



SEC NIGERIA

SECURITIES AND EXCHANGE COMMISSION, NIGERIA



Collective Investment Schemes: Achieving Diversity in Investments

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COLLECTIVE INVESTMENT SCHEME

Definition

According to the Investment and Securities Act, a CIS is a scheme or a company which invites members of the public to invest money or other assets in a portfolio and share the risk and benefit of investment in proportion to their participatory interest in the portfolio of the scheme.

CIS Opportunities in Nigeria

- Unit Trust Scheme
- Venture Capital Funds
- Real Estate Investment Schemes
- Specialized Funds
- Balanced Funds
- Money Market Funds
- Bonds Funds
- Equity Funds
- Balanced Funds
- Tracker
- Specialist Funds
- Sector Funds

Key Players

- The Investors (Unit Holder/Subscriber)
- Fund Manager
- Trustee
- Custodian
- Registrar
- Regulators

Statistics

According to SEC data, the total net asset value of CIS in Nigeria in CIS rose from N782.64 billion in May 2019 to N1.322 trillion in 2020.

TYPES OF CIS

Unit Trust Scheme

Is a fund into which individual investors contribute sums of monies to form a pool for professional fund managers to invest in various investment instruments such as stocks, shares, money market instruments on their behalf.

The contributors are called subscribers or unit holders.

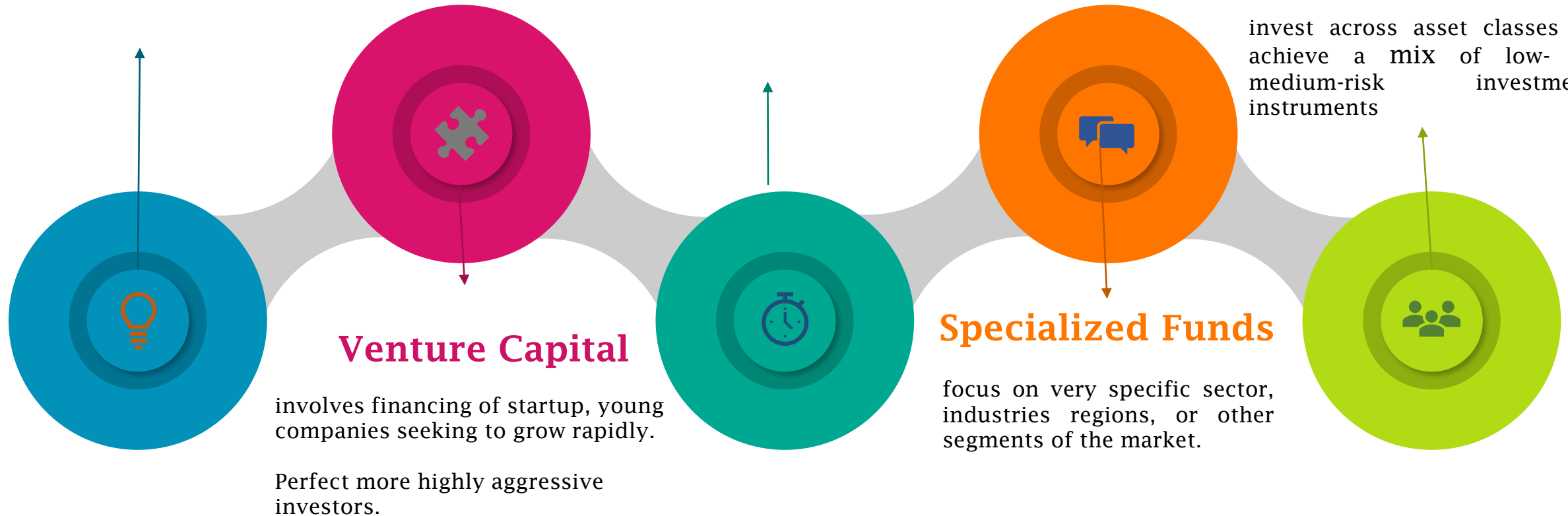
Unit trust can be open ended or closed ended.

Real Estate Investment Trust Scheme (REITS)

REITS is a Collective Investment Scheme which pools funds of the unit holders to invest in real estate.

Balanced Funds

invest across asset classes to achieve a mix of low- to medium-risk investment instruments



Protection of Investors

- The Security and Exchange Commission (SEC), as the apex organization that regulates operations of mutual funds in Nigeria, issued “new rules on collective investment schemes”. It emphasizes that mutual fund investors should be made to know, in no equivocal terms, how much fees they are paying for the mutual funds they invest in. The importance of that is that it helps the mutual fund investors with the opportunity to compare fund fees, while investing and even before investing so as to make informed choices
- The Securities and Exchange Commission 2013 Rules ("the Rules"), the Amendment to Rules on Collective Investment Schemes 2019 ("the Amendment") and various updates are well established to ensure the protection of investors who wish to pool their funds into CIS and the accountability of fund managers.
- The Rules and the Amendment contain provisions which prevent self-dealing and protects the interests of the investors above those of the fund managers.

Visit www.sec.gov.ng

CIS and Diversification

- Diversification is a strategy that involves spreading your money among various investments in the hope that you may be able to limit your losses and reduce the fluctuations of investment returns without sacrificing too much potential gain.
- Investing in CIS, mutual funds provide more diversification as it tracks a bundle of stocks, bonds, or commodities.
- Diversification, Ease of use, Low costs, Professional investment management, wide variety of investment styles, sectors, Risks management
- You can earn money from your investment through Dividends, Interests/ Returns, Increase in the price of the securities a fund owns

Investment Choices And convictions

Conventional: Stocks/Equities, Bonds, Mutual Funds, Exchange traded Funds, Treasury Bills and securities, commodities and many more

Ethical/Shari'ah Compliant: Stocks/Equities, Sukuk, Mutual Funds, Exchange traded Funds, commodities, and many more

EQUITY BASED FUNDS

Stanbic IBTC Nigerian Equity Fund

Legacy Equity Fund

Frontier Fund

Paramount Equity Fund

Afrinvest Equity Fund

United Capital Equity Fund

ARM Aggressive Growth Fund

FBN Nigeria Smart Beta Equity Fund

Meristem Equity Market Fund

Stanbic IBTC Aggressive Fund (Sub Fund)

AXA Mansard Equity Income Fund

Vantage Equity Income Fund

Pacam Equity Fund

Continental Unit Trust Fund (Inactive)

Anchoria Equity Fund

MONEY MARKET FUNDS

Stanbic IBTC Money Market Fund

FBN Money Market Fund

United Capital Money Market Fund

AIICO Money Market Fund

ARM Money Market Fund

Meristem Money Market Fund

AXA Mansard Money Market Fund

Greenwich Plus Money Market

Cordros Money Market Fund

PACAM Money Market Fund

Chapel Hill Denham Money Market Fund(Frml
NGIF)

Abacus Money Market Fund

EDC Money Market ClassA

EDC Money Market Class B

Coronation Money Market Fund

Zenith Money Market Fund

Afrinvest Plutus Fund

Legacy Money Market Fund

GDL Money Market Fund

Vetiva Money Market Fund

FSDH Treasury Bill Fund

FAAM Money Market Fund

Anchoria Money Market Fund

Trustbanc Money Market Fund

ValuAlliance Money Market Fund

NOVA Prime Money Market Fund

FIXED INCOME FUNDS

Coral Income Fund

United Capital Fixed Income Fund

Vantage Guaranteed Income Fund

CEAT Fixed Income Fund(Frml BGL Sapphire)

Stanbic IBTC Guaranteed Investment Fund

SFS Fixed Income Fund

Legacy Debt(formerly Short Maturity) Fund

Stanbic IBTC Absolute Fund (Sub Fund)

Stanbic IBTC Conservative Fund (Sub Fund)

Lotus Halal Fixed Income Fund

PACAM Fixed Income Fund

ACAP Income Fund(Fmrl BGL Nubian)

Stanbic IBTC Dollar Fund

EDC Nigeria Fixed Income Fund

Kedari Investment Fund

Zenith Income Fund

Vantage Dollar Fund

Lead Fixed Income Fund

Coronation Fixed Income Fund

Stanbic IBTC Shariah Fixed Income Fund

Anchoria Fixed Income Fund

Cordros Dollar Fund

ARM Fixed Income Fund

AVA GAM Fixed Income Dollar Fund

FSDH Dollar Fund

NOVA Dollar Fixed Income Fund

BOND FUNDS

Stanbic IBTC Bond Fund

Nigeria International Debt Fund

FBN Fixed Income Fund

FBN Nigeria Eurobond (USD) Fund
- Retail

FBN Nigeria Eurobond (USD) Fund
- Institutional

Legacy USD Bond Fund

Nigerian Eurobond Fund

Pacam Eurobond Fund

Afrinvest Dollar Fund

ARM Eurobond Fund

MIXED/BALANCED FUNDS

Stanbic IBTC Balanced Fund

Women Investment Fund

United Capital Balanced Fund

ARM Discovery Fund

Zenith Equity Fund

Capital Express Balanced Fund

AllCO Balanced Fund

FBN Balanced Fund

ValuAlliance Value Fund

ACAP Canary Growth Fund

Coral Growth Fund

Wealth For Women Fund

Nigeria Energy Sector Fund

Coronation Balanced Fund

Cordros Milestone Fund

Nigeria Entertainment Fund

Vantage Balanced Fund

PACAM Balanced Fund

Lead Balanced Fund

NOVA Hybrid Fund

ETHICAL FUNDS

Zenith Ethical Fund

Lotus Halal Inv. Fund

Stanbic IBTC Ethical Fund

ARM Ethical Fund

Stanbic IBTC Imaan Fund

FBN Nigeria Halal Fund

REAL ESTATE FUNDS

SFS Real Estate Investment Trust Fund

Union Homes REITS

UPDC Real Estate Investment Fund

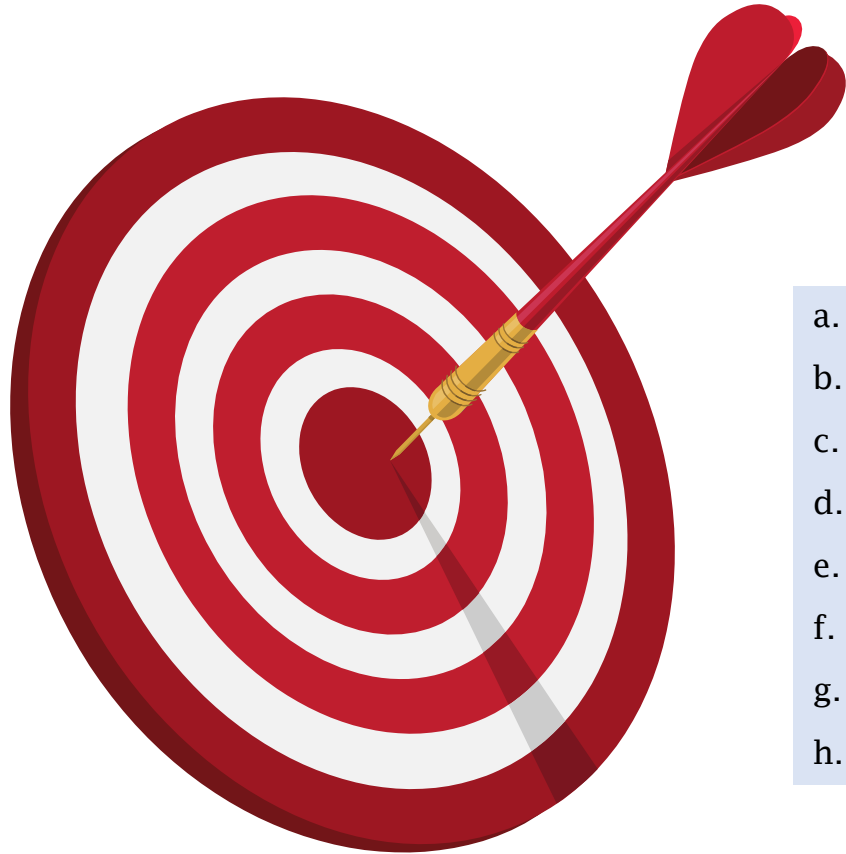
Nigeria Real Estate Investment Trust

INVESTMENT PROCESS

Generally, an investment process is a set of guidelines that govern the behaviour of investors in a way which allows them to remain faithful to the tenets of their investment strategy, that is the key principles which they hope to facilitate out-performance.

STEP ONE: ESTABLISH INVESTMENT GOALS AND OBJECTIVES

- Capital Preservation
- Wealth Accumulation
- Income growth
- Meeting financial needs e.g. retirement, marriage, education etc.



- a. Why am I investing?
- b. What type of investor am I?
- c. What are the investment instruments that I can invest in based on my convictions and expectations?
- d. What type of returns on investment am I looking for?
- e. How much risks am I willing to take?
- f. How long am I willing to invest for?
- g. How much do I want to invest?
- h. How will I manage my investment portfolio?

Please make payments only after receiving your unique Identifier (e-account number) via e-mail or text message and also note that all fields with (*) are compulsory

Submit by Email

Print Form

CEJPOFV2.0-2021



Mutual Funds Individual / Joint Purchase Order Form

*Please select the Fund(s) you wish to invest

Individual / Joint Purchase Order Form	Individual	Joint
Stable IBTC ETF 30/ SEAME Pension ETF 40		
Stable IBTC Nigerian Equity Fund		
Stable IBTC Ethical Fund		
Stable IBTC Income Fund		
Stable IBTC Balanced Fund		
Stable IBTC Bond Fund		
Stable IBTC Dollar Fund		
Stable IBTC Guaranteed Investment Fund		
Stable IBTC Shar'ah Fitted Income Fund		
Stable IBTC Enhanced Short-Term Fitted Income Fund		
Stable IBTC Money Market Fund		

*A Shariah compliant mutual fund governed by the principles of Islamic finance as approved by the Shariah Advisory Committee.

Would you like to know more about Stable IBTC products and services?

YES NO

NOTE: If you wish to purchase units of any Fund(s) for a person under 18years, kindly state the person's full name and date of birth in the space provided at the bottom of the page.

A PERSONAL DETAILS OF APPLICANT(S)

INDIVIDUAL APPLICANT	JOINT APPLICANT
*TITLE (MR, MRS, MS, CHIEF,...)	GENDER (M/F)
*FIRST NAME	GENDER (M/F)
MIDDLE NAME	
*SURNAME	
*RESIDENTIAL ADDRESS	
*EMAIL ADDRESS	
*MARITAL STATUS	
*DATE OF BIRTH(DD-MMM-YYYY)	
*MOBILE PHONE	
*COUNTRY OF BIRTH	
*LGA OF RESIDENCE	
*STATE OF RESIDENCE	
*COUNTRY OF TAX RESIDENCE	
*NATIONALITY	
OTHER NATIONALITY/CITIZENSHIP	
RELIGION	
*MOTHER'S MAIDEN NAME	
*ID/PASSPORT NUMBER	
*ID TYPE	
*ISSUE & EXPIRY DATE	
*OCCUPATION & EMPLOYER'S NAME	
*EMPLOYMENT STATUS	
TIN OR SOCIAL SECURITY NO	
NATIONAL IDENTITY CARD NO (NIMC)	

*BANK NAME *ACCOUNT NUMBER *BVN
 *BANK ACCOUNT NAME

You are responsible for the accuracy of the bank account details provided and SEAME will not be liable for any loss that may arise due to the inaccuracy of the bank account details provided by you.

Please note that CASH is not an acceptable mode of payment and all fields with (*) are compulsory

Submit by Email

Print Form

C IF INVESTING FOR A CHILD

*BANK NAME *ACCOUNT NUMBER *BVN
 *BANK ACCOUNT NAME

You are responsible for the accuracy of the bank account details provided and SEAME will not be liable for any loss that may arise due to the inaccuracy of the bank account details provided by you.

Please note that CASH is not an acceptable mode of payment and all fields with (*) are compulsory

Submit by Email

Print Form

C IF INVESTING FOR A CHILD

TITLE (MASTER, MISS,...) GENDER (M/F) NATIONALITY
 FIRST NAME MIDDLE NAME
 SURNAME DATE OF BIRTH(DD-MMM-YYYY)

D NEXT OF KIN

TITLE (MR, MRS, MS, CHIEF,...) GENDER (M/F) GENDER (M/F)
 FIRST NAME
 SURNAME
 RESIDENTIAL ADDRESS
 MOBILE PHONE
 DATE OF BIRTH(DD-MMM-YYYY)
 RELATIONSHIP
 EMAIL ADDRESS

E *DIVIDEND PAYMENTS Reinvested in the Fund Transfer to Bank Details Provided

F *ACCESS TO ONLINE REDEMPTION SERVICE YES NO

By clicking on the YES button, you have fully given consent to SEAME to effect (a) all redemptions requests initiated by you only via the online redemption platform, and (b) the benefit of online redemptions proceeds to the bank account details provided in page 1 of this form without further recourse to the joint account facility. For this purpose, the bank account details shall refer to a joint bank account in the name of the joint account holder or the individual bank account of either of the joint account holders. Please note that online redemptions are processed within 2 business days.

G *HOW DO YOU HEAR ABOUT US?

STABLE IBTC BANK SERVICE ONLINE WEBSITE NEWSLETTER BILLCARD NEWSPAPER AD CAMPAIGN OR PROMO FAMILY MEMBER/RELATIVE NETWORKING/REFERRAL
 RADIO SPONSORED EVENT SOCIAL MEDIA OTHER (PLEASE SPECIFY)

H *INVESTMENT OBJECTIVE

EDUCATION CAR RETIREMENT ALTERNATIVE SOURCE OF INCOME HOUSING
 OTHER (PLEASE SPECIFY) VALUE OF INVESTMENT (€/\$) TIMELINE

I *INCOME RANGE PER ANNUM

LESS THAN ₦100,000 ₦100,000 - ₦200,000 ₦200,000 - ₦300,000 MORE THAN ₦300,000

J *DECLARATION OF APPLICANT(S)

I/We declare that:
 I/We confirm that I/We have read table 1.1 overview and thus understand that, as with all capital market investments, the price of funds invested in quoted securities (i.e. Stable IBTC Nigerian Equity Fund, Stable IBTC Ethical Fund, Stable IBTC Income Fund, Stable IBTC Balanced Fund, Stable IBTC Guaranteed Investment Fund, Stable IBTC Bond Fund, Stable IBTC Dollar Fund, Stable IBTC ETF 30, SEAME Pension ETF 40) may fluctuate and that past performance is not necessarily an indication of future performance.

I/We agree:
 To comply with the minimum term(s) of the investment as shown in Table 1.1 overview, falling which I/We accept any/our loss, cost and charges that may arise as a result of any/our redemption.
 I/We understand that in the event that I/We advise unable to furnish SEAME with all required account opening / KYC documentation, any/our funds will be returned to us/ra and I/We shall not hold SEAME liable for any disbursement, loss of interest or transfer charges in the event that any/our funds are returned.

I/We have read and agree with terms and conditions of the Stable IBTC Income Fund.
 I/We hereby confirm that the information provided above is true, accurate and complete. Subject to applicable local laws, I/We hereby consent and authorize for Stable IBTC Asset Management Limited (SEAME) to share any/our information with domestic and overseas tax authorities where necessary to establish any/our tax liability in any jurisdiction. Where required by domestic or overseas regulations or tax authorities, I/We consent and agree that SEAME may withhold from any/our account(s) such amount(s) as may be required according to applicable laws, regulations and directives. I/We agree to notify SEAME within 30 calendar days if there is a change in any information which I/We have provided to SEAME.

*Signature of Unit Holder *Date *Signature of Unit Holder *SIGNATURE MANDATE

Individual/Joint Unit Holder's Signature Individual/Joint Unit Holder's Signature
 Name/Designation Name/Designation
 Either to sign
 Both to sign

KYC Requirement for Individual or Joint

- Completed Application Form
- 1 Passport Photograph
- Bank Draft, Teller or Remittance
- Birth Certificate (For Minor)
- Resident Permit (For Non Nigerian)
- Means of identification- (National ID Card, Driver's license, International Passport, Voter's Card)
- Proof of Address not older than 3months (Utility Bill, Tenancy Agreement)

KYC For Corporate

- Completed application form
- Proof of company's address
- Passport photograph of all directors
- Corporate Search Report
- Copy of certificate of incorporation
- Memorandum of association/ Constitution/ Partnership deed.
- Proof of address of all directors and signatories (copy of recent utility bills)
- Particulars of Directors form CAC7 (LLC)
- Copy of ID documents of all directors

MINIMUM INVESTMENT AMOUNT

The minimum investment amount for mutual funds in Nigeria is NGN5000 and \$10 for some investment mutual funds

REDEMPTION

There are 2 possible ways to redeem your investment in mutual funds:

1. **At Maturity:** This involves redeeming your money at the due date of the investment instrument.
2. **Before Maturity:** This involves breaking out of the investment before the due date of the investment issue. This may involve the payment of some pre-agreed penalty charges of about 2.5% to 10%.

INVESTMENT PROCESS



Determining Risk Tolerance

Risk Tolerance: Risk tolerance is your ability and willingness to lose some or all of your initial investment for greater potential returns.

Determining your risk tolerance is called Risk profiling.

This is categorized into Aggressive, moderate or low risk.

Asset Allocation

Involves using the risk profiling to analyse suitable investment portfolio and combination of assets taking their features into consideration.

Creating the Investment Portfolio

An investment portfolio comprised of investment asset categories to help you achieve your investment goals and objectives.

Evaluating Portfolio Performance

Evaluation enables you to review the performance of your portfolio in relation to your investment objectives.

Visit www.marblecapitallimited.com for free risk profiling



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CONCLUSION

Diversification is preferred but it doesn't guarantee no risk or loss; don't put all your eggs in one basket

A fund's past performance is no guarantee of its future success

While diversification is an easy way to reduce risk in your portfolio, it can't eliminate it.

Be in the process for the Long Term

Be Willing to Learn and understand that it is a gradual process (programs like this do help)

Be careful who you take advice from and be aware of your own assumptions and preconceptions.

You may want to consider seeking the help of a financial professional for your asset allocation, and portfolio management.

Make thorough check before you choose a financial advisor. Check SEC's list of fund managers before choosing a fund manager.

The Securities and Exchanges Commission is working commendably to ensure efficient transparency and accountability of the parties involved in CIS.

Investors need to be careful to avoid possible scams that may present itself as investments.

