

PROSPECTUS

FIDELITY BALANCED TRUST

(Rules and Regulations of the Unit Trust & the Scheme Particulars)



Offer for Subscription

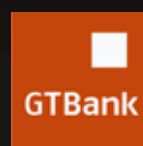
Minimum Investment:
GH¢100 or 1000 units
thereafter in multiples of
GH¢10 or 100 units

OFFER OPENS:
October 1st, 2019

OFFER CLOSES:
October 22nd, 2019

FIDELITY  **SECURITIES**

Manager: Fidelity Securities Limited



Trustee: Guarantee Trust Bank

IMPORTANT NOTICE

This Prospectus has been seen and approved by us, the Directors of the Issuer, Fidelity Securities Limited, and we collectively and individually accept full responsibility for the accuracy of the information given and that after making all reasonable inquiries and to the best of our knowledge and belief there are no facts; the omission of which would make any statement in the document referred to above, misleading. A copy of the Deed is available for inspection on the Manager's website and at the Manager's office located at the first floor of the Ridge Towers, Ambassadorial Enclave, Ridge at all times during usual business hours (subject to such reasonable restrictions as the Managers may impose). The Trust invests in stocks and income oriented securities on behalf of investors.

This Prospectus has been reviewed and approved by the Securities and Exchange Commission in accordance with Section (63) of the Securities Industry Act 2016 (Act 929). In its review, the Commission examined the contents of the prospectus to ensure that adequate disclosures have been made. This Prospectus does not constitute an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation and may only be used in connection with the offering of Units as contemplated herein.

All capitalized terms and expressions used in this Prospectus shall, unless the context otherwise requires, have the same meanings ascribed to them in the Deed. To reflect material changes, this Prospectus may be updated, amended, supplemented or replaced from time to time and investors should investigate whether any more recent Prospectus is available.

To ascertain the financial soundness or value of the securities on offer, investors are advised to consult a dealer, investment advisor or other professional for appropriate advice. Unit Trusts and securities investments are subject to market risks and there is no assurance or guarantee that the objective of the Trust will be achieved. As with any investment in securities, the Net Asset Value of the units issued under the Trust can go up or down depending on the factors and forces affecting the capital markets.

The information contained herein known as the "Prospectus" gives details of the Initial Public Offer (IPO) and a description of Fidelity Balanced Trust (the "Trust"). Units are offered on the basis of information contained in this prospectus and other documents referred to herein. No person has been authorized to give any information or to make any representations, other than those contained in this Prospectus, and if given or made, such other information or representations must not be relied upon as having been authorized by the Trust or the Manager. All enquiries relating to the Trust should be directed to the Managers, Fidelity Securities Ltd.

No application has been made to list the units of the Trust on the Ghana Stock Exchange. Anybody wishing to purchase or dispose of units can only do so by placing a request with the Manager or any agent or distributor appointed by the Manager in accordance with the provisions of the Deed.

This prospectus should be read in its entirety before making an application for units and should be retained for future reference.

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DEFINITIONS

In this document, the words and expressions set out below have the meanings set out opposite them:

“Application Form”	The application form for units enclosed with this Document.
“Business Day”	Monday to Friday excluding any day designated as a public or statutory holiday in Ghana.
“The Code”	Companies Act of 1963, Act 179
“The Trustee”	Guarantee Trust Bank
“The Directors”	The Directors of The Manager
“Unit”	Means one undivided part of the Fidelity Balanced Trust
“Lump Sum Purchase”	A one-time purchase of the Fidelity Balanced Trust
“The Manager”	Fidelity Securities Limited
“The Trust”	Fidelity Balanced Trust
“Management Fee”	Annual charge of 2.0% of the [average daily Gross Value of the Trust due to the Manager] for providing management, advisory and supervisory services to the Trust
“Gross Asset Value” or “GAV”	The value of the gross assets of the Trust as determined in accordance with the terms of this Prospectus
“Net Asset Value” or “NAV”	The value of the net assets of the Trust as determined in accordance with the terms of this Prospectus
“The Offer”	The offer of units of Fidelity Balanced Trust to the general public
“Regular Investment Purchase”	The regular periodic purchase of units
“SEC”	Securities and Exchange Commission or Commission
“GSE”	Ghana Stock Exchange
“Unit Holder” or “Holder”	The registered holder of units in the Trust
Opening Date	The date that the Application for the Offer opens and this is 1st October, 2019
Payment Date	The date on which distributable income from the Trust shall be paid into the accounts of Unit holders.

THE TRUST

Fidelity Balanced Trust (“The Trust”) is an open-ended Unit Trust that will invest primarily in Equity Securities and Fixed Income Securities. The Trust has an objective of preserving and enhancing unit holder’s wealth to meet medium to long term financial goals while at the same time creating liquidity to meet immediate needs of the unit holders. Target allocation of 60% of the Trust’s net assets will be invested in fixed income securities with the remaining 40% invested in equities.

The address for the Trust is:

**Fidelity Securities Limited
Ridge Tower 1st Floor, Ridge Accra
PMB 43, Cantonments
Accra, Ghana**

And the contact details are:

**Tel: +233-302-214490 Ext.555631
Fax: + 233-302-678868
Website: www.fidelitysecuritieslimited.com.gh
Email: fsl@myfidelitybank.net**

THE OFFER

The Trust is initially offering a minimum of 5,000,000 units at an initial cost of GH¢0.10 per unit.

The minimum investment purchase of units under the IPO is set at 1000 units and thereafter in multiples of 100 units.

The prospectus is being issued under Act 929 of the Securities Industry Act, 2016 and the Unit Trust and Mutual Fund Regulations, 2001 (L. I. 1695). Copies of the prospectus, together with copies of documents specified therein, have been delivered to the Commission.

The initial offering period for units of the Fidelity Balanced Trust will begin from 8:30 am on 1st October, 2019 and end at 5:00 pm on 22nd October, 2019.

Any change to this period will be made by the Manager with the approval of the Securities and Exchange Commission. All applications for units should be directed to the Manager at its registered offices below:

**Fidelity Securities Limited
Ridge Tower 1st Floor, Ridge Accra
PMB 43, Cantonments
Accra, Ghana**

PROSPECTUS SUMMARY

The following summary is qualified in its entirety by the more detailed information included elsewhere in the prospectus.

The Trust	The name of the Trust is Fidelity Balanced Trust. It is an open-ended Unit Trust Scheme, which was established on 4th June 2019. The Trust will invest in a diversified portfolio of equities (listed and unlisted) and fixed income securities on behalf of subscribers
Units Offered	Ordinary units of no par value
Initial Minimum Purchase	Minimum of 1000 units initially (Equivalent to GHs100) and thereafter in multiples of 100 units (Equivalent to GHs10) under the IPO.
Investment objective and policy	Fidelity Balanced Trust (“The Trust”) is an open- ended Unit Trust that will invest primarily in Equity Securities and Fixed Income Securities. The Trust has an objective of preserving and enhancing unit holder’s wealth to meet medium to long term financial goals while at the same time creating liquidity to meet immediate needs of the unit holders. Target allocation of 60% of the Trust’s net assets will be invested in fixed income securities with the remaining 40% invested in equities.
The Fund Manager	Fidelity Securities Limited, a SEC-Licensed Fund Manager.
Registrar	Fidelity Securities Limited shall act as the Registrar, and shall keep an electronic register of certified unit holders which shall be made available for inspection
Regular Investment Purchases	A regular investment plan exists for the benefit of investors who would like to purchase units on a regular basis. This is set at a minimum investment value of GHc10.
Management fee	The Manager shall receive a management fee of 2.0% per annum of the Trust’s average daily gross asset value on a quarterly basis.

PROSPECTUS SUMMARY

Directors of Fidelity Securities Limited	Yaw Nsafoa Sarpong, Edward Effah, Edward Opare Donkor, Sam Aidoo
Dividends and Distribution	All net investment income and realized capital gains, if any, will be reinvested. Any investor who wishes to cash out his/her investment may redeem their units.
Redemption	Units can be redeemed by applying in person at the offices of the Manager or in writing to the Manager on every business day except on public and statutory holidays
Base Currency	The base currency of the Trust is the Ghana Cedi
Risk factors	The Trust is a newly formed unit trust that will invest in equity securities and fixed income instruments. Investments of the Trust will be subject to normal market fluctuations. Investments in the securities carry certain risks associated with greater economic uncertainty, small size of markets, and greater price volatility.

OFFER TIMETABLE

Application list opens	1st October, 2019
Application list closes	22nd October, 2019
Receiving Agents make returns to Trustee	29th October, 2019
Allotment begins	5th November, 2019
Allotment ends	12th November, 2019
Issue and distribution of Contract Notes	19th November, 2019
Final Dispatch of Contract Notes	26th November, 2019

THE FUND MANAGER

Fidelity Securities Limited (FSL) is a professional asset management firm, wholly owned by Fidelity Bank Ghana Limited and incorporated under the laws of Ghana with registration number CA-13,710 dated 16th June, 2011. Fidelity Bank Ghana Limited is also incorporated under the laws of Ghana with registration number CS- 642302015 (previously C-72,668) dated 3rd October, 1988. FSL has been set up to provide financial advisory and trust management services to meet the financial and investment needs of a wide variety of clients. FSL is licensed and regulated by the Securities and Exchange Commission of Ghana, and also registered by the National Pensions Regulatory Authority as a Pension Fund Manager. FSL's business involves providing advisory services, issuing of securities and undertaking portfolio investment management for clients. The Manager has an issued share capital of GH¢250,000 which has been fully paid for.

The address of the registered office and principal place of business of the Manager is:

**Fidelity Securities Limited
Ridge Tower 1st Floor, Ridge Accra
PMB 43, Cantonments
Accra, Ghana**

And the contact details are:

**Tel: +233-302-214490 Ext.555631
Fax: + 233-302-678868
Website: www.fidelitysecuritieslimited.com.gh
Email: fsl@myfidelitybank.net**

The Directors of the Manager are the following:

Name	Nationality	Position	Occupation
Mr. Yaw Nsafoa Sarpong	Ghanaian	Chairman	Investment Banker
Mr. Edward Effah	Ghanaian	Non- Executive Director	Banker, Chartered Accountant
Mr. Edward Opore Donkor	Ghanaian	Non- Executive Director	Banker, Chartered Accountant
Sam Aidoo	Ghanaian	Non- Executive Director	Treasurer

The Investment Officer for the Trust is:

Name	Nationality	Occupation
Joseph Nii Okai Aful	Ghanaian	Investment Banker

THE TRUSTEES

Guarantee Trust Bank (the “Trustee”) is a limited liability company authorized and regulated as a financial institution by the Bank of Ghana with registration number CS406022014 (previously C-68,758) dated 15th April, 2014.

Guaranty Trust Bank (Ghana) Limited is a subsidiary of Guaranty Trust Bank Plc. The Bank was registered in Ghana in October 2004 and obtained its universal banking license from the Bank of Ghana on February 23, 2006, thereby paving the way for commencement of operations. The primary goal of the Trustee is to protect the interest of all Unit holders and is responsible for the overall supervision of the operations of the Trust. The Trustee is accountable to the Securities and Exchange Commission.

The Address for the Trustee is:

Guaranty Trust Bank (Ghana) Limited

P.M.B CT 416

Accra

Tel: (+233) 302 611 560 / 302 923 914 / 302 966 755

Email: gh.corporateaffairs@gtbank.com

ADVISORS TO THE TRUST

THE AUDITORS:

Ernst & Young
G15 White Avenue,
Airport Residential Area,
P.O.Box KA 16009, Airport
Accra, Ghana
Tel: 030 277 9868
URL: <http://www.ey.com/gh/en/home>

THE REGISTRAR

Fidelity Securities Limited
Ridge Tower, Ridge Accra
PMB 43, Cantonments
Accra, Ghana
Tel: 030 221 4490 (Ext:555631)
URL: www.fidelitysecuritieslimited.com.gh
Email: fsl@myfidelitybank.net

1. THE CONSTITUTION AND OBJECTIVES OF THE SCHEME

1.1 Name of the Scheme

The name of the Scheme is Fidelity Balanced Trust (the “Trust”).

1.2 Nature of the Scheme

The Trust is an open-ended Unit Trust.

1.3 Date of Establishment and Duration

The Trust was established on 4th June, 2019.

1.4 Investment Objectives of the Trust

Fidelity Balanced Trust is a Balanced Unit Trust which has the objective of providing a mixture of safety, income and capital appreciation to investors. The Trust seeks to provide long term income and capital growth, by producing returns commensurate with the risk levels, based on careful attention to detail, extensive forward planning and rigorous portfolio selection.

1.5 Fundamental Investment Policy

The Trust shall be marketed as “Fidelity Balanced Trust”, which means it will invest in a suitable mix of equities and fixed income securities to achieve its investment objective.

The Fund Manager shall have the discretion to select specific investments within these asset classes, under normal market conditions:

Investment Class	Allocation range	Target Allocation
Domestic Equity Securities (Common and Preferred stock, listed and unlisted)	30% - 50%	40%
Domestic Debt Securities (Corporate Bonds, Government Notes and Bonds, Commercial Papers, Fixed Deposits)	30% - 70%	50%
Global Securities (Equity and Bonds)	0% - 25%	0%
Investment Schemes	0% - 10%	5%
Cash and cash equivalent	5% - 10%	5%

These limits shall be subject to an annual review.

The funds will be managed to achieve maximum returns and be expected to deliver optimum returns on a best effort basis. The set benchmark returns is 50% weighted average of the 1-year GOG note plus 50% return on GSE Composite Index. The mix of equity securities, debt securities and cash may be varied periodically as the Manager consistently looks out for lucrative opportunities in different asset classes, based on the macroeconomic environment and the market cycle. This dynamic approach to asset allocation will maximize the potential in achieving the return objective of the Trust. The percentage limitations in respect of securities held by the Trust are applied at the time of purchase.

1.6 Investment Approach

The Trust is authorized to invest in the above-listed asset classes and to employ a variety of investment techniques to protect the Trust against market and economic risks to the extent available and permissible by law.

1.6.1 Equity Securities

In selecting equity securities for investment, and having in mind the growth and income attributes of the Trust, the Manager may to a large extent invest in Equities which have potential for capital appreciation while paying out high dividends. Bearing this in mind, the Manager may be inclined to invest in large and more established companies that it believes have characteristics for improved valuation. The Manager, however, may in employing discretion, invest in smaller capitalized domestic companies which have enhanced growth prospects. In selecting equity securities, the Manager may consider fundamental analysis of the companies, operations, management team composition and structure, product development and market share and worldwide trends that may affect the business of the company. The focus would be to identify any indications of undervaluation and growth potential of these companies and to capitalize on such opportunities. The Manager may sell securities and rebalance portfolios where such security prices drop outside acceptable price ranges, company performance is persistently deteriorating or where in the discretion of the Manager, it is prudent to do so.

1.6.2 Fixed Income Securities

The Manager expects to invest in fixed income securities of all maturities. The Manager may also invest in fixed income securities with fixed or floating interest rates. In selecting fixed income securities, the Manager will look for both income and total return and will employ industry analysis that takes into account the economic and market trends facing the issuer and company specific analysis that would unearth the earnings growth potential of the issuer and determine attractive risk reward opportunities of the fixed income security issued. The Manager in their discretion may sell off debt securities from the Trust portfolio where there is fundamental deterioration in the credit fundamentals of the issuer or where it may be beneficial to do so in readjusting the overall maturity of the fixed income security portfolio of the Trust or where expectations and projections regarding revenues and cash flow of the issuer are likely to fall short.

In as much as the Manager will seek to ensure that the security portfolios held generate capital appreciation and long term income growth, where market conditions dictate adverse political and economic events, the manager may for defensive purposes, invest the assets of the Trust in cash and cash equivalents, high quality short term debt and money market instruments to protect returns on the Trust. These investments may be less risky and go contrary to the principal investment strategy of the Trust.

1.7 Investment in Schemes or Assets managed by the Manager or its Associates.

The Manager is authorized to invest in other collective investment schemes whether managed by the Manager, its associates or by any other person. The assets of the scheme may be invested in an asset which is managed by the Manager.

1.8 Trust Restrictions

Except with the prior approval of the Commission, the Manager shall not undertake the following on behalf of the Scheme under Section 39 of L.I. 1695:

- a. Invest in commodities, futures or options;
- b. Invest more than 10 per cent of the net asset value of the scheme in any type of real estate other than the securities of real estate companies or companies that have engaged in real estate investment activities.
- c. Invest more than 25 per cent of the net asset value of the scheme in securities issued by a single issuer.
- d. Invest more than 10 per cent of the net asset value of the scheme in any particular class of securities issued by a single issuer.
- e. Invest more than 10 per cent of the net asset value of the scheme in other collective investment schemes
- f. Invest more than 15 per cent of the total net asset value of the scheme in securities not listed or quoted on an authorized stock exchange
- g. Make any investment that will result in the Manager, trustee or the scheme gaining management control of a company in which the investment has been made;
- h. Make short sales of securities which are unpaid or partly paid for;
- i. Apply any part of the assets of the scheme in the acquisition of an investment which is likely to involve the scheme in any liability, contingent or otherwise;
- j. Enter into underwriting or sub-underwriting contracts in relation to the subscription or purchase of any investment; or
- k. Invest in any securities of a class in a company or other body if any officer or collectively officers of the manager of the scheme own more than 5% of the total nominal amount of the securities of that class issued by the company or body.

1.9 Dividend Policy

It is the intention of the Trust to re-invest all its investment income, if any. Therefore dividends will neither be declared nor distributed. As such, individual investors should benefit from a growth in the Net Asset Value of each unit of the Trust they hold.

1.10 Borrowing Powers

The Trustee may borrow on behalf of the Trust upon the request of the Manager. The Trustee may also borrow from any of its associates which is a bank, provided the bank charges interest at no greater rate - and any fee for arranging and terminating the loan is of no greater amount - than is the commercial rate of a loan of the size in question, negotiated at arm's length in accordance with normal banking practice. Not more than 15% of the Trust's property may be borrowed and the borrowing will be to ensure liquidity in the Trust's property.

1.11 Maintenance of Prudent Levels of Liquidity

In the interest of prudence and efficient Management of the Trust, the manager will at all times maintain prudent levels of Liquidity necessary for emergency purposes and redemptions. Since Fidelity Balanced Trust is an open-ended trust, the manager shall at all times maintain not less than 5% of the NAV of the trust in cash or near cash instruments to take care of redemptions.

1.12 Winding Up of Scheme

Any business entity stands the risk of failure and as such if the Trust has to wind up it shall be done in accordance with the provisions of the Companies Act, 1963 (Act 179).

The Manager of the Trust may in writing and with the approval of the Commission terminate the Trust if the purpose of the Trust cannot be accomplished. The Manager shall be entitled to terminate the Trust if in its bonafide opinion the Trust has failed to attract sufficient participation to enable it to be viable. In the event of the Manager desiring to terminate the Trust, it shall be required to give three months' notice to the Trustee; or The Trust may be terminated by the Manager in its absolute discretion by notice as hereinafter provided, on any date after commencement if on such date the aggregate value of the units outstanding hereafter shall be less than an acceptable amount deemed to make the Trust commercially viable. The Trust may be terminated by the Trustee by notice in writing as provided in any of the following events:

1. If the Manager shall go into liquidation except a voluntary liquidation for the purpose of reorganization on terms previously agreed in writing by the Trustee, or be placed under judicial management or ceases business
2. If in the opinion of the Trustee, the Manager shall be incapable of performing or shall in fact fail to perform its duties satisfactorily or shall do any other thing which in the opinion of the Trustees is calculated to bring the Trust into disrepute or to harm the interest of the unit holders, provided always that if the Manager shall be dissatisfied with such opinion
 - a. the matter shall be referred to the Commission or some person appointed by the Commission for determination and their determination shall bind the Trustee and the Manager; and
 - b. If any law shall be enacted which renders it illegal or in the opinion of the Trustee impractical or inadvisable to continue the Trust.

The party terminating the Trust shall give notice to the unit holders in the manner provided and by such notice, fix the date at which such termination is to take effect which shall not be less than three months after the service of such notice. The Trust may at any time be terminated by Special Resolution of a meeting of the unit holders duly convened and held in accordance with the provisions of the Trust Deed and such termination shall take effect from the date on which the said Resolution is passed or such later date, if any, as the said resolution may provide.

Upon the Trust being terminated the Trustee shall proceed as follows:

1. The Trustee shall sell all investments then remaining in their hands as part of the assets and such sale shall be carried out and completed in such manner and within such period after the termination of the Trust as the Trustee thinks advisable.
2. The Trustee shall use the proceeds of the sale of investments to pay off the liabilities of the Trust and shall thereafter from time to time distribute to the unit holders all net cash proceeds derived from the realization of the assets and available for the purpose of such distribution, provided that the Trustee shall not be bound, except in the case of the final distribution, to distribute any of the monies for the time being in its hands provided also that the Trustee shall be entitled to retain out of any monies in its hands under the provisions of this clause a distribution fee not exceeding 2% of the value of the Trust and full provision for all costs, charges, expenses and claims by the Trustee in connection with or arising out of the liquidation of the Trust and out of the monies so retained to be indemnified against any such costs, charges, expenses and claims. Every such distribution shall be made only against production of the units relating to the units in respect of which the same is made and upon delivery to the trustee of such form of request for payment as the Trustee shall in their absolute discretion require. All units shall in the case of an interim distribution be endorsed by the Trustee with a memorandum of the payments made and in the case of the final distribution shall be surrendered to the Trustee.

1.13 Accounting Date

The accounting period of the Trust shall begin from the first day of January and end on the last day of December in each calendar year, except for the year of establishment where the accounting period shall commence from the date of establishment and end on the last day of December in the same year.

2. THE CHARACTERISTICS OF INTEREST IN THE TRUST

2.1 Type of Interests

Interest in the Trust will be in the form of units.

2.2 The Units

The unit capital of the Trust shall at all times equal its net asset value as hereinafter defined. The Trust consists of units of beneficial interest at an initial price of GH¢0.10 per unit. All units are entitled to participate equally in the assets and income of the Trust. However, the Trust shall re-invest all its investment income. As such, individual investors would benefit from growth in the Net Asset Value of each unit of the Trust they hold.

2.3 Description of Units

The nature of rights represented by an interest in the Trust is that of a beneficial interest under the Trust. All units of the Trust have equal rights as to dividends and voting privileges. There are no conversions, pre-emptive or other subscription rights. In the event of liquidation, each unit is entitled to its proportion of the Trust's assets after debts and expenses have been paid. Unit holders, under the Trust Deed, are entitled to one vote per unit in all resolutions to be adopted in respect of the Trust and do not have cumulative voting rights.

2.4 Evidence of Units

Contract Notes will be issued to unit holders for units purchased and this shall constitute title to the units. The Registrar shall keep an electronic register to record names of investors and all transactions on their behalf.

3. VALUATION OF PROPERTY, CHARGES, DISTRIBUTION & FEES

3.1 Determination of Net Asset Value

The Manager of the Trust shall publish the Net Asset Value of the unit of the Trust at 4.00 pm on days that the Ghana Stock Exchange is open for trading on Fidelity Securities website at least two working days in a week.

The Net Asset Value (NAV) per unit will be computed by dividing the net value of the Trust's assets (the value of its assets less its liabilities) by the total number of outstanding units at such time.

The Manager will continually assess the methods of valuation and recommend changes where necessary to ensure that the Trust's investments are valued at their fair value as determined in good faith.

3.2 Dealing Deadline and Pricing Basis

Units are priced on a forward basis. This means that the issue price for Units purchased is determined after the Dealing Deadline on each Dealing Day. The NAV is calculated by deducting the total liabilities (including all accrued liabilities) from the total assets (including interest and dividends declared but not yet received) by the total number of outstanding units. The Dealing Deadline is 4 p.m. on each Dealing Day (or such other time as may be agreed between the Manager and the Trustee). For example, if you purchase Units before 4p.m on a Dealing Day, the price to pay will be based on the issue price of the Units of that Dealing Day. If you purchase Units after 4 p.m. on a Dealing Day, the price you pay will be based on the issue price of the Units of the next Dealing Day. The issue price of Units for any Dealing Day is always calculated on the next Dealing Day. That is to say, upon receipt of your purchase request in good order; your investment will be done at the next determined net asset value.

The price of each unit of the Trust is the net asset value per unit. The Trust values its portfolio securities for which market quotations are readily available at market value. Securities for which market quotations are not readily available or are unreliable are valued at their fair value in good faith using procedures approved by the Trustees of the Trust.

Securities quoted in foreign currencies are converted to the local currency based on the prevailing exchange rates on that day. Fluctuations in the value of foreign currencies in relation to the Ghana Cedi (GH¢) may affect the net asset value of the Trust even if there has not been any change in the foreign currency prices of the Trust's investments. Where quotations for foreign exchange traded securities are available and reliable, the securities will be valued at the market quotations; where such quotations are not readily reliable or markets on which such securities trade close after the dealing deadline or significant issuer specific events occur after the close of the market, which in the opinion of the Manager may affect values of the securities, the Trust may use a fair basis to value such securities.

3.3 How Units are Issued

The number of Units (truncated at 2 decimal places) to be issued is calculated by dividing the Net Investment Sum by the issue price for the Trust on the Dealing Day. Since the Trust does not charge fees on subscription, the Net Investment Sum is equal to the money you wish to invest:

E.g.: Net Investment Sum = GH¢1,000.00

Issue Price (as calculated on separate Dealing Date for example) = GH¢2.0000

Number of Units to be Issued = $1,000/2 = 500.00$

The following methods will be used in valuing the Trust's assets. Shares and other investments listed or quoted on a recognized or designated Stock Exchange shall be valued at the last traded price before the close of business on the relevant Stock Exchange. Fixed Income instruments shall be valued at cost plus accrued interest as at the date of valuation.

All other investments shall be valued at market price using conventional valuation methodologies. The Manager will continually assess the methods of valuation and recommend changes where necessary to ensure that the Trust's investments are valued at their fair value as determined in good faith by the board of Trustees.

3.4 Management Fees

Management Fee is charged in line with international standards and will be reviewed on an annual basis. Initial fee will be 2.00% per annum on gross assets of the Trust. The fees paid quarterly to the Trust Manager for its services will accrue daily on the gross asset value of the Trust.

3.5 Trustee's Fee

The Trustee is entitled to receive remuneration for its services, which (together with any indirect taxation thereon) shall be paid out of the assets of the Trust. The Trustee fee shall be 0.40% per annum of the Gross Asset Value of the Trust for its services. The fee shall be accrued daily and paid quarterly in arrears.

3.6 Administration Fees

Administration Fee which comprises remuneration of auditors and other expenses relating to regulatory bodies, distribution, stationery, and postage shall be within the range of 0.75% – 1.00% of NAV per annum.

3.7 Other Expenses

All other expenses allowed by law, including fees payable to Auditors, Registrars and Regulators will be paid out of the assets of the scheme. Other expenses incurred by the Trust will relate to direct costs associated to its operation such as bank charges, publication of annual reports etc.

4. THE ISSUE AND REDEMPTION OF INTERESTS IN THE TRUST

4.1 Initial Offer of Interests and Minimum Interest

The Initial Offering of Interests in the Trust will be at GH¢ 0.10 per unit and expected to raise a minimum amount of GH¢500,000. The initial offer will remain open for a period not exceeding twenty – one (21) days inclusive of the days on which the offer opens and closes. The minimum initial purchase per investor shall be 1000 units and subsequently in multiples of 100 units.

4.2 Days and Times for Issues and Redemption

The Manager will be available to receive requests by investors for the purchase and redemption of interests of the Trust on every business day from 8:30 am to 4:00 pm at the offices of the Manager except weekends and statutory public holidays.

The redemption price shall be payable to the investor within the prescribed settlement period of five working days from the day of application.

4.3 Purchase of Units

The office of the Manager shall be open from 8:30am GMT to 4:00 pm GMT from Mondays to Fridays except weekends and statutory public holidays to receive requests for purchase of units.

The price at which units of the Trust shall be purchased will reflect the Net Asset Value of the Trust at any time.

The Manager reserves the right to reject any order received for purchase of units/interest in the Trust.

4.4 Procedure for Purchase

Applicants shall complete standard application forms which shall then be sent to the office of the Manager. Telephone or electronic requests will be accepted once an indemnity form has been completed by the Client. Cheques will be cleared first before the processing of applications by the Manager.

The base currency is the Ghana Cedi. However, applications making purchases with other currencies should allow for currency conversion which may result in a delay. Foreign currencies shall be converted using the prevailing Inter-Bank exchange rate. The Trust will inform an applicant if possible, of the total number of units allotted and the total cost after the price at which the units are to be issued has been established. Payments for units shall be made in Ghana Cedi; however, applicants can settle their payments with easily convertible currencies but will bear the foreign exchange transaction cost.

For subscriptions using cash, investors must complete the application form accompanying this Prospectus and send it, together with the subscription monies, to the Manager or their distributors (as the case may be). Subscription monies shall be made payable in accordance with the terms of the application form or as the Manager or the relevant distributors may direct. For first time investors with Fidelity Securities Limited, a copy of the investor's National Identity Card (NHIS, Passport, Driver's License, Voters ID and National ID) should be added to the application and sent to the Manager.

Units can only be issued after receipt of subscription monies by 4:00 pm GMT on valuation day. Application may lapse and be cancelled if settlement is not made.

4.5 Confirmation of Purchase

A contract note shall be issued within three (3) Business Days from the date of receipt of the application form and subscription monies by the Manager.

4.6 Publication of Unit Price

At least twice every week, the Manager would have published on Fidelity Securities website the indicative Unit price (NAV) of the Trust which would be the valuation price determined on the dealing day immediately preceding the publication day. A publication may not be made in any given week only when there has been a suspension in the dealings of the Trust. The price may also be ascertained at the offices of the Manager.

4.7 No Initial Charge

The Trust imposes no initial charge upon subscription of units.

4.8 Redemption of Units

The Trust is open-ended and therefore will redeem for cash all units of the Trust on receipt of a written request which shall entail the completion of a Redemption Application Form. There are no minimums on amounts that can be redeemed. However, a minimum balance of GH¢20.00 must be maintained to keep the account running. Units can be redeemed on every business day except public and statutory holidays and may be done either in person at the Manager's office or through approved distributors of the Trust.

The redemption proceeds paid to an applicant will be the Redemption Price per Unit of the Trust (which shall be the computed NAV) multiplied by the number of Units redeemed. The redemption proceeds are paid to investors within five (5) Business Days following receipt of the Redemption request. Proceeds shall be paid through the following means:

- a. by cheque to the applicant and the applicant shall be required to pick up the cheque in person or per instruction have it collected by a third party authorized so to do by the applicant,
- b. transfer into an account (Bank or other collective scheme) of choice.
- c. Mobile Money Platform

In the case of Joint Holders, the cheque shall be made payable to the Joint Holder first named in the Register and in the case of Joint-Alternate Holders, to the Joint Holder signing the redemption request.

4.9 Receiving Agents

Receiving Agents for the offer shall be:

• Fidelity Bank GH. Ltd.
Ridge Tower, Accra
PMB 43, Cantonments
Accra, Ghana
Tel: +233-302-214490 Ext.555631
Fax: + 233-302-678868
Website: www.fidelitysecuritieslimited.com.gh
Email: fsl@myfidelitybank.net

• Guarantee Trust Bank GH. Ltd.
25A, Castle Road, Ambassadorial Area,
Ridge P.M.B CT 416, Cantonments
Accra, Ghana
Tel: (+233) 302 611 560 / 302 923 914 / 302 966 755
Fax: (+233 302) 662727
Website: <http://www.gtbankghana.com>
Email: gh.customerexperience@gtbank.com

4.10 Suspension in Dealings

The Manager may, with the approval of the Trustee, suspend dealings in a particular security during:

- a.** any period when the dealings of that security on the Stock exchange are restricted or suspended;
- b.** the existence of any state of affairs as a result of which disposal of investments of the scheme would not be reasonably practicable or might seriously prejudice the interests of the investors as a whole and of the assets of the scheme;
- c.** any breakdown in the means of communication normally employed in determining the value of any investment of the scheme or the current price on any stock exchange or when, for any reason, the value of investments of the scheme cannot be promptly and accurately ascertained; or
- d.** any period when remittance of money which will or may be involved in the realization of the investment of the scheme or in the payment for investments cannot be carried out.

The Manager shall immediately notify the Commission of any suspension in dealings and shall provide the reasons for it. A suspension in dealings may be permitted in exceptional circumstances having regard to the interests of investors and with the prior written consent of the Commission. The suspension shall take effect immediately upon its declaration by the manager and dealings shall resume on the first dealing day after the day on which the condition that caused the suspension ceased. A notice to the effect that dealings have been suspended or resumed shall be published immediately on FSI's website in which the scheme's prices are normally published and shall be published at least a month after the first publication during the period of suspension.

4.11 Duration and Termination of the Trust

The Trust is of an indeterminate duration but may be terminated in the following circumstances:

- a.** When an event, date or state of affairs specified for termination of the Trust in the Trust's constitution occurs;
- b.** When the Manager of the Trust in writing and with the approval of the Commission, terminates the Trust on the ground that the purpose of the Trust cannot be accomplished;
- c.** When a court on an application by the Manager of the Trust or by the Commission, a unit holder in the Trust, or a director of the Manager, makes an order to terminate the Trust if and when the court considers it just and equitable to do so or
- d.** if the Trust is insolvent;
- e.** When a special resolution for termination is passed by the unit holders.
- f.** When required by law.
- g.** When an event of termination occurs, the Manager shall, on a best effort basis, effect a market sale of all of the Trust's assets for the best prices available at such times. The unit holders will subsequently be entitled to receive a distribution in proportion to their respective interests in the Trust of the net cash proceeds derived from the realization of the assets of the Trust and which are available for distribution.

4.12 Conflicts of Interest

The Manager may from time to time have to deal with competing or conflicting interests between the other unit trusts which are managed by the Manager of the Trust. However, the Manager will use reasonable endeavors at all times to act fairly and in the interest of the Trust.

The factors which the Manager will take into account when determining if there are any conflicts of interest as described above include the assets (including cash) of the Trust as well as the assets of the other Trusts managed by the Manager. To the extent that another Trust managed by the Manager intends to purchase substantially similar assets, the Manager will ensure that the assets are allocated fairly and proportionately and that the interests of all investors are treated equally between the Trust and the other Trusts.

Associates of the Trustee may be engaged to provide financial, banking or brokerage services to the Trust; such services, where provided, will be on an arm's length basis.

4.13 Market for the Units

The units of the Trust will not be listed on any stock exchange. All dealings in the units will be at the registered office of the Manager.

5. RISK FACTORS AND SPECIAL CONSIDERATIONS

5.1 Cautionary Statements

The investments of the Trust are subject to normal market fluctuations and other risks inherent in investing in securities. There can be no assurance that any appreciation in the value of investment will occur. The value of investments and the income derived from them may fall as well as rise and investors may not recoup the original amount they have invested in the Trust. There is no certainty that the investment objectives of the Trust will actually be achieved and no warranty or representation is given to that effect.

Investment advice may be sought by an investor before subscribing to the scheme.

5.2 Legal Risk

Ghana's law regarding fiduciary duties of officers and directors of investment management firms, and the protection of investors are developing and laws may not exist to cover all contingencies. As a result, the administration of laws and regulations by government agencies may be subject to considerable discretion.

5.3 Market Risk- Availability and Liquidity of securities

The Ghanaian securities market is small, illiquid and potentially volatile. The limited liquidity of the Ghanaian securities market may also affect the Trust's ability to acquire or dispose of securities at the price it so wishes to do.

5.4 No Rating Criteria For Debt Securities

There is no credit rating agency in Ghana and therefore no rating criteria for the debt securities in which the Trust may invest. In purchasing such securities, the Trust will rely on the Manager's thorough due diligence, analysis of such investments, professional judgment, analysis and experience in evaluating the credit worthiness of an issuer. The manager will take into consideration, among other things, the issuer's resources, and its sensitivity to economic regulatory matters.

5.5 Issue Risk-Effect of Redemption Charge

With the imposition of a redemption charge, an investor who realizes his/her units after a short period may not (even in the absence of a fall in the value of the relevant investments) realize the amount originally invested. The purchase of Fidelity Balanced Trust units therefore should be viewed as a medium to long-term investment.

5.6 Issuer Specific Risk

Fidelity Balanced Trust is a new Trust that may encounter start-up difficulties that impact its operations. These may include disruptions to the computer systems that drive the business, staff adherence to internal policy relating to executive client order etc. An internal system of checks and balances shall be put in place to identify and resolve these issues as they occur.

6. GENERAL AND ADDITIONAL INFORMATION

6.1 Publication of Reports

The financial year of the Trust begins on the 1st of January and ends on the 31st of December of each year. Unit holders can expect to receive the annual report, annual audited accounts and the Auditor's report on the annual account Accounts within 3 months (or such other period as may be prescribed by the Commission) from the end of the financial year. The semi-annual report and semi-annual Accounts of the Trust will be sent to Unit holders within 2 months (or such other period as may be prescribed by the Commission) of June each year.

6.2 Documents for Inspection

Copies of the Prospectus, Trust Deed of the Unit Trust, any amending instrument to the deed and the recent annual and half-yearly reports may be inspected and obtained from the Manager's website and the Manager's Head office which is located at:

Fidelity Securities Limited
1st Floor, Ridge Tower,
Ridge, Accra
PMB 43, Cantonments
Accra, Ghana

6.3 Complaints Procedure

1. The Manager shall maintain a register into which shall be recorded every complaint received, the date on which the complaint was received, and the details of it.
2. The Manager shall investigate or cause the investigation of all complaints received in an expeditious manner.
3. If, for any reason, the complaint is not settled to the satisfaction of the complainant within three months after its receipt by the Manager, the Manager shall give notice to the Commission of the details of the complaint, the action taken in response to it and inform the complainant that the Commission has been notified and provide the date of the notice.
4. After receipt of the notice, the Commission shall investigate the complaint and provide the complainant with such redress as is provided under the Law.

6.4 Guaranteed Minimum Initial Subscription

The Manager of the Trust guarantees an initial minimum subscription of GH¢500,000. In the event that after the closure of the Initial Public Offering the minimum subscription is not raised, the Manager guarantees to make up for the short fall between the amount raised and the guaranteed minimum subscription.

5. RISK FACTORS AND SPECIAL CONSIDERATIONS

6.5 Regular Investment Plan

This is a purchase plan that allows an investor to make payments to the Manager on periodic basis to purchase units in the Trust. The minimum value of subscription to the Regular Purchase Plan of GH¢10 may be transferred automatically from a bank account on a periodic basis to the Manager for investment in the Trust by the unit holder. The Trust may alter or terminate this arrangement at any time. Investors are to contact the Manager for further information on this service.

The Regular Purchase Plan may also be done by cash payment to the Manager or the designated Agents of the Manager (as the case may be).

6.6 Investment Account

The Manager shall maintain an Investment Account for every unit holder and send a statement on the account to the unit holder at least half-yearly. The statement will show activities in the account since the preceding statement, if any. Unit holders will receive separate confirmations for each purchase or sale transactions other than automatic investment purchases and the reinvestment of income dividends.

6.7 Benefits of Investing in the Trust

Investment in units of the Trust potentially offers several benefits. Many investors, particularly individuals, lack the information or capability to invest in a variety of high capital appreciating and income earning securities. The Trust could significantly address this by changing the characteristics of the investor's portfolio in terms of risk diversification, liquidity and high returns. The Trust offers investors the possibility of obtaining capital appreciation through strong portfolio of assets.

6.8 Material Contracts

The contract entered into by the Trust which is considered material for the purpose of this issue is the Trust Deed between the Fidelity Securities Ltd. and the Trustees of the Trust, Guarantee Trust Bank.

6.9 Claims and Pending Litigations

There are no existing claims or pending litigations on the assets of the Trust.

6.10 Issue Costs

All the expenses related to the making of this offer for subscription, including fees payable to the regulatory authorities, shall be paid by the Manager.

6.11 Meetings, attendance and voting

- (1) The investors of the scheme shall meet for the transaction of business at such times and places as the Trustees of the Trust may determine except that the Manager shall hold such meetings at least once a year.
- (2) The Trustees of the Trust shall at the request in writing of investors registered as holding not less than 50% of the number of interests in issue or at the request of the Trustee made in writing, convene a meeting of the investors within thirty days of the date of request.
- (3) The Manager may attend any meeting of investors but the Manager is not entitled to vote or be counted for quorum in its capacity as the Manager.

7. APPLICATION AND DISPATCH OF CONTRACT NOTE

7.1 Application

Application must be made on the application form enclosed. Care must be taken to complete the forms, as wrongly completed forms will be rejected. Application for the units now offered will open at 10Gp per unit. Application for the units must be for a minimum of 1000 units and thereafter multiples of 100 units. The number of units for which application is made and the amount of the cheque, money order or cash attached should be entered in the spaces provided. A single applicant should write his/her full name and address in the spaces provided. All other joint applicants should provide their full names and addresses in the space provided. Each application should be forwarded together with cheque or cash for the full amount of the purchase price to any Receiving Agent. Cheques and money orders must be crossed "FIDELITY BALANCED TRUST" and made payable to the Receiving Agent with whom the application is lodged. All transfer charges if any, must be paid by the applicant by boldly endorsing and signing as "Commission Drawer's Account". No application will be accepted unless this has been done. All cheques will be presented upon receipt and all applications in respect of which cheques are returned unpaid will be rejected.

7.2 Dispatch of Contract Notes

Subscription payments will be retained in a separate bank account by FIDELITY BALANCED TRUST pending investment. Contract Notes for accepted applications will be sent by post or e-mail at the applicant's risk within twenty eight (28) days of the close of the offer. If any application is not accepted, the amount paid on application will be returned in full – either in person to the subscriber, or a designated bank account within 28 days of the close of the offer, or after 28 days, interest will be paid at the prevailing market savings rate.

ADDITIONAL INFORMATION ON PROCEDURE FOR PURCHASE (PAYMENT CHANNELS)

Investors can visit any Fidelity Bank or GT Bank branch to top up their investment through the following accounts:

Bank	Collections Account Number
Fidelity Bank	1330033043538
GT Bank	201/117731/110

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