



Lotus Capital Limited
1b Udi Street
Osborne Foreshore Estate
Osborne Road, Ikoyi, Lagos

T: 234 -1 - 271 3280-2
234 -7 - 028194216
234 -7 - 028194215
234 - 1 - 7302000
F: 234 - 1- 2713284

Kano Branch Office
1st Floor, AIT Building,
16C, Murtala Mohammed Way
Kano

T: 234- 64 – 890546
234 – 7 – 028059001

LOTUS CAPITAL HALAL INVESTMENT FUND

FREQUENTLY ASKED QUESTIONS

1. What is the LOTUS CAPITAL HALAL INVESTMENT FUND?

The Lotus Capital Halal Investment Fund is an open ended Unit Trust scheme designed for investors that wish to invest in a Shari'ah compliant Fund committed to the adherence to the strict code of ethics of the Islamic Law. The primary objective of the Fund is to achieve long-term capital growth with steady income targeted at 20% per annum.

2. Who can invest in the Fund?

- Nigerian citizens and associations
- Nigerian Banks and other Financial Institutions
- Insurance Companies
- Pension Funds
- Government Parastatals

The Fund also welcomes the participation of foreign and non-resident investors.

3. Is it ethical for Banks and Insurance Companies to invest?

The Fund is open to investors who would like to invest in Shari'ah Compliant investments, and it serves as an avenue for the financial institutions to provide tailor made services to their clients who are interested in such investments.

4. How does the Fund work?

The primary objective of the Fund is to achieve long-term capital growth with steady income targeted at 20% per annum. This will be achieved by investing in the following asset classes:

1. Stocks (screened stocks)
2. Asset Backed Investments (Islamic Financial Contracts); and
3. Real Estate

The Fund will not invest in breweries, tobacco, ammunition, pornography, interest-yielding debt, conventional banking and insurance.

When you subscribe to the Fund, you are issued with the applicable number of units at the prevailing offer price as is equivalent to the monetary amount of your subscription.

5. Does the Fund guarantee a minimum return?

The Fund does not guarantee a minimum return. However the Manager will employ its expertise and knowledge of the financial markets to ensure that the Fund's assets are invested in quality instruments, which should provide attractive returns.

6. What are the benefits from the Fund?

- Ethical, Shari'ah compliant wealth creation
- Diversification, which helps reduce risks
- A professionally managed Fund
- Easy access to a wide variety of investment opportunities
- Flexibility of investment and
- Tax incentives granted by the Federal Government over the years to Unit Trusts

7. What is the procedure for redemption and how long does it take?

Units of the Fund can be redeemed by filling a redemption notice form and returning the Fund Certificate to the Fund Manager. Once the documents have been received and subject to the verification of the unit holder's signature by the Registrar, the redemption request will usually be processed within 5 business days.

8. Are there any penalties for withdrawing my funds?

There are no penalties for withdrawing your funds. However if the units are redeemed before the end of a quarter, the Fund Manager will be entitled to charge its fees.

9. Where can I get the subscription form?

During the Offer, subscription forms may be obtained at Lotus Capital Limited, 1b, Udi Street, Osborne Foreshore Estate, Ikoyi, Lagos; at our Kano Branch Office, 1st Floor, AIT Building, 16C, Murtala Mohammed Way, Kano, from our website: www.lotuscapitallimited.com, the joint issuing houses; Vetiva Capital Management Limited (www.vetiva.com), Unity Bank Plc

(www.unitybankng.com), Guaranty Trust Bank branches nationwide, banks and authorized receiving agents nationwide. Thereafter, the forms will be available at Lotus Capital Limited's branches in Nigeria, at no cost to the subscriber or through other approved channels as the Fund Manager will provide from time to time.

10. What is the minimum amount that can be invested in the Fund?

The minimum amount that can be invested is ₦20,000.00 and subsequently multiples of ₦10, 000.00.

11. What happens if the Offer is over subscribed (i.e., if more than N1 Billion is raised)?

Because the Lotus Capital Halal Investment Fund is an open-ended fund, we can absorb all subscriptions above N1 Billion.

12. Can I invest for my children or as a club or group?

Yes, it is possible to invest for minors or as a club or group.

13. How do I calculate my investment?

The value of your investment is always calculated as: **Number of units x Current Bid Price per unit.**

14. How is the Lotus Capital Halal Investment Fund different from other managed Funds?

Lotus Capital is the pioneer Shari'ah Compliant investment Management Company in Nigeria, dedicated to ethical wealth creation. The Fund enables you to invest and grow your wealth according to your values.

15. Do I get a certificate when I invest?

Yes. A unit certificate indicating the number of units you hold will be issued by the Registrars.

16. How long should I stay in the Fund?

The Fund is open-ended and as such there is no stipulated time for your period of participation. You can enter and exit the Fund as you like. However it is usually advised that investments in the Fund be viewed as long-term (one year or more) in order to enjoy higher returns on your investments.

17. Does the Lotus Capital Halal Investment Fund pay dividends?

The Fund may either reinvest the income accrued to the Fund or distribute to the Holders as the Trustee may approve upon the recommendation of the Manager's Board of Directors and in accordance with applicable law and the rules of the Commission.

18. Is the Fund listed on the Nigerian Stock Exchange?

The Fund is currently not listed on the Nigerian Stock Exchange, but intends to make an application to the Council of the Exchange for the admission of the Units by way of a memorandum quotation.

19. Can I transfer my units to another party?

Yes, units of the Fund can be transferred to a third party by the unit holder upon the execution of a Transfer Form by the unit holder.

20. Can I use my holdings in the Lotus Capital Halal Investment Fund as collateral?

Yes, many financial institutions may accept units of the Fund as collateral.

21. Do I have control over what the Fund invests in?

No. The Fund Manager, Lotus Capital Limited, takes all the investment decisions on the Fund's behalf based on the guidelines set out in the Fund's Trust Deed.