) the Optional Redemption Date(s) (Call).
- (iii) Any such redemption amount must be of a nominal amount equal to or greater than the Minimum Redemption Amount or equal to or less than the Maximum Redemption Amount, both as specified in the Supplementary Shelf Prospectus/Pricing Supplement, if applicable. In the case of a partial redemption of Bonds, the Bonds to be redeemed (**Redeemable Bonds**) will be selected individually by lot; and in each such case not more than thirty (30) days prior to the date fixed for redemption (such date of selection being hereinafter called the **Selection Date**).

A list of the serial numbers of the Individual Certificates will be published in accordance with *Condition 13 (Notices)* not less than 10 (ten) days prior to the date fixed for redemption.

Holders of Redeemable Bonds shall surrender the Individual Certificates, together with Receipts and Coupon (if any) relating to the Bonds in accordance with the provisions of the notice given to them by the Issuer. Where only a portion of the Bonds represented by such Certificates, Receipts and Coupon (as applicable) are redeemed, the Registrar shall deliver new Individual Certificates, Receipts and Coupon (as applicable) to such Holders in respect of the balance of the Bonds.

(e) **Redemption for Taxation Reasons**

If so specified in the Supplementary Shelf Prospectus/Pricing Supplement, the Bonds may be redeemed at the option of the Issuer in whole, or in part,

- (i) at any time (if neither the Floating Rate Bonds provisions nor the Indexed Bonds provisions are specified in the Supplementary Shelf Prospectus/Pricing Supplement as being applicable or, if they are, such provisions are not applicable at the time of redemption); or
- (ii) on any Coupon Payment Date (if the Floating Rate Bonds Provisions or the Indexed Bonds provisions are specified in the Supplementary Shelf Prospectus/Pricing Supplement as being applicable and are applicable at the time of redemption); or
- (iii) on giving not less than thirty (30) nor more than sixty (60) days' notice to the Holders (which notice shall be irrevocable) at their Early Redemption Amount together with the Coupon accrued to the date fixed for redemption, if:
 - (a) the Issuer satisfies the Trustees and the SEC immediately prior to the giving of such notice that it has or will become obliged to pay additional amounts as a result of any change in, or amendment to, the laws or regulations of the Federal Republic of Nigeria or any political subdivision or any authority thereof or therein having power to tax (other than the expiry of the Companies Income Tax Act 2004 exemption in respect of the Bonds set out in the Companies Income Tax (Exemption of Bonds and Short Term Government Securities) Order, 2011 in relation to Bonds with a maturity date later than January 2, 2022), or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to issue the Series or Tranche of the Bonds; and

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- (f) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than ninety (90) days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Bonds then due. Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Trustees and the SEC a certificate signed by two (2) Directors stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred.

Provided, however, that no such notice of redemption shall be given earlier than:

- (i) where the Bonds may be redeemed at any time, ninety (90) days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts or would be entitled (as such entitlement is materially reduced) to claim a deduction in respect of computing its taxation liabilities; or
- (ii) where the Bonds may be redeemed only on a Coupon Payment Date, sixty (60) days prior to the Coupon Payment Date occurring immediately before the earliest date on which the Issuer would be obliged to pay such additional amounts or would not be entitled (or such entitlement is materially reduced) to claim a deduction in respect of computing its taxation liabilities.

CONDITION 5

PAYMENTS

- (a) Only Holders named in the Register at the close of business on the fifteenth day (whether or not such fifteenth day is a Business Day) before the relevant due date (the “**Record Date**”) shall be entitled to payment of amounts due and payable in respect of Bonds.
- (b) Payments of an Instalment Amount (where applicable), the Principal Amount, Periodic Distribution, final Instalment Amount and Coupon (where applicable) will be made in the relevant currency and by credit/electronic funds transfer to the specified bank account of the Holder. Provided however that the Issuer shall withhold amounts due to a Holder until a bank account is specified in writing by the Holder and the Holder shall not be entitled to any further Coupon, return or other payment in respect of any such delay. Coupon or returns on Bonds due will be paid to the Holder shown on the Register of Bonds of a Series at the close of business on the Record Date. The Holder shall be the only person entitled to receive payments in respect of Bonds and the Issuer will be discharged by payment to, or to the order of, the Holder in respect of each amount so paid.
- (c) If the Issuer is prevented or restricted directly or indirectly from making any payment by electronic funds transfer in accordance with the preceding paragraph (whether by reason of strike, lockout, fire, explosion, floods, riot, war, accident, act of God, embargo, legislation, shortage of or breakdown in facilities, civil commotion, unrest or disturbances, cessation of labour, Government interference or control or any other cause or contingency beyond the control of the Issuer), the Issuer shall make such payment by cheque (or by such number of cheques as may be required in accordance with Applicable Banking Regulation and practice) of any such amounts made payable to the relevant Holder. Such payments by cheque shall be sent by registered post to the address of the Holder of registered Bonds as set forth in the Register or, in the case of joint Holders of Registered Bonds, the address set forth in the Register of that one of them who is first named in the Register in respect of that Bond. Payment by electronic transfer to the Holder first named in the Register shall discharge the Issuer of its relevant payment obligations under the Bonds. Cheques may be posted by registered post, provided that the Issuer shall not be responsible for any loss in transmission and the postal authorities shall be deemed to be the agent of the Holders for the purposes of all cheques posted in terms of this Condition 5(c) (*Payments*).

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- (d) If the due date for payment of any amount in respect of the Bonds is not a Business Day, then the Holder thereof shall not be entitled to payment of the amount due until the following Business Day unless the day falls in the next calendar month, in which case the due date will be the immediately preceding day that is a Business Day, and the Holder shall not be entitled to any further Coupon, return or other payment in respect of any such delay. For the purpose of this Condition, "**Business Day**" means any day, other than a Saturday, Sunday or a Federal Government declared public holiday, on which banks are open for business in the Federal Republic of Nigeria and in the case of transfer to or from an account held by a non-resident Investor, in the place where such bank account is maintained.
- (e) All payments of all amounts (whether in respect of principal, Coupon or otherwise) due and payable in respect of any Bonds shall be made by the Trustees or the Registrars (if so instructed by the Trustees) from the Designated Accounts on behalf of the Issuer.
- (f) Interpretation of the Principal Amount:
- (i) Any reference in the General Conditions to the Principal Amount in respect of the Bonds shall be deemed to include, as applicable any additional amounts which may be payable with respect to the Principal Amount under any undertaking or covenant given in addition thereto, or in substitution therefore, pursuant to the Programme Trust Deed;
- (a) the Final Redemption Amount of the Bonds;
- (b) the Early Redemption Amount of the Bonds;
- (c) the Optional Redemption Amount(s) (if any) of the Bonds;
- (d) in relation to Bonds redeemable in instalments, the Instalment Amounts; and
- (e) any premium and any other amounts (other than Coupon) which may be payable by the Issuer under or in respect of the Bonds.

CONDITION 6

TRANSFER OF BONDS

(a) **Transfer of Bonds**

All Bonds issued pursuant to the Programme Trust Deed shall be transferable subject to the provisions for registration of transfers contained therein.

Any Person becoming entitled to registered Bonds in consequence of the death or liquidation of the Holder of such Bonds may, upon producing evidence to the satisfaction of the Issuer that he holds the position in respect of which he proposes to act under this Condition 6 or of his title as the Issuer shall require, be registered himself as the holder of such Bonds or, subject to any procedure/requirements the Issuer shall require and the provisions on transfer, may transfer such Bonds.

The Register shall be maintained at the offices of the Registrar and the Registrar shall provide for the registration of any Bonds with respect to each Tranche or Series of Bonds or its transfer under such reasonable regulations as the Registrar with the approval of the Issuer and the Trustees may prescribe.

The Register shall reflect the number of registered Bonds issued and Outstanding, the date upon which each of the Holders was registered as such. The Register shall contain the name, address, and bank account details of the Holders of the registered Bonds. The Register shall set out the Nominal Amount of the Bonds issued to such Holders and shall show the date of such issue. The Register shall show the serial number of Individual Certificates issued in respect of any Bonds. The Register shall be open for inspection during the normal business hours of the Registrar to any Holder or any person authorised in writing by any Holder.

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Each Tranche or Series shall be registered in the applicable Register. Any transfer of Bonds represented by a Certificate shall be effective only to the extent that such transfer is registered in the Register, by the Holder or transferee thereof in person or by his attorney duly authorised in writing, upon presentation and surrender of the Certificate (if the Bonds are issued in physical form) together with a written instrument of transfer in a form satisfactory to the Registrar duly executed by or on behalf of the registered Holder and the transferee by a duly authorised attorney. Upon surrender of the aforesaid documents to facilitate the registration of transfer of Bonds, the Registrar shall if the above stated conditions are met, register such transfer, and deliver a new Certificate (if any) to the transferee as appropriate.

The transfer of Bonds in dematerialised (book entry) form shall be regulated by the CSCS procedures and guidelines.

The Register shall be closed during such periods, not exceeding an aggregate of thirty (30) days in any year.

(b) **Prohibition on Stripping**

Where so specified in the Supplementary Shelf Prospectus/Pricing Supplement, Bonds which shall be issued subject to the condition that the relevant Bonds (including rights to Instalment Amounts and/or Coupon thereon, as applicable) may only be transferred to a single transferee at a time and accordingly that the various rights in respect of such Bonds may not be stripped and transferred to various transferees at different times.

Stripping of Bonds is otherwise permitted.

CONDITION 7

TAXATION

Pursuant to the Companies Income Tax (Exemption of Bonds and Short Term Government Securities) Order, 2011, and the Value Added Tax (Exemption of Proceeds of Disposal of Government and Corporate Securities) Order 2011, corporate bonds are exempted from taxes ordinarily imposed under the Companies Income Tax Act and as well as from the imposition of Value Added Tax respectively, for a period of 10 years from the date the orders became effective (being January 2, 2012). The Bonds are also exempt from VAT payable on commissions on stock exchange transactions by virtue of the Value Added Tax (Exemption of Commissions on Stock Exchange Transactions) Order, 2014, accordingly commissions payable to the SEC, NSE and CSCS will not be subject to VAT until July 24, 2019. Furthermore, by virtue of the Personal Income Tax (Amendment) Act 2011, corporate bonds are also exempt from personal income tax. Therefore, all amounts payable under the Bonds will be paid without deduction or withholding for or on account of any income tax. Thus, the Issuer will not be required by law to withhold tax on Coupon payments to the Holders. In relation to Bonds with a maturity date later than January 2, 2022, the Issuer may be required by law, to withhold tax on Coupon payments to the Holders.

The relevant Series Trust Deed will indicate the tax consequences of investment in the relevant Series or Tranche of Bonds.

CONDITION 8

PRESCRIPTION

Claims against the Issuer for payment in respect of the Bonds shall be prescribed and become void unless made within six (6) years from the appropriate Relevant Date in respect of the Principal and Coupon.

As used in these General Conditions, “**Relevant Date**” in respect of any payment means the date on which such payment first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven (7) days after that on which notice is duly given to the Holders that such payment will be made.

CONDITION 9

EVENTS OF DEFAULT

Upon the happening of any of the following events ("**Events of Default**"), the Issuer shall forthwith notify all the Holders and the Trustees. The Trustees at their discretion may, and if so requested in writing by Holders of at least one-tenth in principal amount of the Bonds of the relevant Series then outstanding, or if so directed by a Special Resolution of the Holders of the Bonds of the relevant Series, shall give written notice to the Issuer at its specified office, effective upon the date of receipt thereof by the Issuer, that an Event of Default has occurred and that the Bonds are immediately due and repayable, whereupon the Early Redemption Amount (if any) of the Bonds together with any accrued interest to the date of payment shall become immediately due and payable:

- (i) **Non-Payment:** default is made in the payment on the due date of the Principal Amount in respect of the Bonds; or
- (ii) **Non-Payment of Coupon:** default is made in the payment on the due date of Coupon in respect of the Bonds; provided that non-payment as a result of a technical or administrative error which is remedied within five (5) Business Days shall not be deemed an Event of Default; or
- (iii) **Breach of Other Obligations:** the Issuer does not perform or comply with any one or more of its other obligations in the Bonds or the Programme Trust Deed which default is incapable of remedy or is not remedied within thirty (30) days after written notice of such default shall have been given to the Issuer by the Trustees at their specified office; or
- (iv) **Cross-Default:** (A) any other present or future indebtedness of the Issuer for or in respect of moneys borrowed or raised becomes due and payable prior to its stated maturity by reason of any default on the part of the Issuer, or (B) any such indebtedness is not paid when due or, as the case may be, within any applicable grace period, or (C) the Issuer fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised provided that the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of one or more of the events mentioned above in this paragraph (iv) have occurred and equals or exceeds ₦10,000,000,000.00 (Ten Billion Naira); or
- (v) **Enforcement Proceedings:** a distress, attachment, execution or other legal process is levied, enforced or commenced against the property, assets or revenues of the Issuer, where the value of such property, assets or revenue exceeds ₦7,500,000,000.00 (Seven Billion, Five Hundred Million Naira), and such distress, attachment, execution or other legal process is not discharged or stayed within one hundred and eighty (180) days; or
- (vi) **Security Enforced:** any mortgage, charge, pledge, lien or other encumbrance, present or future, created or assumed by the Issuer over a material part of the Issuer's property, assets or revenues, becomes enforceable and any step is taken to enforce it (including the taking of possession or the appointment of a receiver, manager or other similar person); or
- (vii) **Insolvency:** the Issuer is, or is deemed by law or a Court to be insolvent or unable to pay its debts, stops, suspends or threatens to stop or suspend payment of all or a material part of (or of a particular type of) its debts, proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any of such debts or a moratorium is agreed or declared in respect of or affecting all or any part of (or of a particular type of) the debts of the Issuer; or
- (viii) **Winding-up:** an order is made or an effective resolution passed for the winding-up or dissolution of the Issuer, or the Issuer shall apply or petition for a winding-up or administration order in respect of itself or ceases or through an official action of its board of Directors threaten to cease to carry on all or a substantial part of its business or operations, in each case except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation on terms approved by the Trustees or by a Special Resolution of the Holders; or

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- (ix) **Failure to take action:** any action, condition or thing (including the obtaining of any consent, licence, approval or authorisation) now or hereafter necessary to enable the Issuer to comply with their obligations under the Programme Trust Deed for the issuance of the Bonds is not taken, fulfilled or done, or any such consent, licence, approval or authorisation shall be revoked, modified, withdrawn or withheld or shall cease to remain in full force and effect, resulting in the Issuer being unable to perform any of their obligations in terms of the Bonds or the Programme for the issuance of the Bonds; or
- (x) **Nationalisation:** any step is taken by any person with a view to the seizure, compulsory acquisition, expropriation or nationalisation of all or a material part of the assets of the Issuer.

CONDITION 10

ENFORCEMENT

- (a) The Trustees may, at any time, at their discretion and without notice institute such proceedings as they think fit to enforce their rights under the Trust Deed in respect of the Bonds of a relevant Series including the repayment of the Bonds at any time after the Bonds shall have become repayable under the terms of issue (including pursuant to Condition 9 (Events of Default), but shall not be bound to do so unless:
 - (i) they have been so requested in writing by the Holders of not less than one fifth in principal amount of the outstanding Bonds of a relevant Series or has been so directed by a Special Resolution passed at a meeting of the Holders convened in accordance with clause 1.2 of Schedule 1 of this Deed; and
 - (ii) they have been indemnified, prefunded and/or secured to their satisfaction.
- (b) No Holder shall be entitled to proceed directly against the Issuer to enforce the provisions of the Trust Deed unless the Trustees having become bound so to proceed, fail so to do within fourteen (14) Business Days and the failure shall be continuing, in which case the Holder, shall have only such rights against the Issuer as those which the Trustees are entitled to exercise.
- (c) The Trustees or the Holders shall be entitled to all remedies available under the law for the recovery of amounts owing in respect of the Bonds or under the Trust Deed.
- (d) The Trustees shall also file a notice of any default and remedies being pursued with the SEC within ten (10) days of becoming aware of the occurrence of an Event of Default.
- (e) If the Floating Rate Bonds or Index Linked Coupon Bonds of any Series become immediately due and repayable under Condition 9 (*Events of Default*) the rate and/or amount of coupon payable in respect of them will be calculated by a calculation agent (where so specified in the applicable Supplementary Shelf Prospectus/Pricing Supplement) (the "**Calculation Agent**") at the same intervals as if such Bonds had not become due and repayable, the first of which will commence on the expiry of the Coupon Period during which the Bonds of the relevant Series become so due and repayable *mutatis mutandis* in accordance with the provisions of Condition 11 (*Coupon and Other Calculations*) except that the rates of Coupon need not be published.
- (f) Upon the occurrence of an Event of Default, the Trustees shall at their discretion be entitled to liquidate the Designated Accounts and or Permitted Investments for the payment of the amounts outstanding on the Bonds, provided however that the Trustees shall only be obliged to distribute to the Holders up to the extent of such amounts as they realise from the Designated Accounts or disposal of the Permitted Investments and such amounts shall be applied to meet the obligations of the Issuer in accordance with the Programme Trust Deed and the applicable Series Trust Deed.

CONDITION 11

COUPON AND OTHER CALCULATIONS

If the Supplementary Shelf Prospectus/Pricing Supplement so specifies, the Bonds of any Tranche will bear Coupon from the Coupon Commencement Date at the Coupon Rate(s) specified in, or determined in accordance with, the Supplementary Shelf Prospectus/Pricing Supplement and such Coupon will be payable in respect of each Coupon Period on the Coupon Payment Date(s) specified in the Supplementary Shelf Prospectus/Pricing Supplement. The Coupon payable on the Bonds of any Series or Tranche for a period other than a full Coupon Period shall be determined in accordance with the Supplementary Shelf Prospectus/Pricing Supplement.

(a) Coupon on Fixed Rate Bonds

Coupon on Fixed Rate Bonds will be paid on the Coupon Payment Dates specified in the Supplementary Shelf Prospectus/Pricing Supplement.

Accrual of Coupon

The Bonds shall bear Coupon from the Coupon Commencement Date at the Coupon Rate payable in arrears on each Coupon Payment Date, subject as provided in Condition 5 (*Payments*). Each Bond will cease to bear Coupon from the relevant Coupon Termination Date.

Fixed Coupon Amount

The Coupon Amount payable in respect of each Bonds for any Coupon Period shall be the relevant Fixed Coupon Amount and, if the Bonds are in more than one Specified Denomination, shall be the relevant Fixed Coupon Amount in respect of the relevant Specified Denomination.

Calculation of Coupon Amount

The amount of coupon payable in respect of each Bond for any period for which a Fixed Coupon Amount is not specified shall be calculated by applying the Coupon Rate to the Calculation Amount, multiplying the product by the relevant Day Count Fraction and rounding the resulting figure to the nearest sub-unit of the specified currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the specified denomination of such Bond divided by the Calculation Amount, provided that:

- (i) if an Initial Broken Amount is specified in the Supplementary Shelf Prospectus/Pricing Supplement, then the first Coupon Amount shall equal the Initial Broken Amount specified in the Supplementary Shelf Prospectus/Pricing Supplement; and
- (ii) if a Final Broken Amount is specified in the Supplementary Shelf Prospectus/Pricing Supplement, then the final Coupon Amount shall equal the Final Broken Amount specified in the Supplementary Shelf Prospectus/Pricing Supplement.

(b) Coupon on Floating Rate Bonds and Indexed Linked Coupon Bonds

Accrual of Coupon

The Bonds shall bear Coupon from the Coupon Commencement Date on the outstanding nominal amount at the Coupon Rate payable in arrears on each Coupon Payment Day, subject as provided in Condition 5 (*Payments*). Each Bond will cease to bear Coupon from the Coupon Termination Date.

Floating Coupon Rate

The Floating Coupon Rate which is applicable to a Series or Tranche of Floating Rate Bonds for a Coupon Period will be determined in the manner specified in the relevant Supplementary Shelf Prospectus/Pricing Supplement.

Indexed Coupon

If the Indexed Coupon Bond provisions are specified in the Supplementary Shelf Prospectus/Pricing Supplement as being applicable, the Coupon Rate(s) applicable to the Bonds for each Coupon Period will be determined in accordance with the manner specified in the Supplementary Shelf Prospectus/Pricing Supplement.

Maximum and/or Minimum Coupon Rate

If the Supplementary Shelf Prospectus/Pricing Supplement specifies a Maximum Coupon Rate for any Coupon Period, then the Coupon Rate for such Coupon Period shall in no event be greater than such Maximum Coupon Rate and/or if it specifies a Minimum Coupon Rate for any Coupon Period, then the Coupon Rate for such Coupon Period shall in no event be less than such Minimum Coupon Rate.

Determination of Floating Coupon Rate and Calculation of Coupon Amount

The Trustees, in the case of Floating Rate Bonds will, at or as soon as practicable after each time at which the Coupon Rate is to be determined in relation to each Coupon Period, procure the calculation of or calculate the Coupon Amount payable in respect of each Bonds for such Coupon Period. The Coupon Amount will be calculated by applying the Coupon Rate for such Coupon Period to the Calculation Amount and multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the specified currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the specified denomination of the relevant Bond divided by the Calculation Amount.

Calculation of Other Amounts

If the Supplementary Shelf Prospectus/Pricing Supplement specifies that any other amount is to be calculated (by the Calculation Agent, if any), the Calculation Agent will, as soon as practicable after the time or times at which any such amount is to be determined, calculate the relevant amount. The relevant amount will be calculated by the Calculation Agent in the manner specified in the Supplementary Shelf Prospectus/Pricing Supplement.

Publication

The Calculation Agent, if any, will cause each Coupon Rate determined by it, together with the relevant Coupon Payment Date, and any other amount(s) required to be determined by it, together with any relevant payment date(s) to be notified to the Issuer, the Trustees, any Exchange on which the relevant Floating Rate Bonds are for the time being listed, as soon as possible after their determination and in any event not later than the later of the day that is three (3) Business Days before the relevant Coupon Payment Date and the relevant Coupon Determination Date for that Coupon Period. Notice thereof shall also promptly be given to the Holders in accordance with Condition 13 (*Notices*).

Each Coupon Rate determined by the Calculation Agent, together with the relevant Coupon Payment Date, and any other amount(s) required to be determined by it, together with any relevant payment date(s) shall be made available to the Holders in respect of any unlisted Floating Rate Bonds promptly upon request.

The Calculation Agent will be entitled to recalculate any Coupon Amount (on the basis of the foregoing provisions) without notice in the event of an extension or shortening of the relevant Coupon Period. Any such amendment will be promptly notified to the Issuer, the Trustees and to the Holders in accordance with Condition 13 (*Notices*) and, the relevant Exchange where the Tranche of Bonds is listed. If the Calculation Amount is less than the minimum Specified Denomination the Calculation Agent shall not be obliged to publish each Coupon Amount but instead may publish only the Calculation Amount and Coupon Amount in respect of a Bond having the minimum Specified Denomination.

(c) **Coupon on Mixed Rate Bonds**

The Coupon Rate payable from time to time on Mixed Rate Bonds shall be the Coupon Rate payable on any combination of Fixed Rate Bonds or Floating Rate Bonds, or Indexed Bonds for respective periods, each as specified in the Supplementary Shelf Prospectus/Pricing Supplement. During each such applicable period, the Coupon Rate on the Mixed Rate Bonds shall be determined and fall due for payment on the basis that and to the extent that such Mixed Rate Bonds are Fixed Rate Bonds, Floating Rate Bonds or Zero-coupon Bonds, or Indexed Bonds, as the case may be.

(d) **Coupon on Partly Paid Bonds**

In the case of Partly Paid Bonds, coupon will accrue on the paid-up Nominal Amount of such Bonds and otherwise as specified in the Supplementary Shelf Prospectus/Pricing Supplement from the Coupon Commencement Date to the Coupon Termination Date.

(e) **Coupon on Instalment Bonds**

In the case of Instalment Bonds, Coupon will accrue on the amount outstanding on the relevant Bonds from time to time and otherwise as specified in the Supplementary Shelf Prospectus/Pricing Supplement from the Coupon Commencement Date to the Coupon Termination Date.

(f) **Coupon on Unpaid Amounts**

Each Bond (or in the case of the redemption of part only of a Bond, that part only of such Bond) will cease to bear coupon (if any) from the Coupon Termination Date. If on the date of redemption and upon due presentation of the Bond, payment of principal is improperly withheld or refused, coupon shall accrue at the rate specified in the Supplementary Shelf Prospectus/Pricing Supplement from the date on which such amount is due and payable until the date on which all amounts due in respect of such Bonds have been paid.

- (g) **Business Day Convention:** If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the ***Floating Rate Business Day Convention***, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (i) such date shall be brought forward to the immediately preceding Business Day and (ii) each subsequent such date shall be the last Business Day of the Month in which such date would have fallen had it not been subject to adjustment, (B) the ***Following Business Day Convention***, such date shall be postponed to the next day that is a Business Day, (C) the ***Modified Following Business Day Convention***, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the ***Preceding Business Day Convention***, such date shall be brought forward to the immediately preceding Business Day.

(h) **Margin, Maximum/Minimum Rates of Coupon, Instalment Amounts and Redemption Amounts Rate Multipliers and Rounding**

- (i) If any Margin or Rate Multiplier is specified in respect of the Bonds (either (i) generally, or (ii) in relation to one or more Coupon Accrual Periods), an adjustment shall be made to all Rates of Coupon, in the case of (i), or the Rates of Coupon for the specified Coupon Accrual Periods, in the case of (ii), calculated in accordance with Condition 11(d) above by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin or multiplying by such Rate Multiplier, subject always to the next paragraph.
- (ii) If any Maximum or Minimum Rate of Coupon, Instalment Amount or Redemption Amount is specified in respect of the Bonds, then any Rate of Coupon, Instalment Amount or Redemption Amount shall be subject to such maximum or minimum, as the case may be.

- (iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified): (i) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up); (ii) all figures shall be rounded to seven significant figures (with halves being rounded up); and (iii) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up. For these purposes, “unit” means the lowest amount of such currency that is available as legal tender, in the country of such currency.

(i) **Calculations**

The Coupon payable in respect of any Bonds for any Coupon Accrual Period shall be calculated by multiplying the product of the Rate of Coupon and the calculation amount as specified in the applicable Supplementary Shelf Prospectus/Pricing Supplement (“the **Calculation Amount**”) by the Day Count Fraction for such Coupon Accrual Period, unless a Coupon Amount (or formula for its calculation) is specified in respect of such Coupon Accrual Period, in which case the Coupon Amount payable per Calculation Amount in respect of such Bonds for such Coupon Accrual Period shall equal such Coupon Amount (or be calculated in accordance with such formula). Where any Coupon Period comprises two or more Coupon Accrual Periods, the Coupon Amount payable per Calculation Amount in respect of such Coupon Period shall be the sum of the Coupon Amount payable in respect of each of those Coupon Accrual Periods. In respect of any other period for which Coupon is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which Coupon is required to be calculated.

“**Day Count Fraction**” means, in respect of the calculation of an amount of Coupon on Bonds of a Series for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting a Coupon Period or latest Accrual Period, the “**Calculation Period**”):

- (i) if “**Actual/365**” or “**Actual/Actual-ICMA**” is specified in respect of the Bonds, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (ii) if “**Actual/365 (Fixed)**” is specified in respect of Bonds of a Series, the actual number of days in the Calculation Period divided by 365;
- (iii) if “**Actual/360**” is specified in respect of Bonds of a Series, the actual number of days in the Calculation Period divided by 360;
- (iv) if “**30/360**”, “**360/360**” or “**Bonds Basis**” is specified in respect of the Bonds, the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless (a) the last day of the Calculation Period is the 31st day of a month but the first day of the Calculation Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (b) the last day of the Calculation Period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month));
- (v) if “**30E/360**” is specified in respect of the Bonds, the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months, without regard to the date of the first day or last day of the Calculation Period unless, in the case of a Calculation Period ending on the Maturity Date, the Maturity Date is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month);

and

- (vi) if “**Actual/Actual**” is specified in respect of the Bonds:
- (a) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and (b) if the Calculation Period is longer than one Determination Period, the sum of: (x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and (y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year,

where:

“**Coupon Accrual Period**” means the period beginning on (and including) the Coupon Commencement Date and ending on (but excluding) the first Coupon Period Date and each successive period beginning on (and including) a Coupon Period Date and ending on (but excluding) the next succeeding Coupon Period Date.

“**Coupon Amount**” means

- (i) in respect of a Coupon Accrual Period, the amount of Coupon payable per Calculation Amount for that Coupon Accrual Period and which, in the case of Fixed Rate Bonds, and unless otherwise specified hereon, shall mean the Fixed Coupon Amount or Broken Amount specified hereon as being payable on the Coupon Payment Date ending the Coupon Period of which such Coupon Accrual Period forms part; and
- (ii) in respect of any other period, the amount of Coupon payable per Calculation Amount for that period.

“**Coupon Determination Date**” means, with respect to a Rate of Coupon and Coupon Accrual Period, the date specified as such in respect of the Bonds.

“**Coupon Period Date**” means each Coupon Payment Date unless otherwise specified in the Supplementary Shelf Prospectus/Pricing Supplement.

“**Coupon Rate**” or “**Rate of Coupon**” means the rate of interest payable from time to time in respect of Coupon bearing Bonds of a Series or Tranche and that is either specified or calculated in accordance with the provisions in respect of such Bonds.

“**Determination Date**” means the date specified in respect of the Coupon of a Series or, if none is so specified, the Coupon Payment Date.

“**Determination Period**” means the period from and including a Determination Date in any year to but excluding the next Determination Date.

CONDITION 12

REPLACEMENT OF CERTIFICATES

If any Certificate is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Registrar upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer and/or Registrar may reasonably require. Mutilated or defaced Certificates must be surrendered before replacements will be issued.

CONDITION 13

NOTICES

(a) Notices to the Holders

All notices to the Holders will be valid if mailed to them at their respective addresses of record in the relevant register of Bonds of a Series maintained by the Registrar. The Issuer shall also ensure that notices are duly given or published in a manner which complies with the SEC Rules and the rules and regulations of any securities exchange or other relevant authority on which the Bonds are for the time being listed. Any notice shall be deemed to have been given in the case of a notice of meeting at the expiration of seven (7) days after the mail containing same is posted and in any other case at the expiration of five (5) days following the date on which the notice was posted or on the date of publication in national newspapers, or if published more than once or on different dates, on the date of the first publication. Where a notice is served personally or sent by courier, it shall be deemed to have been duly given or made at the time of actual receipt. Where a notice is sent by electronic mail transmission it shall be deemed to be duly given or made upon receipt of an electronic mail from the recipient, confirming that the said notice has been duly received or upon receipt of an electronic mail confirming that the said electronic mail has been read by the recipient provided that in the case of any electronic mail transmission sent after 4.30 pm, it shall be deemed to have been duly received on the next Business Day.

A meeting of the Holders may be called by giving not less than twenty-eight (28) days' notice in writing if consent is accorded thereto by Holders holding not less than seventy-five per cent (75%) of the nominal amount of the Bonds for the time being outstanding.

(b) Notices from the Holders

Notices to be given by any Holder shall be in writing and given by lodging the same, together with the relevant Certificate (if any), with the Registrar.

CONDITION 14

MEETINGS OF HOLDERS

The Programme Trust Deed contains provisions for convening meetings of Holders to consider any matter affecting their interests, including the sanctioning by a Special Resolution of a modification of any of these General Conditions.

The quorum for any meeting convened to consider a Special Resolution shall be two or more persons holding or representing by proxy in the aggregate not less than 75% of the Nominal Amount of the Bonds held by the applicable class for the time being outstanding.

Any Special Resolution duly passed shall be binding on Holders (whether or not they were present at the meeting at which such resolution was passed).

CONDITION 15

ENTITLEMENT AND INDEMNIFICATION OF THE TRUSTEES

In connection with the exercise of its functions (including but not limited to those referred to in this Condition), the Trustees shall have regard to the interests of the Holders as a class and shall not have regard to the consequences of such exercise for individual Holders and the Trustees shall not be entitled to require, nor shall any Holder be entitled to claim, from the Issuer, any indemnification or payment in respect of any tax consequence of any such exercise upon individual Holders.

The Programme Trust Deed contains provisions for the indemnification of the Trustees and for its relief from responsibilities. The Programme Trust Deed also contains provisions pursuant to which the Trustees are entitled, *inter alia*, (i) to enter into business transactions with the Issuer and to act as trustees for the Holders of any other securities issued or guaranteed by, or relating to, the Issuer, (ii) to exercise and enforce their rights, comply with its obligations and perform its duties under or in relation

TERMS AND CONDITIONS OF THE PROGRAMME

to any such transactions or, as the case may be, any such trusteeship without regard to the interest of, or consequence for, the Holders and (iii) to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

CONDITION 16

TRUST PROVISIONS

(a) **Declaration of Trust**

All moneys or Assets received by the Trustees in respect of the Bonds or amounts payable under the Trust Deed shall, despite any appropriation of all or part of them by the Issuer, be held by the Trustees in trust to apply them in accordance with the provisions of the Trust Deed.

(b) **Representative of Holders**

The Trustees are the representative of the Holders and are authorised to act on behalf of the Holders in accordance with the General Conditions and the Trust Deed and are hereby further authorised to contact the Registrar and/or the CSCS for the purposes of obtaining information: (i) as to the aggregate nominal amount outstanding of any Series of Bonds; (ii) relating to the identity of Holders; and (iii) for the purposes of giving notices to Holders under Condition 13 (*Notices*).

(c) **Binding Effect of the Conditions and the Trust Deed**

The Holders are deemed to have accepted and will be bound by the General Conditions and the terms of the Trust Deed.

CONDITION 17

MODIFICATION OF THE TRUST DEED

The Trustees may agree with the Issuer, without the consent of the Holders but subject to the prior review and approval of the SEC, to (i) any modification of any of the provisions of the Trust Deed which is in the opinion of the Trustees of a formal, minor or technical nature or is made to correct a manifest error, and (ii) any other modification (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed which is in the opinion of the Trustees not materially prejudicial to the interests of the Holders. PROVIDED that such consolidation, modification, alteration or addition does not prejudice the interests of the Holders and that such consolidation, modification, alteration or addition does not operate to release the Trustees or the Issuer from any responsibility to the Holders.

No such consolidation, modification, alteration or addition shall impose any further payment on the Holders in respect of the Bonds held by them or any liability in respect thereof.

CONDITION 18

FURTHER ISSUES

The Issuer shall be at liberty from time to time without the consent of the Holders to create and issue further Bonds, subject to the Programme Limit (the **Additional Bonds**), having terms and conditions which are identical to any of the other Bonds already issued under the Programme (the **Existing Bonds**) or the same in all respects save for their respective Issue Prices, Coupon, Issue Dates and aggregate Nominal Amounts, so that the Additional Bonds shall be consolidated by the Issuer to form a single Series with the Existing Bonds as may be applicable.

CONDITION 19

GOVERNING LAW

The provisions of these General Conditions and the Bonds are governed by, and shall be construed in accordance with, the laws of the Federal Republic of Nigeria. The Issuer has agreed for the benefit of the Trustees and the Holders that the courts of Nigeria are to have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Trust Deed, the Bonds and/or the Coupons or any non-contractual obligation arising out of or in connection with them.

RISK FACTORS

This section does not describe all the risks (including those relating to each prospective investor's particular circumstances) with respect to an investment in the Bonds. The risks in this section are provided as general information only. Before making any investment decision, prospective investors should refer to, and carefully consider the risks described below and the information contained elsewhere in this Shelf Prospectus, which may describe additional risks associated with the Bonds.

The Issuer disclaims any responsibility for advising prospective investors of such risks as they exist at the date of this Shelf Prospectus or as such risks may change from time to time. Prospective Investors should consult their own financial and legal advisers about the risks associated with an investment in the Bonds.

An investment in the Bonds involves certain risks, which may or may not occur and neither the Issuer nor any of the Issuing Houses is in a position to express a view on the likelihood of any such contingency occurring. Such risk factors may include a risk of loss of all or a portion of the principal amount of the Bonds, which may be caused by fluctuation of interest rates; devaluation of the currency of issue; value of the Bonds at a securities market; or other indices or by a change in the condition of business or assets of the party selling the Bonds or other parties. Also an exercise of an option or other right associated with certain Bonds or cancellation of a contract for sale of certain Bonds may be subject to certain time limitations. In addition, other risk factors relating to the macroeconomic environment, operations of the Issuer and the issuance, as described below, if they materialise, can materially adversely impact the Company's business, results of operations, financial condition and/or prospects could be materially adversely affected, which could cause the trading price of the Bonds to decline. Therefore, prospective investors should carefully consider, amongst other things, the following risk factors together with all of the other information included in this Shelf Prospectus and any applicable Pricing Supplement before purchasing the Bonds.

IN RELATION TO NIGERIA

There are risks relating to operating in emerging market countries such as Nigeria

The Company's operations are predominantly conducted in Nigeria. Accordingly, the Company's business, results of operations, and/or financial condition depend significantly on the economic and political conditions prevailing in Nigeria. In the past, Nigeria has experienced periods of slow or negative real growth, high inflation, high interest rates, Naira devaluation and the imposition of exchange rate controls.

Any deterioration in economic conditions in Nigeria as a result of these or other factors, could materially adversely affect the results of operations and/or financial condition of the Company and its ability to implement its business strategy.

Investing in securities of issuers in emerging markets, such as Nigeria, generally involves a higher degree of risk than investments in securities of corporate or sovereign issuers from more developed countries and carries risks that are not typically associated with investing in more mature markets. These risks include, but are not limited to, the following:

- higher volatility and less liquidity in respect of the Bonds;
- greater political risk, and changes in, and instability of, the political and economic environment; and
- civil strife, acts of war, terrorism, guerrilla activities (including sabotage of oil production) and insurrection

Investors should exercise particular care in evaluating the risks involved and must decide for themselves whether, in light of those risks, their investment is appropriate.

There are risks related to political instability, religious differences, ethnicity and regionalism in Nigeria

With the adoption of a Constitution in May 1999, Nigeria has undergone its longest period of civilian rule since obtaining independence from the United Kingdom in 1960. In May 2015, former President, Goodluck Jonathan, left his position upon the election of President Muhammadu Buhari in a general election widely considered the most credible election in the recent history of Nigeria. The handover by former President Goodluck Jonathan without contesting the outcome of the election was believed to have defused a looming political crisis.

In recent years, the country has also experienced recurrent social, ethnic and religious unrest. There have been incidents of ethnically or religiously motivated attacks on people. In recent years nomadic cattle herders have been clashing with agrarian communities over destruction of crops by animals, resulting in hundreds of deaths of residents of these communities. Most recently, reports of armed

RISK FACTORS

Fulani herdsmen attacks in the middle-belt regions of the country have left such communities in disarray.

In 2016, the Nigerian government claimed victory over Boko Haram, an Islamic militant group operating predominantly in North-East Nigeria, which has been categorised as an international terrorist group. The Nigerian government has announced the liberation of cities which were previously under siege by the insurgents and encouraged internally displaced persons (“IDPs”) to return to their communities. While it is suspected that the leader of the Boko Haram terrorist group was killed during the military operations, Boko Haram strongly denies this, and there have been recent, albeit less frequent, incidents of bombings and attacks by the insurgents. In July 2016, a team from the United Nations International Children Emergency Fund was attacked by suspected Boko Haram insurgents, leaving several injured and leading UNICEF to momentarily withdraw aid for IDPs. Despite recent successes in combating insurgent groups, the risk of insurgents regrouping remains and renewed attacks by Boko Haram against the Nigerian army as well as civilians has continued. In February 2018, Boko Haram attacked the Dapchi community in Yobe State, Nigeria and abducted over 100 schoolgirls.

These events have had no direct material impact on the Company. However, it impacts the level of investor confidence in the economy, which impacts transactions in securities and investment banking deal flow. Unless resolved by the Government, these conflicts may adversely affect Nigeria’s political and economic stability which may, in turn affect the Company’s business, results of operation, and/or financial condition.

Militant activities in the Niger Delta could destabilise oil production in Nigeria, adversely affecting Nigeria’s economy and the Company’s business

Over the past few years, there has been an increase in violence and civil disturbance in the Niger Delta, Nigeria’s southern oil-producing region, mainly from militant groups who oppose, amongst other things, the activities of the oil companies in the area. This violence has mainly focused on oil interests in the region and oil production from onshore fields slowed as a result of several kidnappings and bombings of oil installations and facilities. Although disturbances have reduced significantly since the Vice President, Prof. Yemi Osinbajo visited the region in February 2017, further disturbances may have a significant impact on Government revenues from oil production, given that most of Nigeria’s oil revenues come from oil produced in the Niger Delta region. At least one international oil company present in Nigeria has raised the possibility that it might cease operations in Nigeria if conditions continue to worsen, while several international oil companies have begun the process of actively divesting their onshore assets in Nigeria, although it is not clear if the divestments were a direct result of the situation in the Niger Delta.

As a result of disturbance described above, oil production in Nigeria averaged 1.83mbd in 2016 from 2.2mbd at the beginning of 2016

In spite of the Government’s efforts, militant acts in the Niger Delta continue to be directed at oil industry participants and against the presence of foreign oil interests in the region and there is no assurance that militant acts will not occur in the future. Although militant acts have subsided, continued unrest in the Niger Delta region may lead to lower oil production, deter foreign direct investment, lead international oil companies to curtail their operations in Nigeria or lead to increased political instability and unrest and could have a material adverse effect on Nigeria’s economy and, as a result, on the Company’s business, results of operations, and/or financial condition.

Large infrastructure deficit poses a hindrance to the development of the economy

The value of Nigeria’s total infrastructure stock (road, rail, power, airports, water, telecoms, and seaports) represents only 35% of GDP. This is far below the level of peer emerging market countries, where the average is 70%. Nigeria lacks stable power supply and adequate infrastructure such as roads, rail, ports, broadband networks etc., which has led to challenges in the development of many sectors of the economy including the financial sector in which the Issuer operates. Given the huge capital investment required to address Nigeria’s infrastructure deficit, there have been calls for the private sector to play a key role in providing critical infrastructure, either directly or in collaboration with the FGN. However, pricing and funding are recurrent challenges to the viability of private sector investment.

RISK FACTORS

Issues with governance and processes continue to weigh on doing business in Nigeria

Bureaucracy, bribery and corruption, are of serious concern and constitute major barriers to doing business in Nigeria and hinder economic growth and social development. Nigeria recently moved up 24 places to rank 145 out of 190 countries in the World Bank's 2018 Doing Business index. While this is an improvement, the country still performs poorly in the areas of paying taxes, enforcing contracts and trading across borders. This continues to impact negatively on tax revenue, investor confidence and mobility of goods. In addition, there are uncertainties regarding the process for commencement of business in Nigeria and the laws and regulations applicable to the operation of businesses in Nigeria.

IN RELATION TO THE ISSUER

The Issuer's investment portfolio is concentrated in Government bonds and treasury bills, and as yields on such securities are declining, the Company's interest income is expected to decline as well

For the full year ended 31 December 2017, 59.6% of the Company's total revenue comprised of investment income from fixed deposit and investment securities, net interest margin on managed funds and other interest income. In the first half of 2018, yields on Government Instruments have been declining and may continue to decline as the Government aims to reduce domestic debt issues.

If yields on Government instruments decline, the Company's business, results of operations and/or financial condition could be materially and adversely affected.

A significant portion of the Company's assets are from sinking funds managed by United Capital Trustees Limited

The Company witnessed a decline in assets of 15% in FY2017 due to bond redemption of sinking funds managed by United Capital Trustees Limited. United Capital Trustees Limited is a leading provider of, bond trusteeship to corporate and sub-sovereign issuers of public debt instruments, with most of the sinking fund assets related to sub-sovereign bond issuances. Given reduced bond issuances by sub-sovereigns, further redemption of existing bonds at maturity may lead to further decline in the Company's assets which may adversely impact the Company's business, results of operations and/or financial condition.

The Company may have difficulty recruiting and retaining well qualified personnel

The Company is dependent on members of its Board of Directors and other key members of the management teams for the development and implementation of its strategy. Should members of the management team leave the Company, the operational efficiency of the management team may be compromised, which in turn may have an adverse effect on the Company's efficiency.

The Company's success will depend, in part, on its ability to attract, motivate and retain qualified and experienced investment banking personnel and asset managers. Competition in the Nigerian finance industry for personnel is considerable. Whilst the Company believes that it has effective staff recruitment, training and incentive programmes in place, there can be no assurance that these will be sufficient to allow the Company to recruit, train and retain an adequate number of qualified personnel to run its business and to execute its strategy. Any failure by the Company to recruit, train and/or retain qualified necessary personnel could have a material adverse effect on its business, results of operations and/or financial condition.

If the Company fails to maintain licences required to conduct its operations, or if any existing licences are revoked, its operations may be adversely affected

All operations performed by the Company require licences from the SEC. However, there can be no assurance that the Company will be able to maintain existing licences in the future. In the event that the Company loses a SEC licence or is required to apply for a new licence, the process could be burdensome and time-consuming. Any failure to maintain existing licenses or obtain any new required license could, in turn, have a material adverse effect on the Company's business, results of operations and/or financial condition.

RISK FACTORS

The Company is also exposed to the following additional risks highlighted below which could have a material adverse effect on the Company's business, results of operations and/or financial condition.

Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. This includes business risk, information risk, legal risk and strategic risk.

Business risk is the risk of loss, due to operating revenues not covering operating costs and is usually caused by:

- inflexible cost structures;
- market-driven pressures, such as decreased demand, increased competition or cost increases;
- company-specific causes, such as a poor choice of strategy, reputational damage or the decision to absorb costs or losses to preserve reputation.

Strategic risk is the risk that the Company's future business plans and strategies may be inadequate to prevent financial loss or protect the Company's competitive position and shareholder value.

Reputational Risk

Reputational risk results from damage to the Company's image among stakeholders, which may impair its ability to retain and generate business. Such damage may result from a breakdown of trust, confidence or business relationships.

Country Risk

Country risk includes cross-border risk. Country risk is the risk of loss arising where political or economic conditions or events in a particular country inhibit the ability of counterparties resident in that country to meet their financial obligations. Country risk events may include sovereign defaults, banking or currency crises, social instability and governmental policy changes or interventions such as expropriation, nationalization and asset confiscation. Transfer and convertibility risk (such as exchange controls and foreign debt moratoria) represent an important element of cross-border country risk.

Competitive Risk

United Capital Plc's capacity in terms of introducing new products, from time to time, that are targeted at meeting clients' needs is a critical condition for success. Failure to provide new initiatives that are relevant to the market from time to time could make the Company less attractive to clients and could affect its ability to achieve projected growth.

The future value of the Company is hinged on a couple of on-going initiatives, such as new products, new markets and significant adoption of Financial Technology ("Fintech") initiatives as parts of its operations. Most importantly, the Company is deploying technologies that could enable business lines expand significantly within the retail space. This is expected to drive the business towards achieving sustainable business growth. The successful implementation of these Fintech initiatives is critical to the long-run growth of the Company.

IN RELATION TO THE BONDS

Risks relating to possible fluctuations in market price of the Bonds

A number of factors may cause significant volatility in the market prices of the Bonds. These may include adverse business developments, changes in the regulatory landscape in which the Company operates, actual or expected variations in the Issuer's operating results, changes in financial estimates by securities analysts and the actual or expected sale or purchase of a large number of bonds.

RISK FACTORS

Credit Risk

Bonds issued under the Programme may be issued without any external credit enhancement. In such cases, investors, in undertaking the investment, would be relying solely on the creditworthiness of the Issuer for the repayment of his or her investment. As such, any subsequent change(s) in the actual or perceived creditworthiness of the Issuer may adversely affect the value of the Bonds and the likelihood of repayment.

Credit ratings may not reflect all risks

The Bonds will be assigned ratings by two Rating Agencies. The ratings may not reflect all the risks to which the prospective investor may be exposed in purchasing the Bonds. The credit ratings are not therefore a recommendation to buy, sell or hold securities and may be revised or withdrawn by the Rating Agencies at any time.

The Bonds may be subject to optional redemption by the Issuer

An optional redemption feature in the Bonds may negatively affect their market value. During any period when the Issuer may elect to redeem the Bonds, the market value of those Bonds generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period. The Issuer may be expected to redeem Bonds when its cost of borrowing is lower than the interest rate on the Bonds. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Bonds being redeemed and may only be able to do so at a lower rate.

The Bonds may be redeemed prior to maturity following a change in the tax laws of Nigeria

If (i) as a result of any change in, or amendment to, the laws or regulations of Nigeria, or any change in the application or official interpretation of the laws or regulations of Nigeria, which change or amendment becomes effective on or after the Issue Date, the Company would be required to pay additional amounts on account of any taxes of such jurisdiction in respect of subsequent payments under such Bonds and (ii) the requirement to pay such taxes cannot be avoided by the Company taking reasonable measures available to it, the Company may redeem all outstanding Bonds in accordance with the Conditions.

Modification and waivers

The Programme Trust Deed contains provisions for convening meetings of the Bondholders to consider any matters relating to the Bonds including the sanctioning by Special Resolution (as defined in the Trust Deed) of a modification of the Bonds or any of the provisions of the Trust Deed. These provisions permit defined majorities to bind all Bondholders, including Bondholders who did not attend and vote at the relevant meeting or sign a relevant resolution in writing. The conditions of the Bonds also provide that the Trustees may, without the consent of Bondholders: (i) agree to any modification of the Programme Trust Deed or the Bonds which in the opinion of the Trustees are not materially prejudicial to the interest of the Bondholders; (ii) determine without the consent of the Bondholders that any Event of Default or Potential Event of Default (each as defined in the Programme Trust Deed) shall not be treated as such (subject to the relevant conditions set out in the Programme Trust Deed being complied with).

Referencing to an index may subject the Bonds to additional risks

The Issuer may issue the Bonds with Principal repayment or Coupon payments determined by reference to an index (or formula), to changes in the prices of the securities or commodities or other relevant factors. Potential investors should be aware that in such circumstances:

- they may receive no interest;
- they may lose all or a substantial portion of their principal;
- a relevant factor may be subject to significant fluctuations that may not correlate with changes in interest rates or other indices; and

RISK FACTORS

- timing of changes in a relevant factor may affect the actual yield to investors, even if the actual level is consistent with their expectations i.e. in general, the earlier the change in the relevant factor, the greater the effect on yield.

Legal Considerations may restrict certain investments

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its independent legal advisers to determine whether and to what extent (i) the Bonds are a legally permissible investment for it, (ii) the Bonds can be used as collateral for various types of borrowing and (iii) other restrictions

apply to its purchase or pledge of any Bonds. Financial institutions should consult their independent legal advisers or the appropriate regulators to determine the appropriate treatment of Bonds under any applicable risk-based capital or similar rules.

Liquidity risk for the Bonds

Although the listing of the bonds on The Exchange and/or the FMDQ (as applicable) increases the possibility of trading activity, there may not be very active two-way quote trading in the Bonds once issued. The liquidity of the Bonds may be limited and investors may not be able to trade the Bonds actively or realise a yield comparable to that of similar instruments, if any, in developed secondary markets. Although there are a number of initiatives aimed at developing and deepening the Nigerian debt capital market and promoting a liquid, vibrant and tradable bond market, the impact of these initiatives on the trading of the Bonds cannot be assessed immediately. The trading market for debt securities may be volatile and may be adversely impacted by many events. The market for debt securities is influenced by economic and market conditions, interest rates and currency exchange rates. Global events may also have an adverse effect on the price of the Bonds.

Tax risk

Adverse changes in applicable tax legislations and regulations may operate to diminish the value of taxable or tax-exempt interest income accruing to the prospective investors. The nature of such possible changes in tax laws cannot be predicted immediately, but may ultimately make the Bonds less profitable for investors.

Inflation risk

The effects of inflation may reduce the purchasing power of an investor's cash flows and may lead to higher coupon rates, which in turn lead to lower bond prices. Where the Bonds are not inflation-indexed and there is no specific structure to remove the effects of inflation, investors may be exposed to the possibility of diminished purchasing power and contracted cash flow hinged on numerous other market forces.

Changes in interest rate may affect the price of the Bonds

Where bonds are offered at a fixed-coupon rate, their prices are inversely vulnerable to fluctuations in yield – moving in opposite directions. Where yields rise, prices of fixed rate securities fall and when yields drop, the prices increase. Accordingly, the extent of the fall or rise in the prices is a function of the existing coupon, days to maturity and the prevailing interest rate environment. Increased yield which frequently accompany inflation and/or a growing economy are also likely to have a negative effect on the price of the Bonds. The Bonds may, in the event of a change in market conditions which result in an adverse change in yields, be unattractive to investors; with the prevailing rates being more attractive than the coupon on the issued Bonds.

TAX CONSIDERATIONS

Income accruing in, derived from, brought into, or received in Nigeria in respect of dividends, interest, royalties, discounts, charges or annuities is subject to tax. Interest payments on Bonds derived from Nigeria and accruing to investors are generally subject to withholding tax at the rate of 10%. Where the holder of the Bonds is a foreign entity or person, who is resident in a country with which Nigeria has entered into a double taxation treaty that has been ratified by the Nigerian Government, the applicable rate of withholding tax is 7.5%. The Issuer would, therefore ordinarily be required to withhold tax on such payments and remit same to the tax authorities, subject to the exemptions outlined below.

The Companies Income Tax (Exemption of Bonds and Short-Term Government Securities) Order, 2011 (“**Order**”) and the PITA exempt income and interest earned by holders of bonds issued by corporate bodies from income tax under the CITA and PITA respectively. The exemption granted under the Order is for a period of 10 years commencing from 2 January 2012 while there is no similar limitation in respect of the exemption under PITA. In relation to Bonds with a maturity date later than 2 January 2022, the Issuer may be required by law to withhold tax on Coupon payments to the Holders that are corporate entities under the CITA.

Furthermore, the proceeds from the disposal of the Bonds are exempt from tax imposed under the VAT Act by virtue of the Value Added Tax (Exemption of the Proceeds of the Disposal of Government and Corporate Securities) Order 2011, commencing from 2 January 2012. This exemption is also for a period of ten (10) years from the commencement date of this Order. Thus, VAT will not be payable upon a disposal of the Bonds during the subsistence of the Order. However, upon termination of the exemption period on 2 January 2022, where the Bonds remain outstanding, the proceeds of the disposal of the Bonds could be held by the FIRS to be subject to VAT.

In addition, the Value Added Tax (Exemption of Commissions on Stock Exchange Transactions) Order, 2014 exempts (a) commissions earned on traded value of the shares, and (b) commissions payable to the SEC, The NSE and the CSCS from VAT for a period of five years from the commencement date of the order i.e. 25 July 2014. Accordingly, any commission payable to the CSCS, SEC or The NSE in connection with the Bonds will be exempt from VAT for a period of five (5) years from the commencement date of this Order i.e. until 24 July 2019. After this date, Holders may be required to pay VAT on any commission payable to the CSCS, SEC or The NSE in connection with the Bonds. This exemption only applies to trading of securities on The NSE and does not extend to the FMDQ. Therefore, Holders may have to pay VAT on fees payable in connection with Bonds traded on the FMDQ.

In addition, the Bonds qualify for a waiver from capital gains tax by virtue of the proposed ten-year tax waiver approved by the FGN in March 2010. However, the necessary legislative and administrative processes for the effectiveness of this waiver have not yet been completed. This implies that investors may benefit from the waiver from capital gains tax only when the requisite exemption is gazetted and the necessary amendments made to the enabling law. The CGT Act provides that any gain paid, used or enjoyed in or in any manner or form transmitted or brought to Nigeria shall be treated as being derived from Nigeria for the purposes of the CGT Act. In the case of an individual who is in Nigeria for a temporary purpose only and does not have any view or intent to establish his residence in Nigeria, such gain will be subject to capital gains tax if the period or sum of the periods for which he is present in Nigeria in that year of assessment exceeds 182 days.

The foregoing summary is not a comprehensive summary, and does not constitute advice, on tax to any actual or potential purchaser of Bonds issued under the Programme. In addition, it does not constitute a representation by the Issuer or its advisers on the tax consequences of a subscription or purchase of Bonds issued under the Programme. Any tax consideration that may be relevant to a decision of a person to acquire, hold or dispose of Bonds issued under the Programme and to each actual or potential purchaser of the Bonds may vary. Therefore, any actual or potential purchaser of the Bonds who intends to ascertain his/her tax position should seek professional advice from his/her preferred professional advisers as to the tax consequences arising from subscribing to or purchasing the Bonds. Neither the Issuer nor its advisers shall be liable to any subscriber or purchaser of the Bonds in any manner for placing reliance upon the contents of the above summary.

Except as otherwise indicated, this summary only addresses Nigerian tax legislation, in effect and in force at the date hereof and as interpreted and applied by the courts or tax authorities in Nigeria, without prejudice to any amendments introduced at a later date and implemented with or without retroactive effect.

(i) General Overview

The Federal Republic of Nigeria is located in West Africa and consists of 36 states and the Federal Capital Territory, Abuja, which is located in north central Nigeria. Nigeria is the largest oil producing country in Africa with a GDP of US\$372.2 billion and a relatively low GDP per capita of US\$1,959 as at 2017. The economy is heavily dependent on the oil sector, which accounts for 92.5% of the country's total export revenues.

GDP performance in recent years is increasingly supported by growth in the non-oil sector, with the biggest growth drivers being agriculture, telecommunications, manufacturing and trade². Real GDP in the non-oil sector grew by 0.76% in the first quarter of 2018 compared to Real GDP growth in the non-oil sector over the same period in 2017, due primarily to growth in agriculture, finance and insurance, electricity, gas, steam and air conditioning supply as well as and other services. The emerging growth in GDP reflects a renewed focus on economic diversification, increased efforts at promoting growth in the private sector, recovering oil production, some recovery in non-oil industries and modest growth in agriculture.

Nigeria has made progress in socio-economic terms over the last 15 years, however, Nigeria still faces key developmental challenges, which include reducing the dependency on the oil sector and diversifying the economy, and addressing the infrastructure gap, as well as governance issues, public financial management systems, human development indicators, and the living conditions of the population.

(ii) Demographics

Nigeria has a total land area of 923,768 km² and is bordered by the Republic of Benin to the west, Niger and Chad to the north, Cameroon to the east and the Gulf of Guinea/Atlantic Ocean to the south.

Nigeria is the most populous country in Africa, with a population of approximately 190 million as at July 2017 according to the 2017 UNDP's World Population Prospects³. Nigeria has a relatively young population, with 4% of the population aged 60 years and above, 19% between the ages of 15 and 24, 32% between the ages of 25 and 59 and 44% under 15 years of age, as of 2017. The World Bank estimated the average population density for the country at 195 people per square kilometre in 2014 and at 200 people per square kilometre in 2015. Nigeria's population is unevenly distributed across the country.

Approximately 49% of Nigerians are urban dwellers, with the urbanization rate estimated at 4.3%. Nigeria is home to over 250 ethnic groups, with over 500 languages, and the variety of customs and traditions among them gives the country great cultural diversity. The three largest ethnic groups are the Hausa and the Fulani with 29% of the population; along with the Yoruba and Igbo (Ibo) with 21% and 18% of the population respectively.

Nigeria is the most populous country in Africa with significant population clusters scattered throughout the country. The highest density areas are in the south and southwest as Lagos remains Nigeria's largest city as well as the country's commercial centre with a population of approximately 13.1 million people. In addition to Lagos, the top three most populated cities in Nigeria are made up of Kano (c.3.5 million) and Ibadan (c. 3.2 million).

² GDP Statistics Source: Nigerian Bureau of Statistics

³ CIA World Factbook

(iii) Political Structure and Government

Nigeria gained independence from the United Kingdom on 01 October 1960 and became a Republic in 1963. Seven military governments have ruled the country at various times for 28 of its 51 years of independence.

Nigeria returned to democratic governance in 1999 with the election of Chief Olusegun Obasanjo, a member of the People's Democratic Party ("**PDP**") as President and Commander in Chief of the Armed Forces, following many years of military rule. The Obasanjo administration commenced the implementation of policies aimed at diversifying the economy to reduce reliance on the oil and gas sector, improving macroeconomic stability and developing the nation's infrastructure.

In 2007, Nigeria witnessed its first ever transition from one democratically elected government to another with the election of Alhaji Umaru Musa Yar'Adua, also a member of the PDP. Following the death of Alhaji Umaru Yar'Adua nearly three years into his term in 2010, the vice president, Goodluck Jonathan, took office for the last year of the late president's term before being elected to a full presidential term in 2011.

In 2015, President Muhammadu Buhari, the candidate of the All Progressives Congress ("**APC**") party, became the first Nigerian presidential candidate to defeat an incumbent president after defeating Goodluck Jonathan in what many considered a peaceful election. Policy priorities for the Buhari administration include boosting infrastructure investment and diversifying the economy by targeting investment at specific sectors (notably agriculture and solid minerals). Nigeria is set to hold its general elections in 2019.

Nigeria's democracy is based on a federal form of government comprising the executive, legislature and judiciary as defined by the Constitution of The Federal Republic of Nigeria 1999. Executive powers are vested in the President who is the Head of State and presides over the Federal Executive Council, while legislative powers are vested in the National Assembly comprising a 109-seat Senate and a 360-seat House of Representatives. Judicial powers rest with the courts, the highest of which is the Supreme Court of Nigeria.

Nigeria consists of 36 states and the Federal Capital Territory, Abuja, which is located in north central Nigeria. The executive government of each state is headed by an elected state governor and the legislature of each state consists of a unicameral House of Assembly. The Federal Capital Territory is administered by a designated Minister appointed by the President while legislative powers for the territory are vested on the National Assembly.

The states and the Federal Capital Territory are grouped into six geopolitical zones: North West, North Central, North East, South East, South South and South West. There are currently 774 constitutionally recognized local government areas (LGA) in Nigeria. Each LGA is administered by a Local Government Council consisting of a chairman who is the Chief Executive of the LGA, and other elected members who are referred to as Councillors. Each of the LGAs are subdivided into a minimum of ten (10) and a maximum of fifteen (15) wards.

(iv) The Nigerian Economy

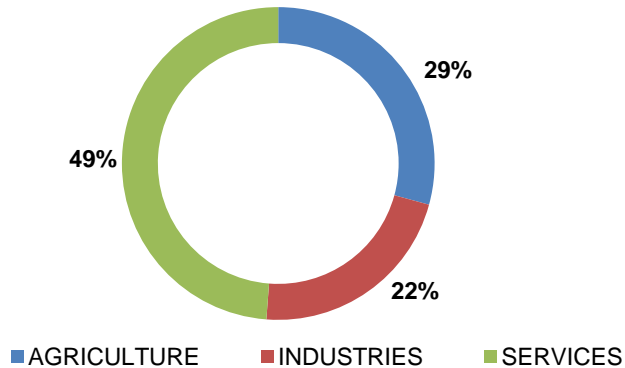
The Nigerian economy is highly dependent on the oil sector, which, in 2017, accounted for 8.68% of real GDP. Dependence on the oil sector makes the economy vulnerable to oil price fluctuations.

The collapse of crude oil prices on account of the global economic slowdown in 2016 resulted in lower oil revenues for the government and ultimately led to a contraction in the economy. In the first, second, third and fourth quarters of 2016, Nigeria experienced contractions in real GDP of (0.7)%, (1.5)%, (2.3)% and (1.7)%, respectively, and (0.5)% in the first quarter of 2017. In addition to the decline in oil prices, the contraction was largely influenced by a decline in consumer spending caused by record-high inflation, pipeline vandalism in the Niger Delta region, depletion of foreign reserves, and the weakening of the Naira against foreign currencies.

NIGERIA – AN OVERVIEW

Recently however, there has been a sustained economic recovery (from GDP growth of -0.91% in Q1 2017 to 1.95% in Q1 2018, 1.50% in Q2 2018 and 1.81% in Q3 2018) due to positive macro events: combined impact of the surge in Brent oil prices to US\$82.82/b at the end of Q3 2018 and stable oil production levels (average of 1.93mbpd in Q1 - Q3 2018). The non-oil sector expanded by 2.32% y/y (growth driver for the broad economy) versus -2.91% y/y by the oil sector in Q3'18.

Contribution to Real GDP Q3 2018

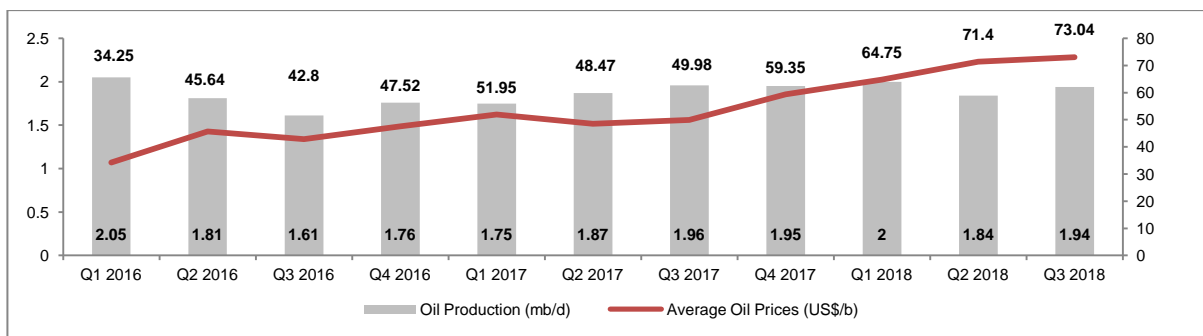


Source: National Bureau of Statistics

In Q3 2018, Agriculture, Industries and Services accounted for approximately 29%, 22% and 49% respectively of GDP respectively.

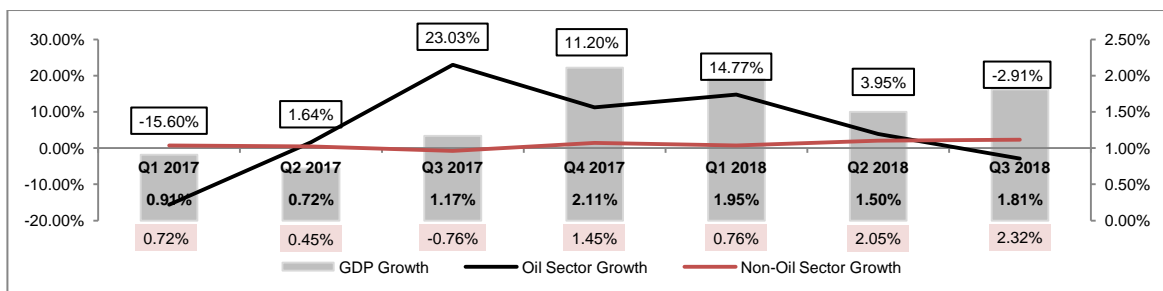
Key Macro Indicators

- Global oil prices helped by OPEC cuts, threats to production in Venezuela and Iran and low Shale outputs.
- Relative peace in the Niger Delta region resulting in the nation's oil production levels climbing to c.2mb/d



Source: National Bureau of Statistics

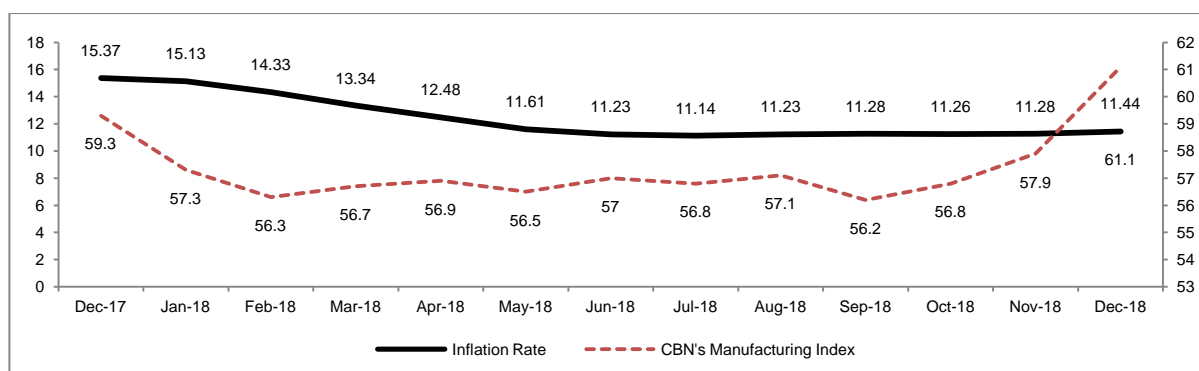
- The broad economy continues to recover against a backdrop of increasing oil prices, oil production levels and improvement in the non-oil sector.



Source: National Bureau of Statistics

NIGERIA – AN OVERVIEW

- The CBN's manufacturing index continues to trend upwards in line with the general growth in the economy.
- The Consumer Price Index increased by 11.44% (year-on-year) in December 2018. This was an 0.16% higher than the rate recorded in November 2018 11.28%.



Source: National Bureau of Statistics and CBN

- Despite recent draw-downs by the CBN to support the local currency, the FX reserves remain relatively strong at over US\$40bn

The emerging growth in GDP reflects a renewed focus on economic diversification, increased efforts at promoting growth in the private sector, recovering oil production, some recovery in non-oil industries and modest growth in agriculture. The non-oil sector is expected to be the main driver of the country's economy in the future.

Government policy has been largely focused on improving infrastructure and reforming other key sectors, such as power and agriculture, which remain impediments to speedy, economic growth. The CBN is currently supporting growth in the rest of the economy through small and medium scale enterprises and the agricultural sector, with initiatives such as the Anchor Borrowers Programme which allows participants in the agricultural value chain to access credit at single digit rates of interest.

A summary of recent macro-economic indicators for Nigeria is shown below.

Economic indicators	2012	2013	2014	2015	2016	2017
Population (mn)	167.3	171.8	176.5	181.2	186.0	190.0
Nominal GDP (US\$bn)	461.0	515.0	568.5	493.8	405.4	372.2
Real GDP growth (%)	4.3%	5.4%	6.3%	2.7%	-1.6%	0.8%
GDP per capita (US\$)	2,755	2,997	3,222	2,726	2,180	1,959
Inflation (%)	12.2%	8.5%	8.1%	9.0%	16%	15.4%
Exchange rate (NGN/US\$)	157.5	157.3	158.6	192.7	253.0	305.5
FX reserves (US\$bn)	41.3	40.3	32.0	26.7	25.8	38.8

Source: Economist Intelligence Unit

OVERVIEW OF UNITED CAPITAL PLC

Overview of United Capital

United Capital Plc (“United Capital” or the “Company”) is an investment banking group which provides bespoke value-added service to its clients. The Company exists to empower Africans in the pursuit of their goals as individuals, companies and governments through superior financial services.

The Company was incorporated in 2002, and registered as a limited liability company in 2013 following a scheme of arrangement which resulted in the spin-off of the investment banking, trust services, asset management and securities trading subsidiaries of United Bank for Africa Plc as a result of a CBN directive mandating commercial banks to divest from non-banking subsidiaries.

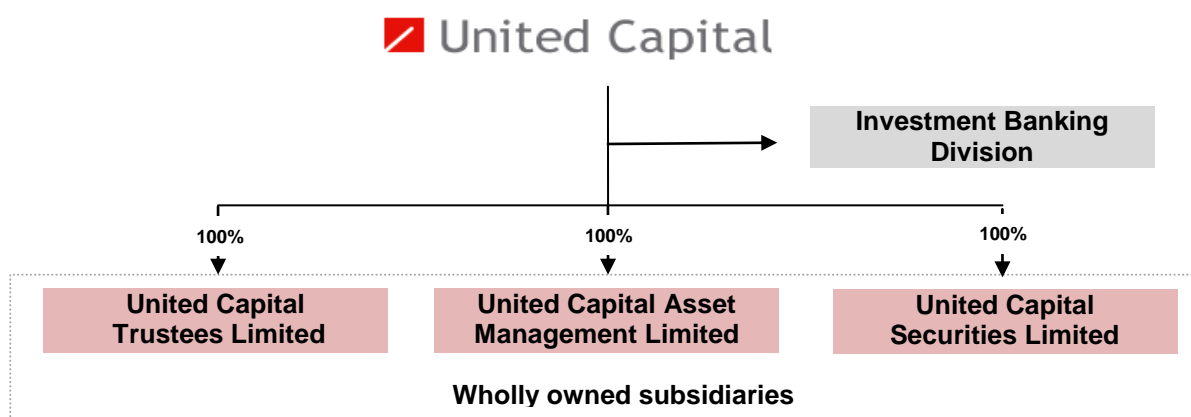
As a group comprising of recognized industry leaders with over 50 years’ experience, United Capital is well positioned to provide expert investment and financing solutions to optimize returns on investments.

United Capital Plc is a publicly quoted company listed on the Nigerian Stock Exchange and has a well-diversified shareholder base of 263,191 investors as at 31st December 2018.

As of the end of December 31, 2018, the shareholders with 5% and above are shown in the table below:

SHAREHOLDER(S)	SHAREHOLDING	% HOLDING
West Coast Equity Limited	1,305,478,570	21.76%

The Company is structured into four business areas as illustrated below:



Investment Banking

United Capital’s Investment Banking business provides advisory services in Project Finance, Capital Markets, Mergers & Acquisitions and Structured Trade Finance.

It is revered for its track record in executing complex transactions across the African continent, particularly for its leadership in Debt Capital Markets and Project Finance advisory to both corporates and governments.

In 2017, the team led a number of landmark transactions including serving as the Financial Adviser to the UBA US\$500 million Eurobond and also as the Financial Adviser/Local Book-Runner to the US\$300 million Diaspora Bond issued by the Federal Government of Nigeria.

Investment Banking Services offered include:

- **Capital Markets**
Debt Capital Markets: Provides innovative solutions and support to clients assisting them in raising long-term debt financing from both the local and international Capital Markets. Domestically, United Capital has played pioneering roles in projects and is consistently engaged in a number of

significant Debt Capital raising transactions. The Company has participated in over 75% of all State (Nigeria) bond issuances in Nigeria between 2010 and 2017.

Equity Capital Markets: Specializes in advising companies seeking to raise Equity Capital and Quasi-Equity from both the domestic and international Capital Markets. Provides financial advisory and issuing house services to corporations on various capital raising transactions including: initial listings on stock exchanges, raising additional equity and private/special placements by listed and unlisted companies.

- **Project Finance**
Provides cross border bespoke structuring, arranging and financial advisory services to clients across Africa leveraging on its deep expertise, unrivalled track record and vast network of relationships with providers of capital.
- **Mergers & Acquisitions (M&A)**
United Capital provides world-class execution capabilities for business combinations, divestitures and acquisitions. M&A services also involve executing Leveraged and Management Buyouts in addition to providing strategic assistance to Private Equity (PE) investors seeking to exit their investments.
- **Structured Finance**
United Capital provides Capital solutions outside the traditional fall back on security derived from conventional forms of collateral lending. It has expertise in Structured Trade Finance, Securitisation, and Commodity Trade Finance, which places the Company in prime position to deliver value to clients.

United Capital Asset Management Limited

The business provides innovative and customized investment services to a diverse client base that includes; Corporate Institutions, Government and Agencies, High Net Worth Individuals and Retail Investors. The business is registered and licensed by the Securities and Exchange Commission of Nigeria (SEC) to act as Investment Advisers, Portfolio and Fund Managers.

In 2017 United Capital Asset Management successfully launched two new Mutual Funds; the United Capital Nigerian Eurobond (USD) Fund and United Capital Wealth for Women Fund, with subscription sizes of \$5,075,500.00 and N1,053,585,000.00 respectively. These additions bring the total number of UCAML Mutual Funds in the Company's suite to six, allowing the Company to expand its product offerings to meet the market's demand for innovative products and remain competitive in this constantly changing market.

Asset Management Products and Services include:

- **Collective Investment Schemes (Mutual Funds)**

United Capital Balanced Fund: Offers a diversified portfolio of securities that cuts across the different asset classes.

United Capital Bond Fund: The Fund's assets are invested in Federal Government Bonds, Corporate Bonds and high quality money market securities.

United Capital Equity Fund: Invests in quoted equities that are traded on the NSE and can achieve high returns over short and long term periods.

United Capital Money Market Fund: Invests in high quality money market instruments like Treasury Bills and Certificates, Commercial Papers and Banker's Acceptance.

United Capital Wealth for Women Fund: The United Capital Wealth for Women Fund, aims to encourage women to imbibe a savings culture, provide an avenue for women to be financially independent, and create a sustainable foundation for women's financial empowerment and development in Nigeria.

United Capital Nigerian Eurobond Fund: The United Capital Nigerian Eurobond Fund invests in Dollar denominated Eurobonds, floated by the Federal Government of Nigeria, Nigerian top tier banks, and corporates.

- **Portfolio Management Services**

The Portfolio Management Schemes include:

Corporate Fund Management: This is designed to take the responsibility of managing Shareholders' funds or company's investible funds from organizations to enable them concentrate on their core businesses. In some cases, this service can also be provided to some individuals.

Collective Investments (Gratuity /ESP) Fund Management: Helps multi-national corporations, organizations, Foundations and/or groups to manage/establish various types of Collective Investment Schemes (Gratuity/SIS) designed to create future wealth for the members of staff or beneficiaries.

- **Investment Advisory**

Offers investment advisory services to clients to enable them keep control over their investment decisions and take advantage of a wide range of investment opportunities.

- **Wealth Management**

The wealth management service allows clients to pass on all of the hassles of day-to-day management of their funds, studying investment options and execution of trades to a team of professionals while still enjoying superior return and safety.

United Capital Securities Limited

United Capital Securities is a dealing member of the Nigerian Stock Exchange and registered by the Securities & Exchange Commission as a Broker/Dealer. The business provides access to primary market opportunities for listed equities (Initial Public Offerings, Right Issues, Offer for Sale and Offer for Subscription) and fixed income securities.

United Capital Securities is one of the few selected Supplemental Market Makers (SMM) and Designated Advisers by the Nigerian Stock Exchange. The business is also a registered dealing member of NASD OTC Plc, enabling it to deal in over-the-counter Equity and Fixed Income Securities.

Securities Services Include:

- **Securities Dealing**

Provides trading services supported by world-class technology and operations to deliver efficient services in: Exchange Traded listed securities on the Nigerian Stock Exchange and Unlisted Equities on the NASD OTC trading platform. Also provide Equity Supplemental Market Making to improve market liquidity for selected stocks listed on the Nigerian Stock Exchange

- **Equity Portfolio Management Services**

Non-Discretionary (research-based market insight to clients to enhance the efficient management of their Equity Portfolios)

Discretionary (actively manage the equity portfolio of High Net Worth Individuals and Institutional clients, subject to pre-agreed performance benchmarks)

- **Receiving Agent to New Issues**

As a receiving agent to new issues, United Capital Securities provides in depth market analysis on new issues to assist clients with their investment decisions.

- **Stockbrokers to Primary Issues**

Supports companies seeking to raise capital in form of Equity or Debt on the Nigerian Stock Exchange

- **Designated Adviser to SMEs**

OVERVIEW OF UNITED CAPITAL PLC

Provide Small and Medium Enterprises with the required tools and professional advice to prepare and guide them to listing on the Alternative Securities Market (ASeM).

United Capital Trustees Limited

United Capital Trustees is a leading Nigerian Trustee with over 50 years of experience in Trust services.

The business plays a key role in major financing transactions, charged with protecting the interests of lenders and investors, keeping custody of assets, documents, rights, shares, funds and other holdings in financial transactions.

In 2017, United Capital Trustees was Joint Trustee on the LASG N100Billion Bond Issue.

Trustees Services include:

- **Bonds Trusteeship**

United Capital Trustees act to ensure that the interests of all parties are protected and ensure compliance with all provisions of the transaction documents by taking proactive steps to prevent the loss of Investors' funds.

United Capital Trustees takes on the role as Paying Agent in conjunction with, or independently of our Bond Trustee functions. As Paying Agent, the firm undertake payment on behalf of the Issuer of bondholders' principal and interest payments on due dates.

Government Bonds

Services in this area are sub-divided into:

Federal Government Bonds – sovereign bonds

State Government Bonds – sub national bonds

Local Government Bond – municipal bond

Corporate Trusts

Here, services vary from coordinating, drafting, perusing, perfecting to management of Trust Deeds to lending banks with centralized documents, reducing perfection charges as well as duplication of Mortgages/ Debentures.

- **Collective Investment Schemes**

United Capital Trustees acts as Trustees to various Collective Investment Schemes (Mutual Funds and Real Estate Investment Trusts), providing clients with security on their investments. As Trustees, United Capital Trustees monitors Fund Managers' activities to ensure compliance with the Trust Deed, Prospectus and relevant regulations. The firm acts on behalf of Unit holders and keep custody of scheme assets.

- **Private Trusts**

Estate Planning: Offer a range of Estate Planning products and services designed to assist in making effective and enduring estate planning arrangements to families. These products and services include confidential, stress free and cost-effective estate planning and assets disposition arrangements that insulate clients from undue publicity, rancour, family disputes and delays that are characteristic of poorly planned estates.

Private Trust: Provides long-term wealth preservation; professional wealth management and investor services as well as personalized and highly confidential administration and disposition of assets in line with the clients' express wishes.

Security & Debenture Trust

United Capital Trustees acts as a Trustee for asset-backed deals, whether the assets are real (such as bonds) or synthetic (such as credit default swaps). Under these programmes, United Capital Trustees holds security on behalf of the beneficiaries, who may be actual note investors or their counter parties.

Awards / Accolades

2018	<ul style="list-style-type: none"> • Business Day Most Innovative Companies in Nigeria in February 2018
2017	<ul style="list-style-type: none"> • Pearl Awards <ul style="list-style-type: none"> a. Sectoral Leadership Award, Financial Services – Other Financial Institutions; b. Sectoral Leadership Award, Highest Dividend Yield; c. Good Corporate Governance Award (Special recognition Award); d. The Outstanding CEO of the Year (Honorary Award Category); and e. The Pearl (the Overall Highest Award). • CNBC Africa’s All African Business Leaders Awards <ul style="list-style-type: none"> a. Group CEO was awarded ‘Business Woman of the Year – West Africa’ b. Group CEO was awarded ‘All African Business Woman of the Year 2017’ • Business Day <ul style="list-style-type: none"> a. Deal of the Year’ Award for strategic role in executing Nigeria’s first ever \$300 million Diaspora Bond. • ESQ Legal Awards The Group CEO was named the Business Icon of the Year.
2016	<ul style="list-style-type: none"> • Business Day Most Innovative Company in Nigeria

Board of Directors and Management Team of United Capital

Board of Directors

Chika Mordi — Chairman

Mr Mordi was appointed Chairman of the Board of Directors in January 2014. He is currently the CEO of Accender Africa, Washington D.C (January 2011 to date). He previously served as an Executive Director and Member of the board of United Bank for Africa Plc (2005 to 2008). He was also the Managing Director of Continental Trust Bank Plc (2003 to 2005) and an Executive Director at Standard Trust Bank Plc (1999 to 2003).

Prior to that, Mr Mordi was the Head of Corporate and Investment Banking at Metropolitan Merchant Bank from 1997 to 1999 and the Head, investment banking group at Intercontinental Bank Plc from 1992 to 1997

Mr Mordi holds a MPA from Harvard Kennedy School (2008), a Masters from SAIS Johns Hopkins (2010), a Masters in Public Communication from American University in the USA (2012), an advance management diploma from Harvard Business School (2007), an MBA from IESE Business School (1997) and a Bsc. in economics from the University of Ilorin (1986).

Peter Ashade –Group Chief Executive Officer ⁴

Peter Ashade was appointed Chief Executive Officer of United Capital in July 2018. Peter is an astute investment banker and business leader with 29 years' cognate experience in Nigeria's capital market; 14 years as Chief Executive.

Prior to his appointment as the CEO, Peter was Managing Director/CEO, Africa Prudential Plc (then UBA Registrars Limited) (2006 to 2018). He was the founding CEO of Great Africa Registrars Limited (Now Meristem Registrars and Probate Services Limited (2004 – 2006). Before that, the was an Account Manager at Union Bank Plc (2003)

Mr Ashade holds a Bsc, Banking and Finance from Olabisi Onabanjo University (formerly Ogun State University in 2001), an MBA in Marketing from Obafemi Awolowo University (formerly University of Ife), 2003 an MSc, Finance from University of Lagos from 2013 to 2016.

Peter is a Fellow, Institute of Chartered Accountants of Nigeria (2017), Fellow, Chartered Institute of Bankers (2009), Fellow, Institute of Capital Market Registrars (2011), Associate, Chartered Institute of Taxation of Nigeria (2012) and an Associate, Institute of Directors (2014).

Ambassador John K. Shinkaiye - Non-Executive Director

Ambassador John K. Shinkaiye has over 40 years of experience in the public sector having served in the Federal Civil Service Commission for over 25 years from 1972 to 2000 and with the African Union Commission in Addis Ababa, Ethiopia from 2000 to 2003. He served in several Nigerian Missions abroad, including the Nigerian High Commission in London (1989) before being appointed Nigeria's Ambassador to Equatorial Guinea (1989-1993), Ethiopia and Djibouti, the OAU/AU and UNECA (2000-2003).

As Ambassador in Ethiopia, he was a member of OAU/AU Committees including the Administrative, Budgetary and Financial Committee from 2000 -2003. He was also the Chief of Staff of two Chairpersons of the AU Commission between 2006 and 2012.

Ambassador John K. Shinkaiye holds a B.Sc. in Sociology from the University of Lagos (1969-1972) and has attended several workshops, seminars and short programmes as both participant and resource person. He is a member of the National Institute of Policy and Strategic Studies (NIPSS), Kuru (Mni) (1994).

⁴ Also a member of the management team

Emmanuel N. Nnorom - Non-Executive Director

Emmanuel N. Nnorom has over 20 years work experience in Accounting and Finance (including at executive levels) in both the real estate and banking sectors in Nigeria.

He is the CEO of Heirs Holdings (2017 to date) a family owned investment company committed to improving lives and transforming Africa. The company's portfolio spans the power, oil and gas, financial services, hospitality, real estate and healthcare sectors, operating in twenty-three countries worldwide. Prior to joining the Heirs Holdings Group, he served as CEO of Transnational Corporation of Nigeria Plc (2014 to 2017), overseeing the Transcorp businesses, including Transcorp Power, Transcorp Hilton, Transcorp Hotel, Calabar and Transcorp Energy. Prior to Transcorp, Emmanuel served as an Executive Director at UBA (2013) overseeing the Group's African subsidiaries and executing corporate strategy in 18 African countries. Other senior roles within UBA included Group COO UBA (2008), followed by his appointment as UBA's Group CFO (2012), responsible for Finance and Risk Management.

Mr. Nnorom also served as Divisional Head of External Reporting at United Bank for Africa Plc (2005), General Manager of Operations at Standard Trust Bank Nigeria Plc (2004), General Manager of Finance and Planning at NUB International Bank Limited (2001 – 2004).

He is an alumnus of Oxford University Templeton College where he obtained an Advanced Management Programme Certificate in 1996 and a Fellow of the Institute of Chartered Accountants of Nigeria (ICAN) (1992). He is also an honorary member of the Chartered Institute of Bankers Nigeria (CIBN).

Adim Jibunoh - Non-Executive Director

Adim has 30 years' experience in the financial services industry. He is the President/CEO of Transnational Corporation of Nigeria Plc (Transcorp) (2017). Prior to this position, he was the Business Development Director at Heirs Holdings Limited (2012 -2017) overseeing the non-banking financial services investments in the group.

His prior positions have included: Investment Executive at the Nigerian Industrial Development Bank (NIDB-now Bank of Industry) (1986 – 1990); Executive Director at Standard Trust Bank Plc (2001); and the Chief Executive Officer of Continental Trust Bank (2003 – 2004). He is also a non-executive director of Avon HMO (2013 to date).

Adim holds a first class degree in Economics from the University of Port Harcourt (1980 – 1984) and an MBA in Financial Management from the University of Lagos (1980 – 1984). He has also received executive management training at IMD Switzerland, Lagos Business School (1994) and Harvard Business School (2002).

Yoro Mohammed Diallo - Independent Director

Yoro is a seasoned banker with over 40 years- experience. He has previously served as Regional Director for Middle East, North Africa and India at Ecobank. Mr. Diallo serves as a Non-Executive Director at Signature Growth Capital Partners. Mr. Diallo has been Non-Executive Director of United Capital Plc (alternate name: UBA Capital Plc) since January 2013. Mr. Diallo has over 35 years experience as a seasoned banker. He worked with Citibank in New York and Geneva

He is currently the Managing Director Sahara Financial Management Service (March 1995 - present).

He holds an M.Sc. in Banking and Finance from Saint Mary's University, California (1969) and a BA degree in Finance and Economics of development from Claremont Men's College, California (1976).

PROFILE OF MANAGEMENT TEAM

Mr. Shedrack Onakpoma – Group Chief Finance Officer

Shedrack Onakpoma was appointed Group Chief Finance Officer, in 2019 and oversees the Finance, Treasury and audit departments of United Capital Plc. Shedrack is an Economist and Professional Accountant with over 23 years working experience in Financial Management, Business Planning, Capital raising projects, M&A, Business Combination and Restructuring within Africa.

Prior to joining United Capital, Shedrack has held varying finance roles within and outside Nigeria in different industries ranging from Manufacturing to Financial Services. He was the Group Enterprise Manager at Heirs Holdings (May 2017) and the CFO at Tenoil Energy (June 2016), CFO at Heirs Insurance Limited (Nov 2015), CFO and Head of Strategic Management Office (SMO), at Union Assurance (Now Allianz Nigeria) (Jan 2011) and CFO at IGI Ghana Limited (Oct 2007).

He obtained his BSc in Economics from Olabisi Onabanjo University in 2009. He qualified as a Chartered Accountant in 2002 and became a Fellow of the Institute of Chartered Accountants (ICAN) in 2013. He obtained his Balanced Scorecard Professional Certificate from the balanced Scorecard Institute, USA in 2010. He is also a Licensed International Financial Analyst (2008). He is currently an executive student of the prestigious Lagos Business School (LBS) where he is running an Executive MBA program.

Mr. Leo Okafor – Group Company Secretary/ General Counsel

Leo is a lawyer with over 20 years' experience covering Litigation, Trusteeship, Investment Banking, and Company Secretarial Practice. Prior to joining United Capital in 2013, he was the Managing Director of Zenith Trustees Limited (a subsidiary of Zenith Bank Plc) (2008) and PHB Capital & Trust Limited (a subsidiary of Bank PHB Plc and later Keystone Bank Limited) between 2009 and 2012.

He holds a Master of Law degree, LL.M (1998) and Bachelor of Law degree, LL.B (Hons) from the University of Lagos (1995). He is a member of the Nigerian Bar Association (1996), a Fellow of the Institute of Chartered Secretaries & Administrators, London (2008), and holds several academic awards.

Mr. Ogaga Uwhuseba– Head, Audit and Business Assurance

Uwhuseba Ogaga Sam is a professional banker, accountant and certified fraud examiner with over 20 years' cognitive work experience in Nigeria and across African financial services industry in Operations, Audit, and Fraud Allegations Examination and Resolution.

Prior to joining United Capital Plc as a result of the Central Bank of Nigeria mono banking policy in 2013 he was a Team Lead in United Bank for Africa Plc Subsidiary Audit Division supporting the bank's African expansion and Local non-bank subsidiaries.

He has worked in the Audit and Assurance and Operations Directorates of several Financial Institutions; Sterling Bank Plc as Hub Leader responsible coordinating of hub assurance function in 2010; Unity Bank Plc (2007) and New Nigeria Bank Plc (2005) respectively as Head of Branch Controls Coordination and Head of branch operations in Liberty Bank Plc (2003) and Crystal Bank of Africa Ltd (2001) respectively.

He holds a B.Sc. Banking and Finance from Olabisi Onabanjo University Ago-Iwoye Ogun State (2003), Higher National Diploma in Business Administration and Management, Federal Polytechnic Ado Ekiti (1991) as well as professional membership of The Chartered Institute of Bankers of Nigeria ACIB (1998), Institute of Chartered Accountants of Nigeria ACA (2000), and Association of Certified Fraud Examiners CFE (2007), The Institute of Internal Auditors IIA (2014), Cobit 5 2015 Foundation & Implementation (2017) and Certified Information Systems Auditor (CISA) 2018.

Lucky Okopujie –Head, Digital Business

Lucky has over 20 years working experience in the Financial Services industry spanning Banking and Capital Market with core expertise in Operations, Corporate Services and Project Management. Lucky obtained his MBA and first degree in Business Administration from University of Benin in 1996 and 1992 respectively where he won the best graduating MBA Student award.

Prior to his current role as Head, Digital Business of United Capital, he was the Group Head-Operations and Head of Corporate Services of the same company. He was also the Chief Operating Officer for UBA Capital Holding Company Limited from October 2011 to January 2013.

OVERVIEW OF UNITED CAPITAL PLC

He started his Banking career at Diamond Bank Limited (now Plc) in 1996 in the Branch Operations Department where he rose through the ranks to the position of Regional Customers Service Manager (RCSM) from August 2006 to December 2007 before joining UBA Plc as Branch Operations Manager, Ikeja Branch/Ag. Area Operations Manager for Ikeja Area from December 2007 to October 2011.

He is an associate member of the Chartered Institute of Stockbrokers of Nigeria and Nigeria Institute of Management. He is also an associate member of the Chartered Institute for Securities and Investment (CISI), United Kingdom.

Oluwabunmi Olusesi – Group Head, Operations

Bunmi has over 9 years working experience in Investment Banking industry with core expertise in Operations. She obtained her first degree in Philosophy from Obafemi Awolowo University in 2008 and Masters' degree in Public and Int'l Affairs from University of Lagos and in 2016.

Bunmi started her career at UBA Stockbrokers, (now United Capital Securities Limited) in September 2009 where she rose through the ranks to her current position.

She is also a student member of the Chartered Institute of Stockbrokers.

Mrs. Bolanle Ibitola – Head, Human Resources

Bolanle is an experienced Human Resources Management, Business and Organizational Change professional. Her core expertise includes Performance Management, Employee Engagement, and Learning & Development.

Bolanle joined United Capital in 2015, before that, she was the HR Manager (Secondment from Heirs Holdings) at Afriland Properties (from February 2014 to January 2015). Prior to that, she worked as a HR Generalist with Heirs Holdings (May 2013 – February 2014), HR Business Partner at Renaissance Capital Dec 2010 – April 2013), HR Manager at Kimberly Ryan (September 2009 – October 2010).

Bolanle also worked with London Borough of Brent as a HR Administrator (September 2008 – August 2009). She has a Masters in Human Resources Management from the Middlesex University Business School, London (2009) and holds a first degree in English Language & Literature from the University of Lagos (2006).

She is a member of the Chartered Institute of Personnel and Development (CIPD) (2009)

Mr. Joseph Onyema– Chief Information Officer

Joseph currently serves as the Chief Information Officer for United Capital Plc. Prior to joining United Capital in 2017 Joseph headed the IT Operations of Cordros Capital (2015-2017).

Before Cordros Capital, he led the Enterprise & Cloud Services team at Soft Solutions Limited (2010).

Joseph is a graduate of Electronics/Computer Engineering from the Federal University of Technology Owerri (2004) and an alumnus of the Tony Elumelu Foundation (TEF2016).

Joseph is certified across various solutions including Microsoft's MCITP (2012), Oracle database (2009), McAfee enterprise security (2017), Bloomberg certified technical expert (2017), a certified CommVault expert on datacentre and enterprise-wide disaster recovery (2013).

Wale Olusi – Ag Head, Research

Wale took over as the Acting Head of Research in 2018. He coordinates macro and market research for the United Capital group. His role cuts across preparing broad strategic economic reports, covering key macro variables, monetary and fiscal policies, currency, sector and company updates. His investment research experience spans more than 5 years of active coverage of developments in the Nigerian macro and Sub-Saharan African market environment. Over the years, he has worked on developments in the Banking, Insurance, FMCG, and Breweries sector.

He was previously team lead equity research and strategy at Afrinvest W/Africa Ltd (2018)., where he coordinated the production of the flagship Nigerian Banking Sector Report in 2015 and 2016 alongside other members of the team. He started his career with Meristem Securities Ltd (2013), Lagos as a macro and consumer goods sector analyst before joining Afrinvest W/Africa Ltd in 2015.

OVERVIEW OF UNITED CAPITAL PLC

He is a First-Class graduate of Economics, from the University of Lagos in 2011 where he Also holds a Master's degree in Economics in 2015. He was awarded the best student in the September diet of Chartered Institute of Stock Brokers Professional Examination in 2013.

Mrs. Adetola Fasuyi – Head, Wealth Management

Adetola is the Head of Wealth Management at United Capital Plc. She has over 25 years of experience in the financial services industry as a senior business development/investor relations professional with an emphasis on Asset/Wealth Management.

Before joining United Capital Plc in 2016, 'Detola was the Managing Director of SCM Capital Asset Management Ltd (Formerly Sterling Capital Asset Management), and prior to that, the GM/CEO of MBL Financial Services Ltd, (the Stock broking arm of Metropolitan Bank Ltd), between 2006-2008, where she packaged the company in an attractive position for eventual divestment.

She previously served as the Group Head of Operations at Metropolitan Bank (2005) responsible for planning, developing, organizing and supervising all operations activities at the Head Office and Branches nationwide.

Adetola is a Certified Fellow of the American Academy of Financial Management (FAAFM) and a Chartered Wealth Manager (CWM) (2010). She obtained a Combined Honours (BSC) degree in Computer Science with Economics] (1990) and an MBA both from the Obafemi Awolowo University, Ile-Ife (2000). She is an Associate of Chartered Institute of Bankers of Nigeria (2004), Chartered Institute of Stockbrokers (2008) and The Certified Pensions Institute of Nigeria (2005).

Mr. Niyi Onifade– Head, Client Coverage

Niyi Onifade is a Chartered Insurer with three decades of cognate experience in insurance and pension management. He qualified as an Associate of the Chartered Insurance Institute (London) in 1992 and later attended the prestigious Swiss Insurance Academy, Zurich, Switzerland where he obtained the advanced life insurance certification in 1994.

Niyi subsequently qualified as a Fellow of the Chartered Insurance Institute (FCII) in 2002 and became the first Nigerian (and the second African) to bag the coveted Rutter Medal Award of the Chartered Insurance Institute, London (2012).

He attended the Lagos Business School where he successfully completed the Senior Management Programme in 2000.

Prior to joining United Capital Plc in 2017, he was the MD/CEO of Heirs Insurance Limited (2015). His other previous leadership roles were with Wapic Life Assurance Limited, where he served as the MD/CEO (2013); Capital Express Assurance Limited, where he served as the Group Deputy Managing Director (2009); ADIC Life Assurance Limited (now NSIA Insurance) where he was the pioneer CEO (2007); Pensions Alliance Limited where he was the pioneer Vice President (2005); and African Alliance Insurance Company Limited, where he was a General Manager and played a dominant role in the introduction of the first ever Takaful (Islamic) insurance into the Nigerian insurance market (1990).

Kehinde Koshoedo, Head, Risk Management

Kehinde is the Head of Risk Management at United Capital Plc. He is responsible for Enterprise Risk Management for the United Capital Plc Group including investment, counterparty, technology and operational risk. His work experience spans over 12 years in the financial sector in areas of Risk Management, Research, Portfolio Management, Treasury Management and Securities Trading.

Prior to joining United Capital Plc in 201 , Kehinde served as Head of Risk Management unit in Asset & Resource Management Holding Limited (ARM HoldCo) from June 2014 to May 2018; supervising risk management functions for subsidiaries in businesses of Life Underwriting, Security Brokerage, Fund/Portfolio Management, Trust Services, Financial Advisory, Private Equity and Infrastructure Fund.

Also, between April 2010 and May 2014, Kehinde was an Asset & Liability Management/Market Risk Analyst in the Market and Liquidity Risk Management department of the First Bank of Nigeria. His experience in First Bank cut across Asset & Liability Risk Management, Market Risk management and Risk Analytics.

OVERVIEW OF UNITED CAPITAL PLC

Precisely from November 2007 and April 2010, Kehinde gained experience in front office functions that cut across portfolio management, research, advisory and deal structuring when he served as Senior Analyst in the Treasury unit of Aquila Capital Limited. He participated in raising over N20 billion from local financial institutions and foreign DFIs (FMO, BIO) for the Aquila Capital franchise. In addition to his front-office experience, he was also FX/Commodity Trader with TVG Asset Management between April 2006 and November 2007.

Kehinde holds B.Sc. (Ed) Mathematics from the University of Lagos (2004). He is an individual member of the Global Association of Risk Professionals (GARP) (2017) and an Associate member of the Risk Management Association of Nigeria (RIMAN) (2018).

Corporate Governance in United Capital

United Capital Plc an investment banking group listed on the Nigerian Stock Exchange operates in a highly regulated industry and as such is obliged to comply with all applicable legislations, regulations, standards and codes. The observance of these regulations has helped us reduce the risk of regulatory sanctions and penalties.

The Board

The Board provides overall guidance and policy direction to the Management and acts on behalf of the shareholders in the overall interest of the stakeholders and is accountable to the shareholders. It prides itself in its people with a blend of experience and knowledge cutting across the various business lines of the company. In accordance with international best practice, the Board comprises of six Directors made up of five Non-Executive Directors and one Executive Director who is the Group Chief Executive Officer.

The Board is made up of the following people:

- Chika Mordi – Chairman
- Peter Ashade – Group Chief Executive Officer
- Yoro Mohamed Diallo – Independent Director
- Adim Jibunoh – Non-Executive Director
- Ambassador John Kayode Shinkaiye – Non-Executive Director
- Emmanuel N. Nnorom – Non-Executive Director

The Board Committees

The Board of United Capital has two Committees; namely:

- Finance Investment and Risk Management Committee (“**FIRM**”).
- Audit and Governance Committee (“**AGC**”).

Finance Investment and Risk Management Committee

The responsibilities of FIRM are as follows:

- Formulate and shape the strategy of the Group and make recommendations to the Board for approval
- Provide oversight on financial matters and the performance of the Group
- Review and recommend investment opportunities or initiatives to the Board
- Monitor and assess the overall integrity of the financial statements and disclosures of the financial condition and results of operations of the Group
- Review the Group's investment portfolio annually
- Monitor, review and assess the integrity and adequacy of the overall risk management framework of the Group
- Ensure that risk assessments are performed on a continual basis and ensure that frameworks and methodologies are in place to increase the probability of anticipating unpredictable risks.

The responsibilities of the AGC are as follows:

- Advise the Board on corporate governance standards and policies
- Review and recommend to the Board for approval, all human resources and governance policies
- Organize Board and Board Committee inductions and trainings
- Evaluate and appraise the performance of the Board and Board Committees and its members annually in conjunction with consultants
- Ensure that an effective system of financial and internal controls are in place
- Make recommendations to the Board on the election and re-election of Directors
- Provide a central source of guidance and advice to the Board and company on matters of ethics, conflict of interest and good corporate governance
- Review Audit exception reports relating to the Group's compliance of major policies including Expense and Human Resource policies.

USE OF PROCEEDS

Unless otherwise stated in the applicable Pricing Supplement, the net proceeds from each issue of the Bonds will be applied by the Issuer for its general corporate purposes.

The applicable Pricing Supplement for each Tranche or Series under the Programme will specify details of the use of proceeds of the particular Tranche or Series. The costs and expenses relating to the issue are payable by the Company and will be deducted from the gross issue proceeds.

United Capital Plc

Rating:

Bbb+

Outlook: Stable

Issue Date: August 2018

Expiry Date: 30 June 2019

Previous Rating: A-

Industry:

Financial Services

Analysts:

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RATING RATIONALE

Agusto & Co assigns a 'Bbb+' rating to United Capital Plc. ("United Capital" or "the Group"). The rating is supported by good brand equity, extensive network access, satisfactory asset quality and good profitability across its subsidiaries excluding the asset management business. The rating is however, constrained by concentration in the investment portfolio, high turnover at the senior management level and weak profitability in the asset management business.

United Capital is one of the largest financial services groups in Nigeria and a former subsidiary of United Bank for Africa Plc. (UBA) – a leading commercial bank in Nigeria. United Capital provides investment banking, trust services, asset management and securities trading services to retail, institutional and municipal clients within Nigeria and across Africa, through three subsidiaries. The Group leverages its established brand to drive business growth across its subsidiaries. As at 31 December 2017, cumulative assets for the Group stood at ₦137 billion (2016: ₦161 billion) following a decline in sinking funds managed by the trust business.

As at 31 December 2017, the Group's asset structure remained satisfactory with 13.2% invested in low risk FGN instruments. However, exposures to entities with common ownership with the former parent company of the Group – UBA, within the fixed income portfolio remains a concern, particularly as it translates to more than double United Capital's shareholders' funds (204%) as at 31 December 2017. In addition, we consider the ambiguity surrounding the Group's largest shareholder with a 21.4% stake in the Group to be a rating concern.

United Capital has maintained good capitalisation levels in the last three years, with an average capital adequacy ratio (adjusted capital to risk weighted assets) of 15%. The individual businesses within the group all recorded improved capital adequacy ratios, with the exception of asset management with a CAR of

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2018 Non-Bank Financial Institution Rating: United Capital Plc

capital adequacy ratios, with the exception of asset management with a CAR of 3%, unchanged from the previous year and below our benchmark. In our view, the capital of the asset management business needs to be strengthened to provide adequate support for the level of business risks undertaken.

The Group's interest bearing debts grew by 10.3% to stand at ¥41.5 billion as at 31 December 2017, driven by US dollar funding requirement by the investment banking business. The impact of the higher interest bearing debt was moderated by a 17.3% growth in shareholders' funds, which resulted in an improved debt to equity ratio of 2.9 (2016: 3.22 times), within our acceptable limit. However, investment income was sufficient to cover interest expense only 1.1 times, below our benchmark.

The Group's trust services, investment banking and securities businesses had well matched liquidity and funding profile as at 31 December 2017. However, we note that the asset management business is dependent on the rollover of short tenured securities (managed funds) to fund long tenured assets, with liquid and short term securities (comprising treasury bills, money market placements and FGN Bonds) only able to cover 55% of managed funds maturing within 90 days.

In 2017, earnings growth was supported by an improved equities markets and the high interest rate environment, both of which drove investment income on assets. United Capital thus posted pre-tax profits of ¥5.6 billion in 2017 (2016: ¥6.4 billion). Profitability indicators measured by pre-tax return on average equity (ROE) and pre-tax return on average assets (ROA) remained good at 35.8% and 3.7% respectively. The Group's profitability indicators exceeded our benchmarks and ROE was above the average return on 364 day treasury Bills of 22% in the same period. Profitability indicators exceeded our benchmarks for the individual entities within the Group with the exception of the asset management business with ROA and ROE of 0.1% and 5.8% respectively. In our view, the Group's earnings and profitability are expected to decline in 2018, due to the slowdown in the commercial trust space and a muted interest rate environment that should persist for most of the year.

Agusto & Co therefore downgrades the rating of United Capital Plc. to "Bbb+", supported by the significant exposure to a single entity and a related party of the former parent company of the Group, which we have adjudged to be of speculative grade.



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4 September 2018

The Directors

United Capital Plc
12th Floor UBA House
57 Marina
Lagos

Gentlemen,

ACCOUNTANTS' REPORT ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF UNITED CAPITAL PLC FOR THE THREE YEARS ENDED 31 DECEMBER 2017

We have reviewed the audited consolidated financial statements of United Capital Plc (the "Company") and its subsidiaries (collectively, the "Group") that comprise the consolidated statements of financial position as at 31 December 2017, 2016 and 2015 and the consolidated statements of profit or loss and other comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for each of the three years then ended, and a summary of significant accounting policies and other explanatory information, for the proposed N30 billion bond issue ("the Offer"). Deloitte & Touche were the auditors of the Group for the years ended 31 December 2017, 2016 and 2015, and unmodified audit opinions were issued by the auditors for each of the three years.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the International Financial Reporting Standards (IFRS) and for such internal control as management determines is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to express a conclusion on the accompanying consolidated financial statements. We conducted our review in accordance with the International Standard on Review Engagement (ISRE) 2400, Engagements to Review Historical Financial Statements. ISRE 2400 requires us to conclude whether anything has come to our attention that causes us to believe that the consolidated financial statements, taken as a whole, are not prepared in all material respects in accordance with the International Financial Reporting Standards (IFRS). This Standard also requires us to comply with relevant ethical requirements.

A review of consolidated financial statements in accordance with ISRE 2400 is a limited assurance engagement. The accountant performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.



The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these consolidated financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these consolidated financial statements do not give a true and fair view of the consolidated financial position of United Capital Plc and its subsidiaries as at 31 December 2017, 2016 and 2015, and their financial performance and cash flows for each of the three years then ended, in accordance with the International Financial Reporting Standards (IFRS).

This report is solely for the use of the Directors of United Capital Plc and other relevant parties to the Offer. No part of this report may be quoted or circulated outside these parties without the prior written approval of Ernst & Young.

Yours faithfully,

A handwritten signature in black ink that reads 'Anthony Oputa'.

Anthony Oputa
FRC/2013/ICAN/00000000980
For: Ernst & Young
Lagos, Nigeria
Date: 4 September 2018

REPORTING ACCOUNTANT'S REPORT

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

In Nigerian Naira thousands	2017	2016	2015
Gross earnings	8,420,608	9,779,304	5,761,224
Investment income	5,308,188	4,039,726	3,072,587
Fees and commission income	1,813,466	2,079,621	1,612,806
Net trading income	88,397	15,310	-
Net income from managed funds	143,516	640,319	810,862
Net operating income	7,353,567	6,774,976	5,496,255
Other income	1,036,657	2,094,634	264,969
Gain from the sale of investment in associate	-	909,694	-
Net gains from financial assets held for trading	30,384	-	-
Total revenue	8,420,608	9,779,304	5,761,224
Personnel expenses	(1,568,967)	(1,274,449)	(1,197,807)
Other operating expenses	(1,473,471)	(1,236,743)	(1,310,552)
Depreciation and amortisation	(106,179)	(89,518)	(63,993)
Net Impairment reversal/charges	275,840	97,835	(273,159)
Total expenses	(2,872,777)	(2,502,875)	(2,845,511)
Share of profit of equity accounted investee	-	-	337,444
Profit before income tax	5,547,831	7,276,429	3,253,157
Income tax expense	(1,185,525)	(363,208)	(682,466)
Profit for the year	4,362,306	6,913,221	2,570,691

Other comprehensive income, net of income tax

Items that may be reclassified subsequently to profit or loss:

Net fair value gain/(loss) on available for sale securities net of tax	1,166,445	(995,840)	(26,331)
Total comprehensive income for the year	5,528,751	5,917,381	2,544,360

REPORTING ACCOUNTANT'S REPORT

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

In Nigerian Naira thousands	2017	2016	2015
ASSETS			
Cash and cash equivalents	25,081,054	21,629,390	73,045,835
Financial assets:			
- Loan and receivables	26,716,894	48,142,359	31,648,984
- Available for sale	40,533,795	28,198,434	10,548,229
- Held to maturity	20,692,937	41,127,444	23,163,229
- Held for trading	51,280	-	-
Investment property	-	-	270,000
Investment In associate	-	-	2,266,396
Property, plant and equipment	248,155	170,934	158,702
Intangible assets	24,736	22,661	31,067
Trade and other receivables and prepayment	22,780,755	20,744,767	2,316,681
Deferred tax assets	456,639	656,967	656,967
TOTAL ASSETS	136,586,245	160,692,956	144,106,090
LIABILITIES			
Bank overdraft	58,439	-	2,973,552
Customers deposit	2,598,555	2,946,878	602,475
Managed funds	70,492,088	100,679,053	109,105,099
Other liabilities	2,995,160	6,173,986	2,684,102
Other borrowed funds	41,412,677	34,833,121	16,144,955
Current income tax payable	2,262,424	1,821,767	2,175,137
TOTAL LIABILITIES	119,819,343	146,454,805	133,685,320
SHAREHOLDERS' FUND			
Share capital	3,000,000	3,000,000	3,000,000
Share premium	683,611	683,611	683,611
Retained earnings	14,608,803	13,246,497	8,433,276
Fair value reserves	(1,525,512)	(2,691,957)	(1,696,117)
TOTAL SHAREHOLDERS' FUND	16,766,902	14,238,151	10,420,770
TOTAL LIABILITIES AND SHAREHOLDERS' FUND	136,586,245	160,692,956	144,106,090

REPORTING ACCOUNTANT'S REPORT

CONSOLIDATED STATEMENT OF CASH FLOWS

In Nigerian Naira thousands	2017	2016	2015
Profit for the year	4,362,306	6,913,221	2,570,691
Adjustments for:			
Income tax recognised in profit or loss	1,185,525	363,208	682,466
Depreciation of property, plant and equipment	94,029	79,059	54,557
Amortization of intangible assets	12,150	10,459	9,436
Gain on disposal of investment property	-	(14,000)	-
Gain on disposal of associate	-	(909,694)	-
(Gain)/loss on disposal of PPE	(2,682)	(2,894)	48,605
Dividend income on equity investments	(825,205)	(475,122)	(215,024)
Share of profit of associate	-	-	(337,444)
Finance costs	-	-	54,015
Impairment charge recognised on trade receivables and other assets	158,978	33,509	665,664
Impairment charge recognised on loans and receivables	60,061	-	-
Net gains from financial assets held for trading	(30,384)	-	-
	5,014,778	5,997,746	3,532,966
Movement in working capital			
Increase in trade receivables	(2,194,966)	(18,461,595)	(983,540)
(Decrease)/increase in managed funds	(30,186,965)	(8,426,046)	42,069,696
(Decrease)/increase in customer deposit	(348,323)	2,344,403	(251,274)
(Decrease)/increase in other liabilities	(3,178,826)	3,489,884	364,548
Cash (used in)/ generated from operations	(30,894,303)	(15,055,608)	44,732,396
Income tax paid	(548,939)	(716,578)	(165,900)
Net cash (used in)/generated by operating activities	(31,443,242)	(15,772,186)	44,566,496
Cash flows from investing activities			
Purchases of property and equipment	(207,597)	(98,205)	(28,914)
Proceeds on disposal of property and equipment	39,029	9,808	-
Purchase of intangible assets	(14,225)	(2,053)	(6,901)
Disposal/(purchase) of investment in loans and receivables	21,365,404	(16,493,375)	(9,703,911)
Purchase/disposal of AFS instruments	(11,164,517)	(18,646,045)	(1,539,122)
Disposal/(purchase) of held to maturity instruments	20,434,507	(17,964,215)	4,362,363
Purchase of held for trading instruments	(20,896)	-	-
Dividends received from equity investments	825,205	475,122	215,024
Proceed from of investment in associate	-	3,176,090	-
Proceed from of investment property	-	284,000	-
Net cash provided by/(used in) investing activities	31,256,910	(49,258,873)	(6,701,461)
Cash flows from financing activities			
Dividends paid to equity holders	(3,000,000)	(2,100,000)	(1,200,000)
Proceeds from borrowings	19,787,621	26,143,008	4,302,988
Repayment of borrowings	(13,208,065)	(7,454,842)	(2,691,337)
Net cash generated by financing activities	3,579,556	16,588,166	411,651
Net increase/(decrease) in cash and cash equivalents	3,393,224	(48,442,893)	38,276,686
Cash and cash equivalents at beginning of the year	21,629,390	70,072,283	31,795,597
Cash and cash equivalents at end of the year	25,022,615	21,629,390	70,072,283

STATUTORY AND GENERAL INFORMATION

1. INCORPORATION AND SHARE CAPITAL HISTORY

At incorporation, the authorised share capital of United Capital was N2,000,000,000 divided into 2,000,000,000 ordinary shares of N1 each. At present, authorised share capital is N3,000,000,000 divided into 6,000,000,000 ordinary shares of 50 Kobo each. The issued and fully paid up share capital is 6,000,000,000 ordinary shares valued at 50 Kobo each. The following changes have taken place in the Company's issued capital since incorporation:

2. SHAREHOLDING STRUCTURE

YEAR	AUTHORIZED (₦)		ISSUED AND PAID-UP (₦)	
	INCREASE/DECREASE	CUMULATIVE	INCREASE/DECREASE	CUMULATIVE
2013	Initial	2,000,000,000	Initial	2,000,000,000
2014	Increase	3,000,000,000	Increase	3,000,000,000
2015 - 2017	Same	3,000,000,000	Same	3,000,000,000

As at 31 December 2018, United Capital's issued share capital of 6,000,000,000 Ordinary Shares of 50 kobo, beneficially held as follows:

Shareholder	%
West Coast Equity Limited	21.76%
Others	78.24%

As at 31 December 2018, except as stated above, no other shareholder held more than 5% of the issued share capital of the Company.

3. DIRECTORS' BENEFICIAL INTERESTS

The interests of the Directors in the issued share capital of the Company as recorded in the Register of Directors' Interests or as notified by them for the purpose of section 275(1) of CAMA as at 31 December 2017 are as follows:

Director	Direct Shareholding	Indirect Shareholding
Chika Mordi	12,363	Nil
Peter Ashade	Nil	Nil
Yoro Mohamed Diallo	Nil	Nil
Adim Jibunoh	500,000	Nil
Ambassador John Kayode Shinkaiye	3,764,308	Nil
Emmanuel N. Nnorom	14,027,131	Nil

4. STATEMENT OF INDEBTEDNESS

As at 31 December 2017, the Company had outstanding indebtedness of ₦41.4 billion, which includes the following:

	Facility Type	Amount (N'million)
United Bank for Africa Plc	Unsecured facility	41,413
	Bank Overdraft	58,439

5. OFF BALANCE SHEET ITEMS

As at December 31, 2017, there were no contingent liabilities or any off balance sheet items

STATUTORY AND GENERAL INFORMATION

6. SUBSIDIARIES

As at the date of this Shelf Prospectus, the Issuer had three subsidiaries:

<i>Subsidiaries</i>	<i>Address</i>	<i>% Shareholding</i>
United Capital Asset Management Limited	12 th Floor, UBA House, Marina, Lagos	100%
United Capital Trustees Limited	12 th Floor, UBA House, Marina, Lagos	100%
United Capital Securities Limited	12 th Floor, UBA House, Marina, Lagos	100%

7. CLAIMS AND LITIGATION

The Issuer is currently involved in one (1) case pending before a court in Nigeria. However, there are no direct monetary claims against the Company.

The claimant seeks an order directing that N289,004,722.57 with accrued interest and USD57,856.20 with accrued interest alleged to be in the 1st Respondent's accounts maintained with the Company belonging to the 1st Respondent's deceased husband be paid to the court's account pending the acquiring of Letters of Administration for the estate of the 1st Respondent's deceased husband.

It is the opinion of the Transaction Counsel that this suit will not affect the ability of the Company to effectively perform its obligations under this transaction

8. EXTRACTS FROM THE MEMORANDUM OF ASSOCIATION

Below are relevant extracts from the Issuer's Memorandum of Association:

Objects

Clause 3 of the Memorandum of Association

"The objects for which the Company is established are:

- To borrow funds from any persons, firm or company to further and finance the activities of the company and the Directors may for that purpose charge the assets of the company.
- To promote, effect, insure, guarantee, underwrite, participate, manage, and carry out and issue, public or private, or state, municipal or other loans, or of shares, corporation or association, and to lend for the purposes of any such issue.

9. DECLARATIONS

Except as otherwise disclosed in This Shelf Prospectus:

- 1 No share of the Issuer is under option or agreed conditionally or unconditionally to be put under option;
- 2 No commissions, brokerages or other special terms have been granted by the Issuer to any person in connection with the Debt Issuance Programme or sale of any securities of the Issuer;
- 3 Save as disclosed in this Shelf Prospectus, the directors of the Issuer have not been informed of any holding representing 5% or more of the issued share capital of the Issuer;
- 4 There are no founders', management or deferred shares or any options outstanding;
- 5 There are no material service agreements between the Issuer or any of its respective Directors and employees other than in the ordinary course of business;
- 6 There are no long-term service agreements between the Issuer or any of its respective Directors and employees other than in the ordinary course of business;

STATUTORY AND GENERAL INFORMATION

- 7 No Director of the Issuer has had any interest, direct or indirect, in any property purchased or proposed to be purchased by the Issuer in the five years prior to the date of this Shelf Prospectus;
- 8 No prosecution has commenced against the Issuer or any of its respective subsidiaries in respect of any breach of any securities or CAMA;
- 9 No action has been taken against the Issuer by The NSE or FMDQ OTC in respect of any breach of the listing requirements of The NSE or FMDQ OTC respectively.

It is further declared that as at June, 2018:

- 10 None of the Directors is under any bankruptcy or insolvency proceedings in any court of law;
- 11 None of the Directors has been convicted in any criminal proceeding;
- 12 None of the Directors is subject of any order, judgment or ruling of any court of competent jurisdiction or regulatory body relating to fraud or dishonesty.

10. COSTS AND EXPENSES

The costs and expenses of and incidental to the issuance of Bonds under the Programme, including fees payable to the regulatory authorities, brokerage commission, professional parties, printing and distribution expenses, would be determined at each issuance and will not exceed the maximum amount stipulated by the regulatory authorities. In addition, these costs and expenses shall be borne by United Capital and will be specified in the applicable Pricing Supplement.

11. MATERIAL CONTRACTS

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

- i. Programme Trust Deed between United Capital, STL Trustees Limited, United Capital Trustees Limited and UTL Trust Management Services Limited dated 28 March, 2019;

Other material contracts in respect of any issuance of Bonds under the Programme will be disclosed in the applicable Pricing Supplement in respect of that Series of Bonds.

12. RELATIONSHIPS BETWEEN THE ISSUER AND ITS ADVISERS

As at the date of this Shelf Prospectus, United Capital has a relationship with the following Advisers:

- i. United Capital Securities Limited: Wholly owned subsidiary of United Capital Plc.
- ii. United Capital Trustees Limited: Wholly owned subsidiary of United Capital Plc.

13. MERGERS AND TAKEOVERS

As at the date of this Shelf Prospectus, United Capital is not aware of any attempt by any investor to acquire a majority shareholding in the Company or of any attempt or intention by the Company to acquire a majority shareholding in any other entity.

14. CONSENTS

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

Directors of the Company:

Chika Mordi
Peter Ashade
Yoro Mohamed Diallo
Adim Jibunoh
Ambassador John Kayode Shinkaiye
Emmanuel N. Nnorom

STATUTORY AND GENERAL INFORMATION

Company Secretary:	Leo Okafor
Lead Issuing House:	Barclays Nigeria Securities Limited
Joint Issuing Houses:	FSDH Merchant Bank Limited Union Capital Markets Limited
Issuer's Counsel:	M.E. Esonanjour & Co.
Transaction Counsel:	G. Elias & Co.
Trustees:	STL Trustees Limited United Capital Trustees Limited UTL Trust Management Services Limited
Trustee's Counsel:	Banwo & Ighodalo
Rating Agency:	Agusto & Co. Limited
Reporting Accountant:	Ernst & Young
Receiving Bank:	United Bank for Africa Plc
Auditors:	Deloitte & Touche

15. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents can be inspected at the registered office of the Issuer and at the respective offices of Barclays Securities Nigeria Limited, FSDH Merchant Bank Limited and Union Capital Markets Limited as listed on page 14 of this Shelf Prospectus, between 8:00a.m and 5:00p.m on any Business Day, for the validity of the Programme:

- i. The Certificate of Incorporation of the Issuer;
- ii. The Memorandum and Articles of Association of the Issuer;
- iii. A copy of the resolution dated August 10 2018 passed at the meeting of the Board of Directors of United Capital Plc, approving the Programme signed by a Director and the Company Secretary;
- iv. A copy of the shareholders resolution dated March 23, 2018 passed at the Annual General meeting of the Shareholders of United Capital Plc, approving the Programme signed by a Director and the Chairman;
- v. This Shelf Prospectus dated 28 March, 2019 issued in respect of the ₦30,000,000,000 Debt Issuance Programme;
- vi. The Programme Trust Deed;
- vii. The audited financial statements of the Issuer for the three years ended 31 December 2017;
- viii. The Accountants' Report by Ernst & Young on the Audited Consolidated Financial Statements of the Issuer for each of the three years ended 31 December 2017. The schedule of the claims and litigation referred to above and the Solicitors' opinion thereon;
- ix. The material contracts referred to on page 74 of this Shelf Prospectus;
- x. The written consents referred to on pages 74 to 75 of this Shelf Prospectus; and
- xi. The Issuer's Ratings Report.

FORM OF PRICING SUPPLEMENT

Set out below is the form of Pricing Supplement which will be prepared by the Issuer for each Series of Bonds issued under the Programme



UNITED CAPITAL PLC RC 444999

**OFFER FOR SUBSCRIPTION OF [·] [·] YEAR [·] % [•] DUE [·]
UNDER THE ₦30,000,000,000 UNITED CAPITAL PLC DEBT ISSUANCE PROGRAMME
ISSUE PRICE: ₦ [·] PER UNIT
PAYABLE IN FULL ON APPLICATION**

APPLICATION LIST OPENS: [·]

APPLICATION LIST CLOSES: [·]

This Pricing Supplement is prepared for the purpose of Rule 279(3) (6) & (7) of the Rules and Regulation of the Securities & Exchange Commission (the “**Commission**” or “**SEC**”) in connection with the ₦30,000,000,000.00 Debt Issuance Programme established by United Capital Plc (the “**Issuer**”). This Pricing Supplement is supplemental to, and should be read in conjunction with, the Shelf Prospectus dated 28 March, 2019 and any other supplements to the Shelf Prospectus to be issued by the Issuer. Terms defined in the Shelf Prospectus have the same meaning when used in this Pricing Supplement.

To the extent that there is any conflict or inconsistency between the contents of this Pricing Supplement and the Shelf Prospectus, the provisions of this Pricing Supplement shall prevail. This Pricing Supplement may be used to offer and sell the Bonds only if accompanied by the Shelf Prospectus. Copies of the Shelf Prospectus can be obtained free of charge from the offices of the Commission, the Issuer and the Issuing Houses and can also be downloaded from the respective websites of the Commission and the Issuer, throughout its validity period.

The registration of the Shelf Prospectus and this Pricing Supplement shall not be taken to indicate that the Commission endorses or recommends the securities or assumes responsibility for the correctness of any statements made or opinions or reports expressed in the Shelf Prospectus or this Pricing Supplement. No securities will be allotted or issued on the basis of the Prospectus read together with this Pricing Supplement later than three years after the date of the issue of the Shelf Prospectus.

This Pricing Supplement contains particulars in compliance with the requirements of the Commission for the purpose of giving information with regard to the Securities being issued hereunder (the “**Series [•] Bonds**” or “**Bonds**”). An application has been made to The [NSE and/or FMDQ] for admission of the Bonds to its exchange. The Bonds now being issued will upon admission to the exchange qualify as a security in which Trustees may invest under the Trustee Investments Act (Cap T22) Laws of the Federation of Nigeria, 2004.

The Issuer accepts full responsibility for the accuracy of the information contained in this Pricing Supplement. The Issuer declares that having taken reasonable care to ensure that such is the case, the information contained in this Pricing Supplement is, to the best of its knowledge (having made all reasonable enquiry), in accordance with the facts and does not omit anything likely to affect the import of such information and that save as disclosed herein, no other significant new factor, material mistake or inaccuracy relating to the information included in the Shelf Prospectus has arisen or has been noted, as the case may be, since the publication of the Shelf Prospectus. Furthermore, the material facts contained herein are true and accurate in all material respects and the Issuer confirms that, having made all reasonable enquiries, to the best of its knowledge and belief, there are no material facts, the omission of which would make any statement contained herein misleading or untrue.

This Pricing Supplement is dated [·] 2018

FORM OF PRICING SUPPLEMENT

Final terms of the Series [●] Bond

- | | | |
|-----|---------------------------|---|
| 1. | Issuer: | United Capital Plc |
| 2. | Description of the Bonds: | [●] |
| 3. | Series Number: | [●] |
| 4. | Specified Currency: | [●] |
| 5. | Aggregate Nominal Amount: | € [●] |
| 6. | Issue Price: | [●] |
| 7. | Net proceeds | € [●] |
| 8. | Denomination: | [●] |
| 9. | Issue Date: | [●] |
| 10. | Coupon Commencement Date | [Coupon shall accrue from the Issue date] |
| 11. | Maturity Date: | [●] |
| 12. | Principal Moratorium: | [●] |
| 13. | Coupon Basis: | [●] |
| 14. | Coupon: | [●]% p.a. |
| 15. | Redemption/Payment Basis: | [●] |
| 16. | Status: | [●] |
| 17. | Payment Undertaking: | [●] |
| 18. | Negative Pledge | [●] |
| 19. | Listing(s): | [●] |
| 20. | Method of Distribution: | [●] |
| 21. | Offer Period: | [●] |

Provisions relating to coupon (if any) payable

- | | | |
|-----|--|--|
| 22. | Fixed Rate Bond Provisions | |
| | i. Coupon Payment Date(s)/Payment Dates: | [●] |
| | ii. Coupon Amount(s): | [●] |
| | iii. Day Count Fraction: | [●] |
| | iv. Business Day Convention: | [Modified Following: Where a Coupon Payment Date falls on a non-Business Day, such payment shall be postponed to the next day which is a Business Day provided that if such a Business Day falls into the next calendar month, such Coupon Payment Date shall be brought |

FORM OF PRICING SUPPLEMENT

- forward to the immediately preceding Business Day].
- v. Other terms relating to method of calculating Coupon for Fixed Rate Bonds: [•]
- vi. Zero Coupon Note Provisions: [•](Delete if not applicable)
- vii. Floating Rate Note Provision [•](Delete if not applicable)

Provisions relating to redemption

23. Optional Early Redemption
- (ii) Call Option: [Applicable/Not Applicable]
- (iii) Put Option: [Applicable/Not Applicable]
24. Scheduled Amortisation: [Applicable/Not Applicable]
25. Redemption Amount(s): [•]
26. Scheduled Redemption Dates: [•]

General provisions applicable to the Bonds

27. Form of Bonds: Dematerialised
28. Registrar: [•]
29. Trustees: STL Trustees Limited
United Capital Trustees Limited
UTL Trust Management Services Limited
30. Record Date: [•]
31. Other terms or special conditions: [•]
32. Payment Agent [•]

Distribution, clearing and settlement provisions

33. Method of Distribution: [•]
34. Underwriting: [•]
35. Delivery [•]
36. Clearing System: Central Securities Clearing System Plc
37. Rating:
- a. Issuer: [•]
- b. Issue: [•]

FORM OF PRICING SUPPLEMENT

An issue rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

General

38. Taxation: See "Tax Considerations" on page [●] of the Shelf Prospectus dated [●].
39. Risk Factors: See Risk Factors on page [●] - [●] of the Prospectus dated [●].
40. Governing Law: The Bonds will be governed by and construed in accordance with the laws of the Federal Republic of Nigeria.

Appendices

41. Appendices: [List and attach appendices if applicable]

Use of proceeds

[Insert details of use of proceeds]

Material adverse change statement

Except as disclosed in this document and in the Prospectus dated 28 March, 2019, there has been no significant change in the financial or trading position of the Issuer since [Insert date of last audited accounts or interim accounts (if later)] and no material adverse change in the financial position or prospects of the Issuer since [insert date of last published annual accounts].