



**INFORMATION MEMORANDUM**

**FOR THE**

**MAYFAIR MONEY MARKET FUND**

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Permission has been granted by the Capital Markets Authority to offer the public the securities which are the subject of this issue. As a matter of policy, the Authority assumes no responsibility for the correctness of any statements or opinions made or reports contained in this prospectus.

**Prospectus is valid till June 2025**

## IMPORTANT INFORMATION FOR INVESTORS

**Important – If you are in any doubt about the contents of this Information Memorandum, you should seek independent financial advice.**

This Information Memorandum comprises information relating to Umbrella Mayfair Money Market Fund which is part of Mayfair Collective Investment Scheme (the “**Trust**”), a unit trust established under Capital Markets (Collective Investment Schemes) Regulations, Cap 485A of the laws of Kenya, by trust deed between Mayfair Asset Managers Limited as the Fund Manager (the “**Manager**”) and KCB Bank Kenya Limited as trustee (the “**Trustee**”).

The Manager has taken all reasonable care to ensure that the facts stated herein are true and accurate in all material respects and that there are no other material facts, the omission of which would make misleading any statement herein whether of fact or opinion. Accordingly, the Manager accepts responsibility for the information contained in this Information Memorandum.

However, neither the delivery of this Information Memorandum nor the offer or issue of units in the Trust shall under any circumstances constitute a representation that the information contained in this Information Memorandum is correct as of any time subsequent to such date. This Information Memorandum may from time to time be updated. Intending applicants for units should ask the Manager if any supplements to this Information Memorandum or any later Explanatory Memorandum have been issued.

Distribution of this Information Memorandum must be accompanied by a copy of the latest available annual report and accounts of the Trust and any subsequent interim report. Units are offered on the basis only of the information contained in this Information Memorandum and (where applicable) the above-mentioned annual reports and accounts and interim reports. Any information given or representations made by any dealer, agent, broker, salesman or other person and (in either case) not contained in this Information Memorandum should be regarded as unauthorized and accordingly must not be relied upon.

This Information Memorandum is to be approved by the Capital Markets Authority in Kenya (the “**CMA**”) but authorization does not imply official approval or recommendation by the CMA.

No action has been taken to permit an offering of units in the Trust or the distribution of this Information Memorandum in any jurisdiction, other than Kenya, where action would be required for such purposes. Accordingly, the Information Memorandum may not be used for the purpose of an offer or solicitation in any jurisdiction (other than Kenya) or in any circumstances in which such offer or solicitation is not authorized.

In particular: -

- a) Units in the Trust have not been registered under the United States Securities Act of 1933 (as amended) and, except in a transaction which does not violate such Act, may not be directly or indirectly offered or sold in the United States of America, or any of its territories or possessions or areas subject to its jurisdiction, or for the benefit of a US Person (as defined in Regulation S under such Act); and

- b) The Trust has not been registered under the United States Investment Company Act of 1940 as amended.

Potential applicants for units in the Trust should inform themselves as to;

- a) possible tax consequences,
- b) the legal requirements and
- c) any foreign exchange restrictions or exchange control requirements which they might encounter under the laws of the countries of their incorporation, citizenship, residence or domicile and which might be relevant to the subscription, holding or disposal of units in the Trust.

Unit holders within the fund will not be liable for the debts of the collective investment scheme pursuant to the fourth schedule of the collective investments scheme regulations.

Mayfair Money Market Fund shall be valued in Kenya shillings.

The minimum fund capital shall be Kes 1,000,000/- and the fund shall not have a maximum capital.

## **DIRECTORY OF PARTIES**

### **FUND MANAGER & ADMINISTRATOR**

Mayfair Asset Managers Limited  
Mayfair Centre, 7<sup>th</sup> Floor, Ralph Bunch Rd  
P. O. Box 45161 – 00100  
**NAIROBI, Kenya**

Telephone: +254 (20) 2916000

The above address serves as the physical address of the fund manager and is the service center from which matters related to the collective investment scheme can be addressed. This also serves as the location at which the register of holders will be kept and can be inspected by the holders during any business day.

This is also the address at which any copies of any other instruments of incorporation, any amending instrument and most recent annual reports may be inspected and from which copies may be obtained.

Mayfair Asset Managers is a private limited company fully incorporated in Kenya on 19 January 2022.

The company has 70,000 issued shares each of Ksh 1,000/-. Paid up share capital as per June 2023 unaudited financials was Kes 55,000,000.

The company was licensed to operate as a fund manager by Capital Markets Authority on 2<sup>nd</sup> August 2022, under License No. 172.

Mayfair Asset Managers Limited has no relations with any other regulated Collective Investment Scheme other than the Umbrella Mayfair Collective Investment Scheme, to which Mayfair Money Market Fund is a sub-fund.

### **DIRECTORS OF THE MANAGER**

The collective investment scheme has appointed Mayfair Asset Managers Limited as the Fund Manager.

No director is a body corporate.

Details regarding remuneration of the directors as well as the terms of contract service between the fund manager and the directors are outlined in the Board Charter and Terms of Reference as well as Code of conduct documents.

The directors of Mayfair Asset Managers Limited are outlined in the table below.

Name	ID/ Passport Number	Date of birth	Telephon e number	Academic qualifications	No. of shares held in Co.	Role in company
Vishal Rajinder Kumar Patel	13298089	24.05.1971	+254 20 3970011	BSc. Business Administration and Finance Florida Institute of Technology, Associate of Arts degree, Brevard community college	5,250	Non- executive director/ Chairman
Anjay Patel	548169827	25.04.1963	+254 41 2312769	B.A Econ (Hons) University of East Anglia, Norwich, UK fellow with the Institute of Chartered Accountants in England and Wales	5,250	Non- executive director
Joshua Chiira Kahu	9143008	31.05.1967	+254 724 256925	BCom Insurance University of Nairobi A.C.I.I – London Certified in General Insurance Management Management of Professional Insurance Management	-	Non- executive director
Andrea Waithiki Kenneth	32082344	12.06.1995	+254 721 437 644	BA Social Policy & Sociology University of Sheffield; MA Politics, Governance and Public Policy University of Sheffield	4,144	Non- executive director
Felistus Njoki Karanja	22513572	18.01.1980	+254 722 418 806	Program for management development Strathmore university, MBA (Strategic Management) university of Nairobi; Bachelor of Business and Management Egerton University; CPA(K)	-	Executive Director (MD & CEO)
Bernard Mwangi Mbai	4826689	19.04.1958	+(254) 020 2727801/2	LLB Honours; Compliance Certificate from the Council of Legal Education; Dip in Law. Registered member of LSK; Advocate of the High Court of Kenya	-	Independent Non-Executive Director

**TRUSTEE**

NAME: KCB BANK KENYA LIMITED  
ADDRESS: KCB Tower, 7th Floor, Kenya Road, Upperhill  
P.O. Box 30664 - 00100,  
**NAIROBI, KENYA**

Tel: +254 711 087000 /+254 732 187000

Incorporated in Kenya and mandated to carry out the primary business of banking with Trusteeship mandate as well. Authorized depository by Capital Markets Authority.

**CUSTODIAN**

NAME: STANBIC BANK KENYA LIMITED  
ADDRESS: Investor Services,1st Floor  
Stanbic Bank Centre, Westlands Road  
Attention: Head of Investor Services  
P.O. Box 72833- 00200  
**Nairobi, Kenya**

Tel: +254 20 326 8000 / +254 20 363 8112 / +254 02 326 8285

Incorporated in Kenya and mandated to carry out the primary business of banking with Custodial service provision. Authorized depository by Capital Markets Authority.

**AUDITORS & TAX ADVISORS**

NAME: MOORE JVB LLP  
ADDRESS: The Pride Rock, No. 6, Donyo Sabuk Avenue  
P.O. Box 69952 – 00400,  
**Nairobi, Kenya,**

**BANKERS**

NAME: STANBIC BANK KENYA LIMITED  
Address: 1st Floor, Purshottam Place, Westlands Rd  
P. O. Box 30550 - 00100  
**Nairobi, Kenya**

The register of unit holders shall be kept at the registered office of the fund manager, Mayfair Asset Managers Limited, Mayfair Centre, 7<sup>th</sup> Floor. The register shall be available for inspection.

## THE UNIT TRUST SCHEME

Mayfair Money Market Fund (the “**Trust**”) is a unit trust established under the Capital Markets Act Cap 485A of the Laws of Kenya, by a trust deed between Mayfair Asset Managers Limited as Manager and KCB Bank Kenya Limited as trustee (the “**Trust Deed**”).

The base currency for the Mayfair Money Market Fund is Kenya Shillings.

The scheme shall exist in perpetuity.

### ELIGIBILITY

To be eligible to invest in the Mayfair Money Market Fund:

- One must hold official identification document (National identity card / Passport).
- Anyone aged below 18 years can invest by submitting parents or legal guardians’ identification documents.
- Parents or legal guardians who would like to open unit trust accounts for their children and/or dependents under the age of 18 can open the account under their name until the beneficiary attains age 18.
- You must not be resident in any jurisdiction where such an investment would be unlawful.
- You should satisfy yourself that you are permitted to make this investment under any tax regulations or other legislation, which might affect you.
- You can either be a private investor or an institutional investor (i.e., companies, trusts, retirement benefits schemes etc)
- If the plan is to be held in joint names, both investors must conform to the above requirements for eligibility.

## INVESTMENT OBJECTIVES AND POLICIES

### Investment Objective

The investment objective of the Mayfair Money Market Fund is to endeavor to maximize the level of total return to investors by generating a reasonable level of current income and maximum stability for the capital invested, whilst minimizing the volatility of the portfolio.

To achieve this, the Fund will invest in a diversified portfolio consisting principally of short-term fixed income securities that offer comparative yields to a current/savings account as well as similar liquidity benefits.

The Fund could have some exposure to offshore or emerging market debt securities denominated in Euro, Sterling or US dollar principally as a hedge against inflation.

### Target Investors

The Fund will be suitable mainly for the following categories of investors:

- Investors who are seeking investment competitive return over what they would receive in a bank for their savings.
- Investors who require a low-risk investment which offers a competitive yield, and capital stability with high levels of liquidity.
- Investors who intend to secure a safe haven for their investments in times of stock market instability.

### Investment Risk

This is a low-risk fund.

### Investment Policies

The Manager shall seek to attain the Fund's Investment Objective principally by investing in interest bearing securities domiciled in East Africa, whether listed or unlisted.

The Fund will also obtain off-shore exposure in debt securities issued overseas principally through collective investment schemes which give access to these markets for example Blackrock funds etc. In this manner, the Fund will be indirectly investing in a diversified portfolio of debt securities world-wide.

Investments will consist principally of non-equity securities, financially sound preference shares, treasury bills, treasury bonds, corporate bonds, loan stock, debenture stock, debenture bonds, approved securities, notes and liquid assets and any other securities which are consistent with the portfolio's investment policy.

While aiming to achieve a balance between its exposure to interest-bearing securities in the regional, developing and developed markets, the precise mix of the Fund's portfolio will be under constant review to anticipate and take advantage of changing worldwide market conditions. The Fund Manager shall keep under review and may from time to time amend the allocation of the Fund's assets in the



manner deemed appropriate for the purpose of achieving the Fund's Investment Objective.

The Fund may invest in other collective investment schemes or sub-funds that are managed by the fund manager or by an associate of the fund manager within the same umbrella fund scheme, depending on the prevailing market dynamics for up to 100% investment.

The fund manager would take due care to ensure that the risk-return objectives of the clients are aligned with the new funds investment mandate in keeping with their fiduciary responsibility to the client.

## INVESTMENT AND BORROWING RESTRICTIONS

### Investment Restrictions

The following restrictions shall apply to the investments of the Fund provided that should any one or more of these restrictions be exceeded as a result of events, happening subsequent to an investment being made, that are beyond the control of the Fund or the Manager such as, for instance, fluctuations in the market value of underlying investments, the Manager shall seek to remedy the situation in the shortest time possible and shall in so doing take due account of the interest of the unit holders of the Fund.

- (i) Securities listed on a securities exchange in Kenya – 80%
- (ii) Securities issued by the Government of Kenya – 80%
- (iii) Other collective investment schemes including umbrella schemes – 25%
- (iv) Any other investment not listed on a securities exchange in Kenya – 25%
- (v) Off-shore investments – 10%
- (vi) Immovable property – 25%

These investments shall be made provided that:

- a) The securities are interest-earning instruments which have a maximum weighted average tenor of thirteen (13) months;
- b) The book value of the investment in an interest-bearing account, financial product or instrument of or issued by any single bank or financial institution or insurance company or a combination of any such investment in a single bank, financial institution or insurance company shall not in aggregate exceed 25% of the Mayfair Money Market Fund net asset value;
- c) The value of the Mayfair Money Market Fund's holding of securities relating to any single issuer shall not exceed 25% of the Unit Trust scheme's properties net asset value; and
- d) Any Unit trust scheme established for the investment of retirement benefits schemes shall comply with the investment guidelines prescribed under the Retirement Benefits Act.

The Fund Manager shall not apply any part of the Mayfair Money Market Fund in the acquisition of any investments which are for the time being, partly paid or otherwise in the opinion of the trustee likely to involve the trustee in any liability, contingent or otherwise.

The limits and restrictions in this Part shall be complied with at all times based on the most up-to-date value of the Mayfair Money Market Fund, but a 5% allowance in excess of any limit or restriction shall be permitted where the limit or restriction is breached through the appreciation in value of the unit trust scheme.

Information on investment will be given in the annual reports to the unit holders on the investments in the portfolio undertaken by the Fund Manager. These reports will review the investment activity and performance of the investment portfolio and any changes comprising the Mayfair Money Market Fund.

### **Borrowing restrictions**

The Mayfair Money Market Fund shall not lend all or part of the portfolio and shall not assume, guarantee, endorse, or otherwise become directly or contingently liable for or in connection with any obligation or indebtedness of any person.

### **Switch in Investments**

The Fund Manager may, if it considers it in the best interest of the unit holders, sell, exchange, alter, or otherwise dispose of any of the underlying securities and in such event shall substitute for such underlying other securities or cash equal in value to the net amount realized for the underlying securities disposed of less the compulsory charges in respect of the securities substituted.

### **General**

If any of the investments and borrowing restrictions are breached, the Manager shall as a priority objective take all steps necessary within a reasonable period of time to remedy the situation, having due regard to the interest of the unit holders.

The Manager is not required to sell investments if any of the investment restrictions are exceeded as a result of changes in the value of the Fund's investments, reconstructions or amalgamations, payments out of the assets of the Fund or redemptions of units but for so long as such limits are exceeded the Manager will not acquire any further investments subject to the relevant restriction and will take all reasonable steps to restore the position so that the limits are no longer required.

### **Investment strategy**

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Asset Allocation Range</b>	<b>CIS Upper Limits</b>	<b>Fund Benchmark</b>
Cash and cash equivalents/ deposits	60%	40% - 80%	80%	Average 91- Day Treasury bill plus 1%
Commercial papers	10%	5% - 25%	25%	
Treasury bills/ government securities	30%	10% - 40%	80%	

## **RISK FACTORS**

Investment in the Mayfair Money Market Fund should be regarded as a medium to long-term investment, as only over this time frame will the benefits from interest earned be palpable.

The Fund's investments are subject to normal market fluctuations and risks inherent in all fixed income investments, more specifically interest rate risk. Interest rates vary from time to time based on a variety of factors, which has an impact on the yield which investors can expect to receive from their investment in any money market fund. For this reason, the yield on the Fund and the interest income from it will vary over time and could go down as well as up.

Liquidity risk is another risk to which the Mayfair Money Market Fund would be exposed. Liquidity refers to the ease with which an investor can buy into and sell out of a particular asset. In some cases, the liquidity of a security may be negatively affected making it difficult to trade out of the security particularly if the security falls out of favour with the market. In such instances, the Fund Manager will make reasonable efforts to manage the Fund's exposure to such a security but could be compelled to hold onto the security until market sentiment improves. To the extent the Fund invests in securities domiciled in regional security exchanges, liquidity risk will be significant, as the regional markets generally tend to trade much smaller volumes across a fraction of the listed entities available. In this context specific markets affected would include Uganda, Tanzania, Rwanda, Burundi, South Sudan and Democratic Republic of Congo inter alia.

In general, it is important to note that market values of securities generally fluctuate over a cycle, sometimes significantly so, which could be a reflection of the underlying business performance of the company/ government in question, the overall security market or economic conditions as well as investors' perceptions of the company.

The Funds investment strategy success will depend largely on the Fund Manager's skill in evaluating the potential for appreciation in value of the securities in which the Fund invests.

Any investor who is in any doubt about the risks of investing in the Fund should consult his or her own Financial Advisor.

## **MANAGEMENT AND ADMINISTRATION**

### **Manager**

Mayfair Asset Managers Limited, an investments advisory and asset management company incorporated in Kenya on 19<sup>th</sup> January 2022, is the Manager of the Trust.

The Manager is a Private Limited Liability company incorporated in Kenya.

Mayfair Asset Managers Limited has an issued capital of KES 70 million and is licensed to operate as a Fund Manager by Capital Markets Authority as at 2<sup>nd</sup> August 2022, under license No. 172.

Mayfair Asset Managers Limited has no relation to any other regulated collective investment scheme in Kenya and is thus independent.

Material provisions relating to the management of collective investment scheme are outlined within this Information Memorandum as well as the Trust Deed related to the collective investment scheme.

The Manager provides professional investment management and advisory services to unit trusts, pension schemes, provident funds, institutional clients as well as high net worth private individuals.

Directors and Senior Management of the Manager are reputable and experienced investment professionals with in-depth knowledge of financial markets and capital markets instruments.

### **Trustee and Custodian**

KCB Bank Kenya Limited has been appointed as Trustee and Stanbic Bank Kenya Limited as the Custodian of the Trust.

## **SUBSCRIPTION OF UNITS**

Subscriptions for units will be dealt with on the relevant Dealing Day. Dealing Days are each business day and for this purpose a “**business day**” is a day on which the banks in Kenya are open for normal banking business, other than a Saturday.

Units in the Mayfair Money Market Fund are currently available for issue on each Dealing Day in the manner outlined below.

### **Subscription Procedure**

Subscriptions for units should be made by completing the Application Form and sending it to the Manager, together with remittance advice evidencing payment for the units or a cheque for the subscription monies inclusive of the initial charge. All mandatory fields in the application form must be completed otherwise the form will be deemed to be incomplete. Investors should read and sign the declarations outlined in the application form.

Subscriptions paid by cheque will not be processed until the funds have cleared. Investors should be aware that if they pay by cheque, there may be delays in having their subscription processed.

The original of any subscription form(s) given by fax should be forwarded to the Manager. Subscriptions will be effected on receipt by the Manager. The Manager and the Trustee shall not be responsible to any investors for any loss resulting from non-receipt of any subscription form(s) sent by facsimile.

### **Minimum Investment**

The minimum initial investment for the Mayfair Money Market Fund is Kshs 5,000. There is no maximum investment contribution. The minimum initial investment may change from time to time depending on market conditions e.g. during periods of tight liquidity, the KES 5,000 minimum may prove too onerous. In such a case, the minimum may be reviewed downwards to accommodate Clients more readily.

### **Payment Procedure**

Payment should be made in one of the ways set out in the application form. Payments should be made in Kenya shillings. Payments in other freely convertible currencies may be accepted.

Where amounts are received in a currency other than the currency in which the Fund is denominated, they will be converted into the relevant currency, using such currency exchange rates as from time to time determined by the Manager and the proceeds of conversion (after deducting the costs of such conversion) will be applied in the subscription of units in the relevant Fund. Conversion of currency may involve some delay. Subscription monies paid by any person other than the applicant will not be accepted unless the Trustee and the Manager otherwise determine at their absolute discretion.

Payment of subscription monies in cleared funds for the Fund should be received by the Manager and Trustee on the relevant Dealing Day. Subscriptions not cleared will be carried forward and dealt with on the next Dealing Day or at the earliest clearance.

The issue price of units of a Fund on a Dealing Day will be calculated by reference to the net asset value per unit of that Fund as at 3.00pm Kenyan time (the “**Valuation Point**”) on that Dealing Day.

### **Monthly Investment Plans**

An investor may want to make monthly contributions to the Mayfair Money Market Fund. For example, individual investors could invest a lump sum of Kshs. 10,000 as an example and top up as regularly as they are able.

### **Certificates**

The Fund Manager will upon issuance of units within the Fund issue the unit holder a certificate of entitlement, representing shares of ownership within the Fund no later than thirty working days after subscription. The share register will be update to reflect the most current status of ownership within the Fund thereafter.

The Fund Manager/Trustee may charge a fee for issuing of any documents or require a fee to amend an entry in the register, as long as such fee is deemed reasonable by the Fund Manager for additional services rendered, other than the issue or sale of shares.

The trustee shall countersign, graphically or otherwise, every certificate before it is delivered by the fund manager to a purchaser.

### **General**

Units issued by the Trust will be held for investors in registered form.

A contract note or acknowledgement will be issued upon acceptance of an investor’s subscription and will be forwarded by email to the unit holder.

In the event a completed Application form and monies are received, investors will be allocated an account number.

Fractions of not less than one-hundredth of a unit may be issued. Subscription monies representing smaller fractions of a unit will be retained by the Fund.

The Manager has an absolute discretion to accept or reject in whole or in part any subscription for units. In the event the subscription is rejected, subscription monies will be returned without interest by bank transfer to the remitting account at the risk of the person(s) entitled thereto. No units of the Fund will be issued where the determination of the net asset value for the Fund is suspended.

## **TYPE OF ACCOUNTS**

The following are the types of accounts which are available for unit holders:

- **Individual Accounts:** This is an account held by an individual investor.

- **Joint Accounts:** A joint account means that both parties have joint ownership of the units. This should be checked off on the Application Form. Specimen signatures of each joint holder should be provided in the Application Form.
- **Minor's Accounts:** This is an account held on behalf of an individual under the age of 18 for the purpose of their future.
- **Corporate Accounts:** This represents investments from companies and other corporate bodies. The choice of this account should be checked off on the application form. Authorized signatories should be provided.
- **Association accounts:** This represents investments from associations, investment groups, as well as cooperatives.
- **Mandate Accounts:** For this type of account the Broker House/individual can transact on behalf of their client. All communication shall be sent to the mandate holder and where disclosed and available, a copy to the mandate issuer.



## **REDEMPTION OF UNITS**

Subject to the provisions outlined below, any unit holder may redeem the unit holder's units on any Dealing Day in whole or in part provided that the Manager may refuse to accept a request for a partial redemption of units in a Fund if, as a result, the unit holder would hold units in that Fund having a value of less than Kshs 1,000. The Manager may levy a redemption charge of up to one per cent of the redemption value, but the Manager does not have intention to levy redemption charge in the initial months.

### **Redemption Procedure**

Redemption of units should be made by completing the Redemption Form and sending it by post, electronic mail (email) or by fax to the Manager. The redeeming unit holder(s) must specify in the Redemption Form the name of the Fund and the number of units to be redeemed, the name(s) of the registered holder(s) and give payment instructions for the redemption proceeds.

Unless otherwise agreed by the Trustee and the Manager, the original of any redemption request given by fax should be forwarded to the Manager. The Trustee and the Manager shall not be responsible to a unit holder for any loss resulting from non-receipt of any redemption request sent by fax.

A redemption request received by the Manager on a Dealing Day will be dealt with on that Dealing Day. Redemption requests received on a day which is not a Dealing Day will be carried forward and dealt with on the next Dealing Day.

Units redeemed on a Dealing Day will be redeemed at a price calculated by reference to the net asset value per unit of the Fund as at the Valuation Point on the Dealing Day. If at any time during the period from the time at which the redemption price is calculated and the time at which redemption monies are converted out of any other currency into the base currency of the Fund there is a devaluation or depreciation of that currency, the amount payable to any relevant redeeming unit holder may be reduced as the Manager considers appropriate to take account of the effect of that devaluation or depreciation.

### **Payment of Redemption Proceeds**

Redemption proceeds will not be paid to any redeeming unit holder:

- a) unless otherwise agreed by the Manager and the Trustee, the written original of the redemption request duly executed by the unit holder has been received by the Manager; and
- b) where redemption proceeds are to be paid by telegraphic transfer, the signature of the unit holder (or each joint unit holder) has been verified to the satisfaction of the Manager and the Trustee.

Unless the Manager and the Trustee otherwise determine at their absolute discretion, redemption proceeds paid by cheque will be paid to the unit holder only (or to any one or more of the unit holders in the case of joint unit holders) and redemption proceeds paid by telegraphic transfer will be paid only to the account of the unit holder (or any one or more of the unit holders in the case of joint unit holders). No payment will be made to third parties.

Subject as mentioned above and as long as relevant account details have been provided, redemption proceeds will be paid in the base currency of the Fund by remittance to the unit holders bank account (or in the absence of account details, by cheque) normally within six business days as per the CMA act.

If relevant account details are not provided, redemption proceeds will be paid to the redeeming unit holder (or to the first-named of joint unit holders) by cheque. Bank charges (if any) incurred in making payment will be borne by the unit holder.

Unit holders shall be granted one free withdrawal a month to the designated bank account. Any additional withdrawal will be subject to a standard withdrawal frequency charge.

### **Payment of Redemption Proceeds by Distribution in Specie**

The Manager has an absolute discretion to effect a redemption payment to any or all redeeming unit holders in specie or in kind rather than in cash. The circumstances in which the Manager envisages exercising this discretion include, without prejudice to the generality of the foregoing, a situation where substantial redemption requests are received by the Fund which will make it impracticable to redeem the underlying securities in order to fund the redemption payments.

In making redemption payments in specie or in kind, the Manager will use the same valuation procedures used in determining the net asset value of the Fund when determining the value to be attributed to the relevant securities to be transferred or assigned or otherwise made available to the redeeming unit holders.

Redeeming unit holders receiving the redemption payment in specie or in kind will be responsible for all custody and other costs involved in changing the ownership of the relevant securities from the Fund to the redeeming unit holder and for all ongoing custody costs in respect of such securities.

### **Restrictions on redemption**

No redemptions can be carried out within the first 14 days, known as the holding period.

The Manager may suspend the redemption of units or delay the payment of redemption proceeds during any periods in which the determination of the net asset value of the Fund is suspended. No redemptions will be carried out against uncleared cheques.

No withdrawals can occur for units that have been ceded.

With a view to protecting the interests of unit holders, the Manager is entitled, with the approval of the Trustee, to limit the number of units of the Fund redeemed on any Dealing Day to 10 per cent of the total number of units of the Fund. In this event, the limitation will apply pro rata so that all unit holders wishing to redeem units of the Fund on that Dealing Day will redeem the same proportion of such units, and units not redeemed (but which would otherwise have been redeemed) will be carried forward for redemption, subject to the same limitation, on the next Dealing Day. If requests for redemption are so carried forward, the Manager and the Trustee will inform the unit holders concerned.

### **Cash Withdrawal Facility**

The client can select how frequently he or she wants to receive the cash from monthly, quarterly, half-yearly or yearly payment options, if provided, and when the first payment should be made.

Unit holders should be aware that if the level of payments specified consistently exceeds the rate of investment growth achieved, capital will be eroded.

## **SWITCHING BETWEEN FUNDS**

Unit holders have the right (subject to any suspension in the determination of the net asset value of any relevant Fund) to switch part of their units of a Fund (the **“Existing Fund”**) into units of another Fund managed by Mayfair Asset Managers Limited (the **“New Fund”**) (including any Fund subsequently established).

To effect a switch, unit holders are required to submit a duly completed switch request to the Manager.

A switching request received by the Manager before the dealing deadline for the Existing Fund on a Dealing Day will be dealt with on that Dealing Day. Switching requests received after such time or on a day which is not a Dealing Day will be carried forward and dealt with on the next Dealing Day.

Where a switching request is made by fax or electronic mail, the Manager and the Trustee shall not be held responsible to any unit holder for any loss resulting from non-receipt of such switching request. Unless otherwise agreed by the Manager and the Trustee, the original of any switching request should be forwarded to the Manager.

Unit holders are allowed one free switch per quarter. Additional switches will be subject to a standard switching frequency fee as determined by the Manager.

Switching will be effected by redeeming units in the Existing Fund on the relevant Dealing Day and issuing units of the New Fund on the Dealing Day for units of the New Fund falling on or after:

- (i) the date of redemption of the units of the Existing Fund; and
- (ii) the satisfaction of any conditions attaching to the issue of units of the New Fund (for example such units may only be issued on receipt of the cleared funds for the account of the Fund).

Any fraction smaller than one-hundredth of a unit of the New Fund so arising will be ignored and monies representing any such fraction will be retained as part of the New Fund.

## **VALUATION OF THE FUND**

### **Calculation of Net Asset Value**

The value of the net assets of the Fund will be determined as at the Valuation Point on each dealing day in accordance with the Trust Deed.

The value of the Fund to be used in determining the repurchase price quoted by the Fund Manager and the price payable by a trustee of the Mayfair Money Market Fund on the redemption of units shall be the net asset value at the end of the Working Day on which the written request to repurchase and redeem is received by the Fund Manager and the trustee respectively.

The repurchase price quoted shall be the net asset value of the Mayfair Money Market Fund however computed.

The formula to be adopted to determine the gross effective annual yield of the Fund is:

**Value of the expected interest of the Fund**

**Total Invested Amount**

The Fund Manager will calculate this at the end of each Working day.

Value of the assets of the Fund includes:

- a) Aggregate market value of the underlying securities in the unit portfolio at a valuation point
- b) Aggregate of all income accruals and payments received in lieu of income accruals from the creation of new units
- c) Amount of the compulsory charges payable on the acquisition of all the underlying securities comprising the unit portfolio.
- d) Preliminary charge payable in respect of all the units in issue.

Liabilities shall include:

- a) Accrued fees
- b) Expenses
- c) Those income accruals and payments in lieu of income accruals, set aside at the last preceding ex-dividend date for distribution, but not yet distributed, in respect of the accounting period which ended on the day prior to the last ex-dividend date
- d) Those income accruals and payments in lieu of income accruals, as in the opinion of the Fund Manager, represents a fair proportion, at the said date, of the service charge and other amounts and charges for the relevant accounting period

The value of any investment which is not listed or ordinary dealt in on a market shall be the initial value thereof equal to the amount expended out of the Fund in the acquisition of such investment (including in each case the amount of stamp duties, commissions and other acquisition expenses) provided that a Manager may with the approval of the Trustee cause a revaluation to be made by a professional person approved by the Manager and Trustee as qualified to value such investments.

The Manager may with the consent of the Trustee adjust the value of any investment or permit some other method of valuation to be used if, having regard to relevant circumstances, the Manager considers that such adjustment or use of such other method is required to reflect the fair value of the investment.

The Manager shall have authority to make additional valuations at its discretion in which case it shall give advance notice of its intention to do so to the Trustee.

## **Suspension of Calculation of Net Asset Value**

The Manager may, after giving notice to the Trustee, declare a suspension of the determination of the net asset value of a Fund for the whole or any part of any period during which:

- (i) There is closure of or the restriction or suspension of trading on any securities market on which a substantial part of the investments of the Fund is normally traded or a breakdown in any of the means normally employed by the Manager or the Trustee (as the case may be) in ascertaining the prices of the investments or the net asset value of the Fund or the net asset value per unit in the Fund.
- (ii) For any other reason the prices of investments of the Fund cannot, in the opinion of the Manager, reasonably, promptly and fairly be ascertained; or
- (iii) Circumstances exist as a result of which, in the opinion of the Manager, it is not reasonably practicable to realize any investments of the Fund or it is not possible to do so without seriously prejudicing the interest of unit holders

Such suspension shall take effect forthwith upon the declaration thereof and thereafter there shall be no determination of the net asset value of the Fund until the Manager shall declare the suspension at an end, except that the suspension shall terminate in any event on the day following the first business day on which (i) the condition giving rise to the suspension shall have ceased to exist and (ii) no other condition under which suspension is authorized shall exist.

Whenever the Manager declares such a suspension it shall, as soon as may be practicable after any such declaration and at least once a month during the period of such suspension, publish a notice in one of the English dailies and/or cause a notice to be given to unit holders and to all those (whether unit holders or not) whose application to subscribe for, redeem or switch units shall have been affected by such a suspension stating that such declaration has been made.

No units in the Fund may be issued, redeemed or switched during such a period of suspension.

## **PRICING**

### **Future Pricing**

The Manager will price the units of the Fund using Future Pricing.

Under this approach, the price is established each Dealing day and applied to transactions which occurred during the same day. This means that all the buying and selling, leading to the creation and cancellation of units respectively, which occur during the day can only be priced at the end of the day.

Therefore, investors will only know of the value of their transaction the day after it has occurred.

### **Calculation of Issue and Redemption Prices**

The issue price of a unit in the Fund on a Dealing Day will be calculated by dividing the net asset value of the relevant Fund on that Dealing Day by the number of units in the Fund in issue on that Dealing Day, prior to any issue or redemption being effected on that Dealing Day.

There shall be added to the issue price an initial charge of up to 10 per cent of the issue price of the unit.

The redemption price of a unit in a Fund on a Dealing Day will also be calculated by dividing the net asset value of the Fund on that Dealing Day by the number of units in the Fund in issue on that Dealing Day from which may be deducted such amount as the Manager reasonably considers to be an appropriate allowance for fiscal and sales charges which would be incurred for the account of the Fund in realizing assets to provide funds to meet any redemption request.

The issue price and the redemption price of units in a Fund on a Dealing Day may not be the same.

### **Publication of Prices**

The issue and redemption prices per unit of the Fund will be published daily in two local dailies with national circulation.

### **Pricing Errors and Mitigation Strategies**

The fund manager shall ensure that the units in the Mayfair Money Market Fund are priced in accordance with the provisions of the trust deed. The unit pricing policies shall seek to achieve equity between unit holders (Incoming investors, ongoing holders and outgoing investors).

The fund manager shall not sell or issue any units at a price calculated outside of the prescribed pricing guidelines in accordance with the provisions of the Trust deed and the Capital Markets Authority Act and its regulations.

To minimize and have near zero level of errors, the fund manager shall have in place an effective unit pricing system where:

- All methodologies and assumptions are appropriate and reasonable.
- Methodologies and assumptions are well explained and documented.
- Delegation levels for decision-making and approvals are documented and well specified.
- Periodic review is carried out and necessary updates effected swiftly.
- Unit pricing shall be given a high profile and adequate resources allocated to avoid costly errors.
- Reconciliation between the custodial and fund valuation records shall be maintained and a review of the same carried out on a monthly basis.
- Pricing records shall be properly filed for future reference.
- Treatment of all the unit pricing transactions, such as the booking of investment income, discounts and premiums and the amortization of premiums shall be done in a manner that ensures that no unit holder suffers a loss.

The fund manager shall rectify any breach of matters relating to incorrect pricing of units or to the late payment in respect of the issue or redemption of units. This may involve the reimbursement or payment or arranging the reimbursement or payment of money by the Fund Manager to the unit holders or former unit holders, by the Fund Manager to the Mayfair Money Market Fund, or by the Mayfair Money Market Fund to the Fund Manager.

To effectively manage the risks associated with errors in unit pricing, the following shall be adhered to:

- Have in place error detection mechanisms.
- Periodic review of procedures to quarantine, quantify and rectify errors as soon as they are identified.
- Independent review of work carried out by pricing staff.
- Thorough investigation and prompt rectification of mistakes identified during the pricing process.
- Systematic analysis of customer complaints and feedback to help identify or even prevent errors.
- Have very clear, documented delegations and accountabilities of unit pricing staff.
- Establish and document tolerance levels, measurement of movements outside acceptable ranges, tracking of prices against bench-marks and use of key indicators to measure and monitor operational performance for control quality.

### **CANCELLATION OF UNITS**

Where the Fund Manager wishes that units be cancelled, it shall instruct the trustee to cancel such units, and any instruction given by the Fund Manager shall state, in relation to each type of units to be cancelled, the number to be cancelled, expressed either as a number of units, or as an amount in value, or as a combination of the two.

This is provided that at any moment of such instruction, the Fund Manager shall not have any outstanding obligation to issue units, which by cancellation of units would prevent the Fund Manager from fulfilling such instruction.

The trustee shall cancel the units on receipt of instructions given by the Fund Manager. On cancellation of units, and on delivery to the custodian or the trustee, as the case may be, of such evidence of the title to those units, as the custodian or trustee may reasonably require, the custodian or trustee shall, within 2 business days of the instructions given by the Fund Manager, pay the repurchase price of the units to the person who was the holder of those units or in accordance with the relevant provisions of the Information Memorandum, trust deed, and other incorporation documents.

The repurchase price payable for each unit by the custodian or the trustee shall be based on the net asset value of the Fund.

The Fund Manager may at any time give instructions to the trustee to create or to cancel units.

Where instructions are given at a time which is less than twelve hours after the last valuation point, and before the next valuation point, the instructions must be given by reference to the price calculated or being calculated for the last valuation point.

Where instructions are given at a time which is more than twelve hours after the last valuation point:

- Instructions must be given by reference to the price next to be calculated; and
- The trustee shall create or cancel the units only after the next valuation point has been reached.

Units cancellation shall be necessitated due to the following factors but not limited to these:

- Unit holder communicates in writing to the fund manager on change of plan due to unforeseen but reasonable grounds as per the assessment of the fund manager. This has to be within 5 days from date of investment.
- Unit holder following call backs indicates the aforementioned product risks were not explained satisfactorily. This is subject to further engagement with the wealth advisor and carried out within 5 days of investment.
- Information comes to the manager that was previously not availed that consequently leads to the unit holder being disqualified from investing in the funds.

## **DEALING**

The Manager will act as principal in the trading of units. As a result, it must act as market maker for its units inclusive of meeting demand from investors by creating units. The Manager would therefore create and cancel units within the scope of the Act and its obligations to unit holders.

The Manager is obliged to act in the best interests of all unit holders. This would imply that, with regard to the creation and cancellation of units, it applies a consistent basis in the creation and cancellation of units, and with the exception of the recognition that a daily pricing window is required to facilitate the creation and liquidation of units.

The Manager, with the agreement of the Trustee, may suspend issue, cancel, sell or redeem units, if they are of the opinion that due to exceptional circumstances, there are good and sufficient reasons to do so after having regard to the interest of all unit holders. At all times, the Manager shall comply with the CMA Act and the Trust Deed on suspension and resumption of dealings.

The Manager shall immediately notify unit holders if dealing has been cancelled or suspended and the fact following such cancellation shall be published immediately following such decision and at least once every week during the period of suspension, in the newspaper in which the scheme's prices are normally published.

The close of time for dealing will be at close of business.



## **DISTRIBUTIONS**

### **Distribution Policy**

A distribution for the Mayfair Money Market Fund consists of interest income from liquid assets such as treasury bills, bonds, cash and fixed deposits, held in the portfolio.

Details of the distribution arising from interest will be shown on the monthly statements distributed to unit holders.

All income arising from receipts of interest will be distributed to unit holders after provision of expenses net of tax.

All distributions including unclaimed distributions will be reinvested in the unit holder's account. Distributions of income from the Mayfair Money Market Fund will be accrued and shown in the unitholders account on a daily basis.

### **Financial Year**

The Financial Year will end on the 31<sup>st</sup> December of each year. The year will be divided into two accounting periods, ending on 30<sup>th</sup> June and 31<sup>st</sup> December.

### **Determination of Distributable Income**

The calculation of the distributable income shall:

- Take the aggregate income of the portfolio received or receivable for the account of the Mayfair Money Market Fund in respect of the period;
- Deduct charges and expenses paid or payable out of the income of the portfolio in respect of the period.
- Add the Fund Manager's best estimate of any relief from tax on such charges and expenses;
- Make appropriate adjustments in relation to:
  - i. Taxation
  - ii. Proportion of the price received or paid for units that are related to income
  - iii. Potential income which is unlikely to be received until twelve months after the income allocation date;
  - iv. Income, which should not be accounted for on an accrual basis;
  - v. Any transfer between income and capital account;
  - vi. Consultation with the auditors.

The amount of income allocated to the accumulation units shall with effect from the end of the annual accounting period, become part of the capital of the investment scheme portfolio.

The interest of the unit holders in the amount shall be satisfied by an adjustment as at the end of the period in proportion of the value of the unit trust scheme portfolio to which the price of a unit of the relevant class is related. This adjustment will ensure that the price of an accumulation unit remains unchanged notwithstanding the transfer of income to the capital of the investment scheme portfolio.

### **Allocation of Income**

All income from the Mayfair Money Market Fund shall be distributed on a daily basis, hence no transfer of income of the Mayfair Money Market Fund to a **“Distribution Account”**.

### **Payouts**

A unit holder can request to have his or her distributions paid out as opposed to being automatically reinvested, subject to amount being in excess of Kshs 1,000. This request should be made in writing.

## CHARGES AND EXPENSES

### Management Fees

The Manager will be entitled to receive in arrears a monthly management fee for carrying out the required professional management and administration services for the Mayfair Money Market Fund.

This is an annual charge of up to 2.5% per annum, which is calculated daily but expressed as a percentage of the average month-end market value of the total assets comprising the Fund.

The unit holder shall therefore be debited for this fee from the income accruals of the Fund. The fee will be deducted before the income to the Fund is distributed.

The Manager may increase the rate of management fee payable in respect of a Fund by giving not less than three months' notice of such an increase to the Trustee, Capital Markets Authority and the unit holders.

### The Initial Charge

The Manager is entitled to receive an initial charge on the issue of units in the Fund known as an initial fee.

The Mayfair Money Market Fund will have no initial charge.

### Switching Charge

A switching charge of up to 0.5% of the switch value will be levied upon switching the Fund, if switches in excess of the one free switch are made per month.

### Redemption Charge

The Manager is entitled to receive a redemption charge for redemption of units in the Fund, of up to 1% of the redemption value.

### Performance benchmark

The Manager, in addition to the Management Fee, shall be entitled to a fee based on performance of the Fund (the "**Performance Fee**") payable by the Fund. The Manager reserves the right as to if to effect this fee or not.

The Performance Fee shall become payable to the Manager in the event the Fund achieves a return in excess of an agreed hurdle rate which will be based on a particular benchmark. The benchmark in the case of the Mayfair Money Market Fund will be three-month average 91 Day Treasury bill.

Any excess returns on the fund, over this benchmark, are eligible to be shared between the Client and the Fund Manager on a 80:20 basis. This fee will be paid to the Manager on a quarterly basis, within three months from the end of the quarter to which it relates.

At the end of each Accounting Period, the Performance Fee properly due for that Accounting Period shall be determined by reference to the actual performance of the Fund during that Accounting

Period on the basis of the audited financial statements of the Company.

### **Trustee fees**

The Trustee is entitled to receive in arrears a monthly trustee fee in relation to the services provided to the Fund. The fee will be calculated and accrued as at each Dealing Day and will be equal to a percentage of the net asset value of the Fund as at the last Dealing Day in the immediately preceding month.

The Trustee fee will be 0.1250% per annum of the fair value of assets under management per fund. There shall be a minimum charge of Kshs. 100,000 per annum per fund. The Trustee fees are exclusive of taxes.

### **Custody fees**

The Custodian is entitled to receive in arrears a monthly custody fee in relation to the services provided to the Fund. The fee will be calculated and accrued as at each Dealing Day and will be equal to a percentage of the net asset value of the Fund as at the last Dealing Day in the immediately preceding month.

The Custody fee will be 0.10% per annum of the fair value of assets under management per fund. There shall be a minimum charge of Kshs. 60,000 per annum per fund. The Custody fees are exclusive of taxes. There shall be Kes 300/- per transaction for investment instructions.

### **Transactional based charges**

Outlined below is a summary of all the charges that are triggered by transactions.

**Ledger Fee:** A ledger fee of Kshs. 100 per month will apply on all unit holders who maintain balances below Kes 1,000 threshold. This levy will be applied at the discretion of the Fund Manager.

**Transfer Frequency Fee:** This is a standard charge of **0.5%** of the value of the transfer amount. All unit holders shall be allowed **one** free transfer a month. Additional transfers within the month shall be subject to transfer frequency fees.

**General Adjustment Sale:** This will be charged against the client's account if an incorrect instruction was given to the Manager and the instruction processed. If the adjustment/rectification of this mistake resulted in a loss, the client would be debited the equivalent sum of this loss.

**Ad Hoc Statements:** A standard charge of **Kshs 100** will be charged to clients who require a printed statement of their account balances, transaction history etc on an ad-hoc basis.

The statements will be sent free-of-charge to unit holders by email. Statements are sent out monthly to all unit holders.

**Cheque Request Charge:** All unit holders and agents who request to receive any amounts payable to them such as distribution payouts, redemptions, commissions etc in the form of a cheque from the

Manager will incur a standard charge as levied by the Custodial Bank. All payouts made to the unit holders and agents will be subject to Custodial Bank charges.

The fund manager will provide notice of ninety days of any intention to introduce a new category of remuneration for its services or to increase any amount currently charged, stating the particulars of that increase and when it will take place.

In respect of other payments out of the collective Investment scheme portfolio outside the aforementioned, the fund manager cites the following costs related to services provided by a third party. In so doing, the fund manager highlights the fact that these fees may be subject to change for reasons outside its purview e.g. new tax regulations, but anticipates these fees to be within the bands stated below:

- Custody fees: 0.1 – 0.5%
- Trustee fees: 0.1 – 0.5%
- Audit fees: 0.1 -0.3%
- Legal Fees: 0.1 – 0.3%
- Annual General Meeting (AGM): 0.1 – 0.3%
- Total range for above: 0.5- 1.9%

The remuneration is not to be treated as a capital charge. Were it to be, notice would be provided to shareholders of any intention to increase the maximum amount of that charge at a meeting of the holders stating the particulars of that proposal.

Expenses likely to be incurred by the collective investment scheme in respect of movable and immovable property are likely to involve costs related to stamp duty, valuation and legal costs. It is anticipated that these costs would fall within the bands indicated below:

- Stamp duty – 2- 4%
- Valuation - 0.5-3%
- Legal costs – 0.5-2%

A dilution levy shall not apply.

The government of Kenya reserves the right to levy taxes and rates. The rates and types of applicable taxes are as determined by the Kenya Revenue Authority or Capital Markets Authority, or any other body/ authority authorized to act on behalf of government of Kenya. The applicable taxes are as below:

- Excise duty: 20%
- VAT: 16%
- WHT: 5%

## STATEMENTS

A statement will act as evidence of entitlement for the unit holder. The statements will be sent by email every month free-of-charge to all unit holders.

Clients may request for their statements to be sent via post at their own expense and risk.

All statements are valid as at date of issue, indicated on the statement. Any person wishing to rely on the statement for official purposes should contact the manager for confirmation.

## GENERAL INFORMATION

### Accounts and Reports

The Fund financial year end is 31<sup>st</sup> December in each year. Audited accounts will be availed to unit holders during the Annual General Meeting.

### Trust Deed

The Trust was established under the laws of Kenya by a trust deed between Mayfair Asset Managers Limited as Manager and KCB Bank Kenya Limited as Trustee. All holders of units are entitled to the benefit of, are bound by and are deemed to have notice of the provisions of the Trust Deed.

The Trust Deed contains provisions for the indemnification of the Trustee and the Manager and their relief from liability in certain circumstances. Unit holders and intending applicants are advised to consult the terms of the Trust Deed. In the event of any conflict between any of the provisions of this prospectus and the Trust Deed, the provisions of the Trust Deed will prevail.

### Modification of the Trust Deed

The Trustee and the Manager may agree to modify the Trust Deed by supplemental deed provided that in the opinion of the Trustee, such modification:

- i. is not materially prejudicial to the interests of the unit holders, does not operate to release to any material extent the Trustee, the Manager or any other person from any responsibility to the unit holders and (with the exception of the costs of preparing and executing the relevant supplemental deed) does not increase the costs and charges payable out of the assets of the Trust; or
- ii. is necessary in order to comply with any fiscal, statutory or official requirement including, but not limited to, the CMA Act and/or any subsidiary legislation or official requirements relating thereto; or
- iii. is made to correct a manifest error.

In all other cases modifications require the sanction of an extraordinary resolution of the unit holders affected.

Any modifications to the Trust Deed, unless they are sanctioned by a resolution of the unit holders affected or in the opinion of the Trustee are not of material significance or are made to correct a manifest error, will be notified to the unit holders as soon as practicable after they are made.

### Meetings of unit holders

The Trust Deed provides for meetings of unit holders to be convened by the Trustee or the Fund Manager upon at least 21 days' notice. Notices of meetings of unit holders will be communicated to unit holders.

Meetings of unit holders can be held either physically or virtually.

Proxies may be appointed. The quorum at unit holders' meeting is unit holders present in person, virtually or by proxy holding 10 per cent or 100 units, whichever is lower, of the units in issue. If a quorum is not present, the meeting will be adjourned for not less than 7 days. Separate notice of any adjourned meeting will be given, and at adjourned meeting unit holders whatever their number or the number of units held by them will form a quorum.

An extraordinary resolution is required under the Trust Deed for certain purposes and if a resolution proposed as such and passed by a simple majority of 51 per cent of the total number of votes cast.

The Trust Deed provides that at any meeting of unit holders (physically or virtually), on a show of hands, every unit holder who (being an individual) is present in person or (being a partnership or corporation) is present by an authorized representative shall have one vote and, on a poll, every unit holder who is present as aforesaid or by proxy shall have one vote for every unit of which he is the holder.

### **Transfer of Units**

This is the transfer of ownership from one person to another within the same unit trust fund.

Subject as provided below, units may be transferred by completing a Transfer Form signed by (or, in the case of a body corporate, signed on behalf of or sealed by) the transferor and the transferee. The transferor will be deemed to remain the holder of the units transferred until the name of the transferee is entered into the Register of Unit holders in respect of such units.

If the beneficiary/transferee is not a client at Mayfair Asset Managers Limited, a new Application form would be required along with the Transfer form.

If the transfer is requested as a result of one joint account member wishing to have their name removed from the account, both joint owners should fill out and sign the transferor section on the transfer form and the individual wishing to leave fills out the transferee section.

### **Adjustments**

This transaction is a result of an error either made by the unit holder, your broker/agent or the Manager. On completion of this form the Managers will rectify the error on the unit holder's account.

This instruction must be submitted in writing by completing an Adjustment Form.

Although we do not envision many transactions of this type, clients are strongly encouraged to study their monthly statements carefully and report any discrepancies to the Manager's Investor Services Department to ensure timely correction.

### **Compulsory Redemption or Transfer of Units**

The Manager may require a unit holder to transfer the unit holders' units or, failing such transfer, may redeem such units in accordance with the Trust Deed if it shall come to the notice of the Manager that the unit holder holds such units:

- a) in breach of the law or requirements of any country, any governmental authority or any



stock exchange on which such units are listed; or

- b) in circumstances (whether directly or indirectly affecting such unit holder and whether taken alone or in conjunction with any other persons, connected or not, or any other circumstances appearing to the Manager to be relevant) which, in the opinion of the Manager, might result in the Trust or any Fund incurring any liability to taxation or suffering any other pecuniary disadvantage which the Trust or any Fund might not otherwise have incurred or suffered.

### **Termination of the Trust**

The Trust can be terminated in one of the ways set out below:

1. The Trustee may terminate the Trust if:
  - a) The Manager goes into liquidation (except voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously approved by the Trustee); or
  - b) In the opinion of the Trustee, the Manager is incapable of performing its duties properly; or
  - c) If the Trust ceases to be so authorized or otherwise officially approved or if any law is passed which renders it illegal or in the opinion of the Trustee impracticable or inadvisable to continue the Trust; or
  - d) The Manager ceases to manage the Trust and the Trustee fails to appoint a successor Manager within a period of 30 days.
2. The Manager may terminate the Trust if:
  - a) The Trust fails to become authorized or otherwise officially approved pursuant to the CMA Act
  - b) Any law is passed which renders it illegal or in the opinion of the Manager impracticable or inadvisable to continue the Trust.
3. Unit holders may at any time terminate the Trust by extraordinary resolution at any time on or after the date falling 12 years after the establishment of the Trust.

Where the Trust is terminated as provided in paragraph 1 or paragraph 2 above, the party terminating the Trust must give at least three months' notice of termination to unit holders.

### **Termination of a Fund**

The Manager may terminate the Fund if: -

- a) The Fund fails to be officially approved by the CMA or, having become officially approved, ceases to be officially approved; or
- b) Any law is passed which renders it illegal or in the opinion of the Manager impracticable or inadvisable to continue the Fund.

A Fund may be terminated at any time on or after the date falling 12 years after the establishment of the Trust by extraordinary resolution of unit holders of the relevant class.

## **Conflicts of Interest**

The Manager and the Trustee may from time-to-time act as trustee, administrator, registrar, manager, custodian, investment manager or investment adviser, representative or otherwise as may be required from time to time in relation to, or be otherwise involved in or with, other funds and clients which have similar investment objectives to those of any Fund. It is, therefore, possible that any of them may, in the course of business, have potential conflicts of interest with the Trust.

Each will, at all times, have regard in such event to its obligations to the Trust and will endeavor to ensure that such conflicts are resolved fairly. In any event, the Manager shall ensure that all investment opportunities will be fairly allocated.

## **Documents Available for Inspection**

The following documents are available for inspection free of charge at any time during normal business hours on any day (excluding Saturdays, Sundays and public holidays) at the offices of the Manager:

- (i) Copies of the Trust Deed
- (ii) Copies of the accounts
- (iii) Copies of the Information Memorandum

## **Additional Information**

- There are no guarantees on the client's capital as the performance of units and interest-bearing investments in the underlying unit trust determines the value of your unit trust investment.
- Price of units can go down as well as up as a result of changes in the value of the underlying investments and currency movements.
- Past performance should not be used as a guide to future investment performance.
- Units trusts should be recognized as medium to long-term investments.
- The scheme particulars include full details about the scheme, including the fees and charges.
- Commission may be paid and will be paid out of fees already charged to the fund.
- The units are priced daily and deal on a future pricing basis.
- The investment may be held in any number of funds, combinations or proportions subject to the fund minimums. These unit trusts have been selected to suit different investment needs and they can be combined to build a diversified portfolio.
- In no circumstances will a holder who exchanges shares in one sub-fund for shares in any other sub fund be given a right by law to withdraw from or cancel that transaction.
- The policy for allocating between sub-funds any assets of, or costs, charges and expenses

payable out of the collective investment scheme portfolio, which are not attributable to any particular sub fund will be based on a pro-rata basis, whereby such costs would be a function of the size of the sub-fund.

- The sub-funds of an umbrella scheme are not 'ring fenced'. As such, in the event an umbrella scheme is unable to meet liabilities attributable to any particular sub-fund out of the assets attributable to each sub-fund, the excess liabilities may have to be met out of the assets attributable to other sub-funds.