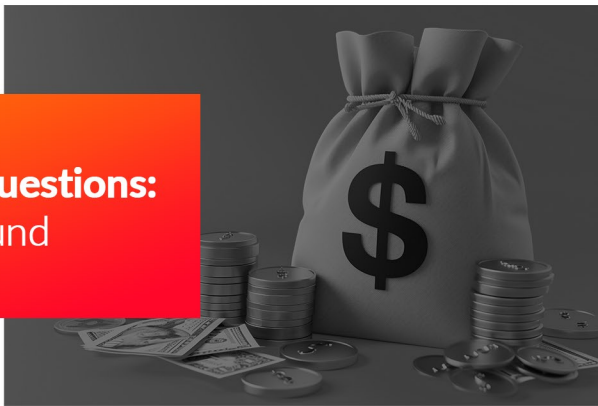


## Frequently Asked Questions: Coronation Dollar Fund



1

### What is the Coronation Dollar Fund?

The Coronation Dollar Fund is an open-ended fund authorized and registered in Nigeria as a Unit Trust Scheme under Section 160 of the ISA. The Fund is governed by a Trust deed with Stanbic IBTC Trustees Limited as Trustees to the Fund.

2

### What does Open-Ended mean?

An open-ended fund continuously accepts new investors, issues new units and grows their assets. Investors may redeem their units daily through the Fund Manager.

3

### What are the benefits of investing in the Coronation Dollar Fund?

- o Opportunity to invest in dollar denominated assets and hedge against potential currency fluctuations.
- o Enables investors to achieve capital growth and wealth creation.
- o Provides USD-denominated income that may match investors' future financial goals (e.g., education, holidays, healthcare, retirement).

4

### What is the investment objective of the Coronation Dollar Fund?

The Fund seeks to provide Investors with an avenue to gain exposure to Sovereign and Corporate Eurobonds, as well as some exposure to dual-listed USD-denominated equities while ensuring dollar cash flows and optimization of returns for investors. The Fund will also provide investors with the opportunity to diversify their portfolio and income streams, concurrently positioning them for capital appreciation.

5

### Who should invest in the Coronation Dollar Fund?

The Fund is aimed at investors in the middle class & above, and institutional investors (both local and foreign) who are interested in USD-denominated income for hedging or diversification purposes and are looking to achieve competitive returns. These investors include, but are not limited to, Non-Government Organizations, Multilateral Institutions, Foreign Portfolio Investors, private entrepreneurs, top executives, Cooperatives, and individuals with domiciliary accounts in Nigerian banks and those earning foreign currency.

6

### What is the minimum amount that can be invested in the Coronation Dollar Fund?

USD1,000 and additional minimum investments of USD100.

7

### What is the investment strategy for the Coronation Dollar Fund?

The Fund's investment philosophy focuses on medium term value and wealth creation and will ensure sound investment selection, portfolio and risk management practices. The Fund's assets shall be invested at the discretion of the Fund Manager in accordance with the Trust Deed, the investment objectives and asset allocation of the Fund. The Fund Manager will seek to beat the benchmark on a consistent basis.

8

**What is the benchmark for the Coronation Dollar Fund?**

The Fund uses a composite benchmark comprised of 70% 3-year Federal Government of Nigeria Eurobond year-to-date return, and 30% 3-month United States Treasury Bill yield.

9

**What are the underlying asset class of the Coronation Dollar Fund?**

The authorized investment classes include Eurobonds (sovereign and corporate), USD-denominated Money Market Instruments (Commercial Papers, Bank-issued Certificates of Deposit, Repurchase Agreements), SEC-registered USD-denominated funds, cash, and cash equivalents.

10

**What are the risks associated with investing in the Coronation Dollar Fund?**

Some of the risks associated with investing in the Fund include interest rate risk, credit risk, liquidity and currency risk. It is important to consider these risks carefully before investing. However, the Investment Management team at Coronation Asset Management Limited consider these risks and take steps to mitigate them when making investment decisions for the Fund.

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**How much does a unit of the Coronation Dollar Fund cost?**

At the inception of the Fund, it will be priced at USD1.00 per unit. Subsequently, the price will be determined by the performance of the underlying assets in the fund. The price will be updated on the Coronation Wealth app and our online portal daily.

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**What is the frequency of income distribution?**

Income will be paid Semi-annually.

13

**What distribution options are available?**

The following Distribution options are available to Unitholders:

- o Reinvestment Option: Under this option, distributions are to be automatically reinvested in additional Units of the Fund at the Offer Price on the day of distribution. This is the default option.
- o Cash Option: Distributions are paid only via electronic transfer to Unit-holder's account.

14

**Is there a minimum guaranteed return?**

There is no minimum guarantee return on your investment. The fund manager however strives to beat the benchmark.

15

**What is the minimum holding period for the investment?**

The minimum holding period is 6 months (180days) from the date of subscription.

16

**Is there any penalty for early redemption?**

You will be charged 0.50% flat of the amount redeemed.

17

## **How do I subscribe to the fund?**

You can subscribe to the fund through the Coronation Wealth app on the Apple store and Google Play store. You can also log on to our website and access the self-service portal to open an account and subscribe to the fund via the portal. Additionally you can reach out to our customer service agent for any enquiries at [crc@coronationam.com](mailto:crc@coronationam.com).

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## **How do I monitor my investment?**

You can view the performance of your investment on the Coronation Wealth app. We also provide online access through our web portal, send quarterly investment statements to our clients, and publish our year-to-date performance on our website.

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## **How do I redeem my investment?**

You can redeem your investment on the Coronation Wealth app. You can also process your redemption through our web portal, or by manually filling out one of our redemption forms and sending it to [crc@coronationam.com](mailto:crc@coronationam.com).

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## **Can I transfer my units to another party?**

Units in the Coronation Dollar Fund cannot be transferred

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## **Can I use my holdings in the Coronation Dollar Fund as collateral for a loan?**

Yes, units of the Fund can be used as collateral for obtaining credit facilities from various financial institutions, however this depends on the lending policy of each financial institution.