FREQUENTLY ASKED QUESTIONS (FAQs)

CAPITALTRUST HALAL FIXED INCOME FUND



Investment Vehicle	Open-ended Fund
Base currency	Nigeria Naira (N)
Fixed Income Criteria	Non-Interest Bearing
Minimum Investment	₦20,000
Minimum Holding Period	90 days
Income Distribution	Quarterly
Fund Classification	Shariah Compliant
Annual Management Fee	1.5% of Net Asset Value (NAV)
Risk Profile	Low-Medium

Q: WHAT IS CAPITALTRUST HALAL FIXED INCOME FUND

This is an open-ended mutual fund that offers prospective investors the opportunity to invest in Shari'ah-compliant fixed income securities and investment products. Thus, the Fund affords investors the opportunity to earn competitive returns while avoiding exposure to the risks associated with equity investments

Q: HOW IS THE CAPITALTRUST HALAL FIXED INCOME FUND DIFFERENT FROM OTHER FIXED INCOME MUTUAL FUNDS?

A: The Capitaltrust Halal Fixed Income Fund is different from other fixed income funds as it will invest in only Shariah compliant fixed income securities, such as sovereign and sub- sovereign sukuks, corporate sukuks, leasing and trading contracts. It will not invest in any interest-based securities such as conventional treasury bills or bonds, neither will it invest in any areas that are impermissible under the Shariah.

Q: IS A FIXED INCOME INSTRUMENT PERMISSIBLE UNDER ISLAMIC LAW?

A: Yes, it is. "Fixed income" refers to any investment that pays periodic, often determined, returns over time. For example, when a landlord leases a property to a tenant, the landlord receives "fixed income" from the tenant. When you buy machinery on credit from a supplier with the intention to pay the cost in instalments, the amount owed is "fixed income" to the supplier. These types of fixed income are different from conventional interest-based Investment

Vehicle Open-ended Fund Base currency (₦) Fixed Income criteria Non-Interest bearing Minimum Investment N20,000 Minimum holding period 90 Days Income distribution Quarterly Fund classification Shariah Compliant Annual management fee 1.5% of Net Asset Value (NAV) Risk profile Low-Medium transactions and are considered permissible by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI).

Our Shariah advisers also certify the Fund's compliance with Shariah laws.

WHAT IS THE MINIMUM INITIAL AMOUNT I CAN INVEST IN THE FUND?

The minimum initial amount is N20,000 representing 20 units at N1,000 per unit.

Q: WHAT ARE THE BENEFITS OF INVESTING IN THE CAPITALTRUST HALAL FIXED INCOME FUND?

- Capital Preservation;
- Competitive Returns
- Diversified Portfolio
- Halal Investment
- Respected And Experienced Shariah Advisors
- Regular Income

WHAT ARE THE BENEFITS OF THE CAPITALTRUST HALAL FIXED INCOME FUND?



1. Competitive Returns – Investing in the Capitaltrust Halal Fixed Income Fund will provide investors with competitive returns and a regular income stream from distributed profits.

2. Diversified Portfolio – Our mutual mitigate investment risk by investing across a diverse range of assets thus avoiding concentration risk.

3. Halal Investment – investment by the funds will be made in shariah compliant fixed income instruments

4. Professional Fund Management – Capitaltrust Investment and Asset Management has an excellent track record with skilled fund managers. Investing in a mutual fund such as the Capitaltrust Halal Fixed Income Fund will allow you focus on your job or business while a professional manages your investments on your behalf.

5. Liquidity – Investors can redeem all or part of their investment by selling their units to the Fund Manager.

6. Respected Shariah Advisory Council – Highly reputable scholars with deep knowledge and experience in Islamic Finance and Fund management.

7. Regular Income- Aims to pay out 80% of profit to investors on a quarterly basis, which will allow investors meet their income needs



HOW DO YOU ENSURE THE FUND IS NOT IN BREACH OF SHARIAH PRINCIPLES?

Our Shariah Advisory Council ("SAC") comprised of renowned Islamic scholars with local and international experience will oversee the investment activities of the Fund. The SAC will issue a certificate of compliance on the Fund annually.



IS THERE ANY PENAL CHARGE FOR MAKING EARLY WITHDRAWALS FROM THE FUND?

There are penal charges for withdrawals completed before the initial 90days lock-up period. A charge of 15% will apply on the profit accrued on the principal investment.

DOES THE FUND HAVE A FIXED TENOR?

The Fund is an open-end collective investment scheme with no fixed tenor. Investors can subscribe and redeem from the Fund on a daily basis after an initial lock-up period of 90days. A pre-liquidation charge of 15% will apply on the profit accrued on the principal investment.

WHAT IS THE BID AND OFFER PRICE?

The bid and offer price are based on value of the assets in this Fund and it is published on a daily basis. The offer price is the value of one unit of the Fund. This price applies when investors are investing in the Fund. For example, if you invest 20,000 in the fund at an offer price of 1000 per unit, you will receive 20 units in the fund. (20,000 ÷ 1000 per unit = 20 units). The bid price is the value of one unit of the Fund. This price applies when investors are redeeming from the Fund. For example, if you liquidate your investment by selling 10 units of the fund at a bid price of 1020 per unit, you will receive 10,200 (10units x 1020 per unit = 10,200).

WHAT IS THE MANAGEMENT FEE AND TOTAL EXPENSE RATIO (TER) ON THE FUND?

Management fee is 1.50% p.a. of the Net Asset Value ("NAV") while the Total Expense Ratio for the Fund would not exceed c.3.50% p.a of NAV.

capitaltrust Halal

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