

 **Databank**  
**BALANCEDFund**

**PROSPECTUS**

*Databank Balanced Fund Ltd*  
*(Bfund)*

**INITIAL**

**PUBLIC OFFER (IPO)**

*OPENS: DECEMBER 3, 2007*  
*CLOSES: DECEMBER 24, 2007*

 **Databank**  
*Leadership*



**Databank**  
**BALANCEDFund**



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## **Databank Balanced Fund Ltd**

The Databank Balanced Fund is an open ended mutual fund that seeks to achieve growth in income and capital, provide liquidity as well as conserve principal by investing in diversified portfolio of equities and fixed income securities such as government securities and corporate bonds listed on recognized markets

***The address for the Fund is:***

*No.61 Barnes Road  
Adabraka*

***And Contact Telephone Numbers Are:***

*(233-21) 681389, 681490, 681430, 681364, 684631,  
681404, 684657, 7010198, 7010199*

## Document Notice

The Prospectus contains vital information for anyone intending to invest in this mutual fund and must therefore be read carefully. The Securities and Exchange Commission (“the commission”) has licensed the Fund to operate as a mutual fund and assumes no responsibility for the correctness of any of the statements contained in this document.

This document does not constitute an offer to, and may not be used for the purpose of, or solicitation by, any person in any jurisdiction or in any circumstances in which such an offer or solicitation is not authorized or is unlawful.

The shares are offered on the basis of the information and representations contained in this document, and other documents referred to herein. Any further information and representations made by any person may not be relied upon as having been authorized by the Fund. Neither the delivery of this document nor the allotment of shares shall under any circumstances create any implication that there has been no change in the affairs of the Fund since the date hereof.

Anybody who decides to apply for shares must first consider whether shares are a suitable investment. Past performance is not necessarily indicative of future performance. *The value of shares can rise or fall.* Anybody in need of advice therefore, should consult a qualified investment representative for professional advice.

*The Prospectus should be read in its entirety before making an application for Shares.*



## The Offering

The Fund is initially offering 500,000 shares. Databank Balanced Fund is an open-ended Fund and consists of an unlimited number of shares at an initial price of GHp 10 (¢1000) per share. The minimum investment is GH¢10 (¢ 100,000)

The Prospectus is hereby issued under the Securities Industry Law 1993 (P.N.D.C. 333) as amended and the Unit Trusts and Mutual Funds Regulations (L. I. 1695). A copy of the prospectus, together with copies of documents specified therein, has been delivered to the Securities and Exchange Commission (SEC).

The initial offering period for shares in the Databank Balanced Fund will begin from 8:30 a.m. on December 3, 2007 and end at 5:00p.m on December 24, 2007.

Any change to this period will be made by the Manager with the approval of the Commission. All applications for shares should be directed to the Manager at its registered office:

- *Databank, Head office (No. 61 Barnes Road, Accra),*
- *Databank's Kumasi office -  
(SSNIT Office Complex, Block B 2<sup>nd</sup> Floor, Harper Road), and*
- *Databank's Tema Office  
(Meridian Plaza, Room 206, Community 1, Tema).*

## PROSPECTUS SUMMARY

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

<b>The Fund</b>	<p>Name of Scheme : <i>Databank Balanced Fund</i>  Date of Incorporation : <i>25<sup>th</sup> October 2005</i>  Date of Establishment : <i>6<sup>th</sup> January, 2006</i>  Nature of Scheme : <i>Authorised open –ended Mutual Fund</i>  Duration of Scheme : <i>Indefinite</i></p>
<b>Investment Objective &amp; Policy</b>	<p>The investment objective of the Fund is to achieve growth in income and capital, provide liquidity as well as conserve principal by investing in a diversified portfolio of equities and fixed income securities such as government securities and corporate bonds in recognized markets.</p> <p>It is the Manager's intention not to invest more than 60% of its net assets in equities and to invest not less than 40% of its net assets in money market and other fixed income securities.</p>
<b>Shares Offered</b>	Ordinary shares of no par value
<b>Regular Investment Purchases</b>	A Regular Investment plan exists for the benefit of investors who would like to purchase shares on a regular basis set at a minimum investment of GH ¢10 (¢100,000) per month.
<b>Lump sum Investment Purchases</b>	A minimum lump-sum contribution of GH¢100(¢1,000,000)
<b>Management Fees</b>	Management fee of 1.5% p.a on the Average Net Asset Value of the Fund charged on monthly basis.
<b>Other Fees</b>	<ul style="list-style-type: none"> <li>• Other Expenses of 1.5% p.a.</li> <li>• A commission of 1% p.a on any deposits after the offer period has elapsed.</li> </ul>
<b>Redemption</b>	The Manager will be available to receive requests for the issue and redemption of shares between 8am GMT and 4pm GMT on Mondays to Fridays except on statutory public holidays.
<b>Base Currency</b>	Ghanaian Cedi
<b>Risk Factors</b>	A principal risk associated with Databank Balanced Fund is that share prices fluctuate in response to activities specific to the companies in which the Fund invests in as well as responding to general market, economic and political conditions.
<b>The Manager</b>	Databank Asset Management Services Ltd



### OFFER TIME TABLE

Application List opens	December 3, 2007
Application List closes	December 24, 2007
Receiving Agents make returns to Fund Manager	January 7, 2008
Allotment Period ends , Issue and Distribution of Contract Note	January 11, 2008
Final dispatch of contract Note	January 18, 2008
Continuous Offer begins	January 21, 2008

### THE MANAGER

Name: *Databank Asset Management Services Limited*

Country of incorporation: *Ghana*

Registration Number: *65,985*

Nature of corporate form: *Limited Liability*

Address: *61 Barnes Road, PMB, Ministries Post Office, Accra*

Telephone Number *(233-21) 681389, 681490, 681430, 681364, 684631, 681404, 684657, 7010198, 7010199*

Fax Number *(233-21) 681443, 681442*

E-mail address *[damsel@databankgroup.com](mailto:damsel@databankgroup.com)*

Website *<http://www.databankgroup.com>*

Date of incorporation: *February 2, 1996*

### BOARD OF DIRECTORS OF THE MANAGER

Name	Position	Other affiliation	Address	Occupation
Mr. Ken Ofori Atta	Chairman	<i>Databank Financial Services Ltd. Databank Asset Management Services Ltd Epack Investment Fund Ltd. Databank Money Market Fund Trust Bank Ltd, Gambia Combert Impressions</i>	P.O. Box 3859, Accra	Investment Banker
	Director	<i>Enterprise Insurance Co. Ltd</i>		
Mr. Keli Gadzekpo	Vice Chairman	<i>Databank Financial Services Ltd. Databank Asset Management Services Ltd</i>	Box M.298 Accra	Investment Banker



Name	Position	Other affiliation	Address	Occupation
	Director	<i>Enterprise Insurance Co. Ltd. Databank Money Market Fund Ltd. Epack Investment Fund Ltd</i>		
Mr. Kwesi Amonoo-Neizer	Director	<i>Margins Company Ltd Epack Investment Fund Ltd</i>	P.O. Box 1047, Kaneshie	Investment Manager
Mr. Steve Douglas Cashin	Director	<i>Pan African Capital Group Flamingo, Holdings Limited, UK Databank Financial Services Ltd Databank Brokerage Limited</i>	1100 Connecticut Ave.,NW Suite. 500, Washington, DC 20036	Investment Banker

**The Manager also manages the following collective investment schemes:**

Fund	Address	Phone Numbers	E-mail	Fax Numbers	Website
Epack Investment Fund Ltd.	61 Barnes Rd. PMB, Ministries Post Office. Accra	(233-21) 681389, 681490, 681430, 681364, 684631, 681404, 684657, 7010198, 7010199	<a href="mailto:epack@databankgroup.com">epack@ databankgroup.com</a>	(233-21) 681443, 681442	<a href="http://www.databankgroup.com">http://www. databankgroup.com</a>
Databank Money Market Fund Ltd.	61 Barnes Rd. PMB, Ministries Post Office. Accra	(233-21) 681389, 681490, 681430, 681364, 684631, 681404, 684657, 7010198, 7010199	<a href="mailto:mfund@databankgroup.com">mfund@ databankgroup.com</a>	(233-21) 681443, 681442	<a href="http://www.databankgroup.com">http://www. databankgroup.com</a>

## BOARD OF DIRECTORS OF THE FUND

Name	Position	Other affiliation	Address	Occupation
Mr. Ken Ofori Atta	Director	<i>Enterprise Insurance Co. Ltd.</i>	P.O. Box 3859, Accra	Investment Banker
	Chairman	<i>Databank Financial Services Ltd. Databank Asset Management Services Ltd. Epack Investment Fund Limited Trust Bank Ltd. Gambia</i>		
Mr. Keli Gadzekpo	Vice Chairman	<i>Databank Financial Services Ltd. Databank Asset Mgmt. Ser. td.</i>	Box M.298 Accra	Investment Banker
	Director	<i>Enterprise Insurance Co. Ltd. Epack Investment Fund Ltd. Databank Money Market Fund Ltd</i>		
Mr. Kwasi Amonoo-Neizer	Director	<i>Margins Company Ltd Epack Investment Fund Ltd</i>	P.O. Box 1047, Kaneshie	Investment Manager
Prof. Stephen Adei	Rector Director	<i>GIMPA Center for Economic &amp; Policy Analysis(CEPA) Databank Money Market Fund Ltd</i>	GIMPA Greenhill, Accra	Rector
Adelaide Ahwireng	Managing Director	<i>Fio Enterprise Epack Investment Fund Ltd</i>	P.O. Box CT956 Cantonment	Business Executive

## The Custodian

<b>Name of Custodian:</b>	<i>Barclays Bank of Ghana Limited.</i>
<b>Country of incorporation:</b>	<i>Ghana</i>
<b>Address:</b>	<i>Barclays of Ghana Limited Barclays House, High Street P. O. Box 2949, Accra</i>
<b>Auditors:</b>	<i>John Kay &amp; Co 7<sup>th</sup> Floor, Trust Towers, Farrar Avenue P. O. Box 16088 Airport, Accra</i>
<b>Tel:</b>	<i>233 21-235406, 238370</i>
<b>Fax:</b>	<i>233 21-238371</i>
<b>E-mail:</b>	<i><a href="mailto:jkayal@wwwplus.com">jkayal@wwwplus.com</a></i>
<b>Lawyer:</b>	<i>Geta Striggner-Quartey P. O. Box 11564, Accra-North</i>
<b>Tel:</b>	<i>(233-21) 681389, 681490, 681430, 681364, 684631, 681404, 684657, 7010198, 7010199</i>
<b>Fax:</b>	<i>(233-21) 681443, 681442</i>
<b>E-mail:</b>	<i><a href="mailto:geta.striggner-quartey@databankgroup.com">geta.striggner-quartey@databankgroup.com</a></i>
<b>Registers:</b>	<i>The Register may be inspected at the offices of the Manager, Databank Asset Management Services Limited, No.61 Barnes Road Adabraka Accra.</i>
<b>Tel:</b>	<i>(233-21) 681389, 681490, 681430, 681364, 684631, 681404, 684657, 7010198, 7010199</i>
<b>Fax:</b>	<i>(233-21) 681443, 681442</i>
<b>E-mail:</b>	<i><a href="mailto:damsel@databankgroup.com">damsel@databankgroup.com</a></i>

## DEFINITIONS OF TERMS

# DEFINITIONS OF TERMS

- **“THE FUND”**  
means Databank Balanced Fund Ltd;
- **“THE MANAGER” -**  
means Databank Asset Management Services Ltd
- **“SHARE HOLDER”**  
means the registered holder of ordinary shares in the Fund.
- **“BUSINESS DAY”**  
means Monday to Friday excluding any day designated as a Public or statutory holiday in Ghana
- **“THE OFFER”**  
means the offer of shares of Databank Balanced Fund
- **“THE CUSTODIAN”**  
means Barclays Bank Ghana Ltd
- **“NET ASSET VALUE”**  
means the value of the net assets of the Fund as determined in accordance with the terms of this prospectus
- **“THE COMMISSION”**  
means The Securities and Exchange Commission
- **“THE REGULATIONS”** means the Unit Trust and Mutual Fund Regulations, L.I 1695
- **“THE LAW”** means the Securities Industry Law, 1993, PNDCL 333



## CONSTITUTION AND OBJECTIVES OF THE SCHEME

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1. **Name of Scheme:** Databank Balanced Fund
- Date of Incorporation: 25<sup>th</sup> October 2005  
Date of Establishment: 6<sup>th</sup> January, 2006  
Nature of Scheme: Authorised Mutual Fund
- Promoters of the company: Databank Asset Management Services Limited  
Duration of Scheme: Indefinite

### 2. **Investment Objective, Policy and Restrictions**

#### *Investment Objective*

The Databank Balanced Fund is a mutual fund that seeks to achieve growth in income and capital, provide liquidity as well as conserve investors principal.

#### *Investment Strategy*

The Fund seeks to achieve its objective through investment in a diversified portfolio of equities and fixed income securities such as government securities and corporate bonds. It is the Manager's intention not to invest more than 60% of its net assets in equities and to invest not less than 40% of its net assets in money market and fixed income securities.

#### *Investment Policy*

- a) The Fund's investment will include the following:
1. *The Fund may invest in equity securities trading on regulated markets.*
  2. *The Fund may invest in equity securities not listed or quoted on a stock exchange; such investments may not exceed 15% of its total net asset value.*
  3. *Commercial paper;*
  4. *Bankers' acceptances;*
  5. *Certificates of deposits;*
  6. *Corporate bonds Obligations;*
  7. *Debt obligations issued or guaranteed as to principal and interest by the Ghana government or its agencies such as Government of Ghana, Bank of Ghana, Municipal authorities; and*
  8. *Repurchase agreements, which may be viewed as a type of secured lending by the Fund.*
- b) The Fund may invest up to 30% of the scheme's total net assets value in government securities of the same issue
- c) In the interest of prudence and efficient management of the Fund, the Manager will maintain prudent levels of liquidity.
- d) The Manager may invest up to 10% of the interests of the scheme in collective investment schemes managed by the Manager or by an associate of the Manager.



### *Investment Restrictions*

Except with the prior approval of the Commission, the Manager shall not for or on behalf of a scheme,

- 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) Purchase securities on margin, except that the Manager may obtain such short term credit as may be necessary for the clearance of purchases and sales of securities constituting or to be included in the assets of the scheme;
- h) 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;
- i) make short sales of securities or maintain a short position;
- j) Acquire any securities which are unpaid or partly-paid for;
- k) 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;
- l) Enter into underwriting or sub-underwriting contracts in relation to the subscription or purchase of any investment; or
- m) 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 per cent of the total nominal amount of the securities of that class issued by the company or body.

**3. Base Currency**

The base currency of the Fund is the Ghanaian cedi

**4. Annual accounting period**

The accounting date for every financial year is 31st December.

**5. Borrowing powers**

The Fund will not borrow more than 15% of the total net assets of the Fund at the time of borrowing and then only for liquidity purposes.

The following provisions shall apply in connection with the borrowing:

- a) the borrowing may be from the trustee or the custodian or any associate of any of them on the best commercial terms;
- b) the aggregate outstanding of borrowings whether in local or foreign currency at any time shall not exceed 15 per cent of the net value of the assets of the scheme;
- c) any interest on the borrowing and expenses incurred in negotiating, entering into, varying, carrying into effect and terminating the borrowing arrangements shall be payable out of the assets of the scheme;
- d) for the purposes of securing the borrowing, the board of directors of the Fund is entitled, with the concurrence of the Manager, to charge or pledge in any manner all or any part of the assets of the scheme, and where any part of the assets of the scheme or any document of title of the assets is for the time being under the custody and control of a person other than the trustee or custodian in consequence of any charge or pledge, the provisions of the Regulations as to the custody and control of the assets of the scheme or the documents of title to the assets shall be deemed not to have been infringed;
- e) any charge or pledge on the assets of the scheme shall be made upon the terms that no action shall be taken to enforce the security constituted until thirty days after notice in writing has been given to the board of directors of the mutual fund demanding repayment of the monies secured;
- f) where borrowing is undertaken for the account of the scheme, assets that form a part of the deposited property may be registered in the lender's name or in the name of a nominee appointed by the lender; provided that the lender or its nominee, enters into a written commitment that under no circumstances will it pledge or obligate any part of the assets to any other person or use any part of them to margin, guarantee, secure, discharge or settle any borrowing, trades or contracts, or dispose of any part of them, or treat them as if any person other than the mutual fund and the lender had any interest in them.
- g) Where the assets of the scheme or any part of the assets is registered in the name of a lender as security for a loan obtained for and on behalf of the scheme, the trustee or custodian is liable for any act or omission of the lender or the lender's agent with respect to the property.
- h) Any cash raised by borrowing for the scheme shall constitute a part of the assets of the scheme.



## 6. Management of the Fund

1. The Manager shall manage the mutual fund on a day to day basis, select investments to be owned by the company and carry out any other functions assigned to it under contract from the mutual fund.
2. The Manager shall be subject to the directions of the directors of the mutual fund and shall perform the normal functions carried out by the managing director of a company.
3. Where the directions given to the Manager by the directors of the mutual fund contravene the Law or any other enactment, the Manager shall refer the matter to the Commission for guidance.
4. The Manager of a mutual fund shall maintain such minimum paid up capital and have the amount and type of financial and material resources as may be directed by the Commission.
5. The Manager shall not allow the property of the company to be used or invested contrary to the investment restrictions under the Law or Regulations made under the Law.
6. The Manager shall ensure that its directors or other persons concerned with the management of its business have the necessary qualifications and experience required by the Commission.
7. The Manager shall act in accordance with investment policies laid down by its directors and the provisions of the Law.

The Fund has appointed Databank Asset Management Services Ltd., the Manager to provide administrative services, manage its business affairs and invest its assets, including the placing of orders for the purchase and sale of portfolio securities.

The Board of Directors is responsible for the Fund's management and control, including the determination of investment policy. The Manager also manages the Epack Investment Fund and Databank Money Market Fund. Databank Asset Management has been investing on behalf of clients for the past eleven years and provides investment management and advisory services to collective investment funds, pension schemes, endowment funds and individuals. As at September 30, 2007, Databank Asset Management managed over Gh¢133 million in assets.

## 7. Management of other schemes and portfolios

1. The Manager of a scheme shall only deal with the management of licensed mutual fund schemes except that the Manager may with the prior written approval of the Commission manage other investment portfolios subject to conditions that the Commission may impose.
2. The Manager of a scheme may manage more than one scheme if
  - a) Each scheme has an investment officer;
  - b) The names and characteristics of each scheme operated is disclosed to the investors of all schemes under the management;
  - c) Separate accounts are maintained for each scheme; and
  - d) The basis of allocation of expenses between each scheme is disclosed to the investors of all schemes under the management.

The Manager is responsible for the actual management of the Fund's portfolio and constantly reviews the holding of the Fund in the light of its research analysis and research from other relevant sources. The responsibility for making decisions to buy, sell or hold a particular security rest with the Manager. The Fund pays the Investment Manager a monthly management fee as remuneration for services to the Fund.

The fee is paid out of the net assets of the scheme at a rate of 1.5% per annum.

### **Custodian**

Barclays Bank of Ghana Limited has been appointed Custodian of the Fund's assets, including the securities and cash of the Fund which will be held on behalf of the Fund either directly by Barclays, or agents of Barclays. The Custodian shall ensure that assets are held in accordance with the Securities Industry Law 1993, (PNDCL 333) as amended from time to time.

1. The directors of a mutual fund shall appoint a custodian for the mutual fund which shall take into its custody or put under its control the property of the mutual fund which shall be held in accordance with the Law and any relevant agreement not inconsistent with the Law.
2. The custodian of a mutual fund shall have such minimum capital requirement as may be determined by the Commission.
3. The custodian may give notice to the Manager that it is not prepared to accept the transfer of assets in contravention of the Law and may require the Manager to give security for the transfer of assets.
4. Subject to subsection (3), the terms of its contract of appointment and the Law, the custodian shall carry out the instructions of the Manager as regards investments which comprise the assets of the company.

### ***The directors of a company applying to operate as a mutual fund shall appoint for the mutual fund***

- a) a Manager which shall be a company incorporated in Ghana and independent of the mutual fund company; and
- b) a custodian which shall be independent of the mutual fund company and be a bank, an insurance company or any other financial institution approved by the Commission or a wholly owned subsidiary of any of them approved by the Commission.

*The custodian shall have and maintain such minimum capital requirement as shall be determined by the Commission.*

### **8. Dividend and Distribution Policy**

The Fund passes substantially its net income along to its investors as "distributions." The Fund earns interest from fixed-income investments as well as realized capital gains whenever it sells securities for a higher price than it paid for them. These "distributions", if any, are distributed annually on the income allocation date which will be the end of the financial year, 31<sup>st</sup> December, depending on the dividend policy adopted by the directors of the Fund. The dividend policy shall be such that any dividend distribution will not jeopardize the Fund's ability to operate effectively.



**9. Winding-Up**

1. If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Companies Code or by the Bodies Corporate (Official Liquidations) Act, 1963 (Act 180), divide among the members in specie or kind the whole or part of the assets of the Company, whether they shall consist of assets of the same kind or not, and may for such purpose set such value as the liquidator considers fair upon any assets to be divided and may determine how such division shall be carried out as between the members or different classes of members.
2. The liquidator may, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the members as the liquidator, with the like sanction, shall think fit.
3. Notwithstanding the foregoing no member shall be compelled to accept any securities whereon there is any liability.

**CHARACTERISTICS OF INTEREST IN THE SCHEME**

**10. Characteristics of interest in the Scheme**

*Organization of the Fund*

The Fund was incorporated under Ghanaian law on 25<sup>th</sup> October, 2005. It has authorised shares of 500,000,000 common shares of no par value. Each share has one vote. As at the date of the document, the Company was capitalized at GH¢1,000. An investor will be entitled to participate in the property and the income of the Fund in proportion to his holdings. The Fund may declare dividends by an ordinary resolution in respect of any year. Any dividends will be declared on a per share basis. The shareholders of the company have the same rights of a shareholder under the Companies Code, 1963 (ACT 179).

*Share Certificates*

Contract notes shall be issued to prospective shareholders in respect of purchase of shares as evidence of title of shares.

*Votes of Members*

On a show of hands, each member and each proxy lawfully present at the meeting shall have one vote, and on a poll, each member present in person or by proxy shall have one vote for each share held by him; In the event of a postal ballot being directed pursuant to sub-sections (6), (7) and (8) of Section 170 of the Companies Code, each member entitled to attend and vote at the meeting shall have one vote for each share held by him.

**VALUATION OF ASSETS, CHARGES, DISTRIBUTION AND FEES**

**11. Valuation of assets, charges, distribution and fees.**

*Valuation and pricing*

1. The offer and redemption prices of a scheme shall be calculated on the basis of the net asset value of the scheme divided by the number of interests outstanding.
2. The offer and redemption prices of a scheme may be adjusted by the fees, levies and charges permitted to be made from the assets of the scheme in accordance with regulation 23.



3. An issue price quoted or published shall be the maximum price payable on the purchase of interests and the redemption price shall be the net price receivable on the redemption of interests.
4. There shall be no further charges payable by investors other than stamp duty or other taxes.

#### **Pricing Fund Shares and Valuation**

The price of Fund Shares, called the net asset value per share, shall be expressed in the base currency which is the Ghanaian Cedi. The net asset value per share will be determined in respect of any valuation day by dividing the net assets of the Fund, being the value of the assets of the Fund less liabilities, by the number of Fund shares then outstanding and shall be rounded up or down to two decimal places as the Board of Directors will decide.

The Fund determines the value of its portfolio securities by the amortised cost method which involves valuing a debt obligation in reference to its cost, rather than market value. An instrument is valued at cost and thereafter assumes a constant amortisation to maturity of any discount or premium regardless of the impact of fluctuating interest rates on the market value of the instrument. While this method provides certainty in valuation, it may result in periods during which value, as determined by amortised cost, is higher or lower than the price the Fund would receive if it sold the instrument.

Portfolio securities that are traded on a Stock Exchange are valued at the last trade price on the Exchange as of the close of business on the day the securities are being valued, or lacking any sales at the last available trade price. Securities traded in the over-the-counter market are valued at the last available trade price in the over-the-counter market prior to the time of valuation.

#### **Valuation of unquoted securities**

1. The value of investments not listed or quoted shall be based on the net asset value per share based on the last available financial statements subject to an adjustment upwards or downwards of up to 10 per cent to take into account post-balance sheet market conditions except that any adjustment in the price by more than 10 per cent in view of market conditions may be made only in consultation with the Board of Directors of the Fund.
2. The Manager shall keep all records used to support the valuation of unquoted securities. The Net Asset Value (NAV) is the price at which shares are issued and is the basis for determining management fees and custodian charges. An initial fee of 1.0% is charged on any investment in the Fund after the initial offering period.

The Net Asset Value per share of the Fund is determined every business day as of close of trading on a Stock Exchange at 4:00p.m GMT. Shares will not be priced on days that trading does not take place on the Ghana Stock Exchange, and on days that banks are closed for business.

#### **Remuneration of the Manager**

- a) The Manager shall be entitled to receive as a fee the preliminary charge and the Management Fees set out hereunder. The price of issue will include a preliminary charge of 1.0% of the net asset value per share. The preliminary charge shall not in any event exceed 7 percent of the issue price of an interest. The preliminary charge shall be paid to the Manager upon receipt of the monies payable for all new shares issued. The preliminary charge is currently set at 1.0%
- b) The Management Fee shall be calculated in respect of successive calendar monthly periods ("payment periods") and shall not exceed a maximum of 2.0% per annum of the value of the net assets of the Fund. The Management Fee will be calculated as 1.50% of the value of the net assets of the Fund divided by 365 (or, in a leap year, 366) and multiplied by the number of days comprised in the relevant payment order. The management fee will be paid out of the property of the Fund.



- c) Any indirect tax chargeable in respect of services supplied by the Manager in consideration of the Management Fee shall be paid out of the assets of the Fund.

#### **Remuneration of the Custodian**

The Custodian is entitled to receive remuneration for its services which (together with any indirect taxation thereon) shall be paid out of the net asset of the Fund. Such remuneration shall consist of a periodic charge calculated in accordance with sub-clauses (b) and © below.

- a) Subject as stated herein, the periodic charge payable to the Custodian shall be calculated in respect of successive calendar quarterly periods (“Payment Periods”) PROVIDED that no charge shall be payable in respect of the initial offer period and the first Payment Period shall begin on the day following the end of the initial offer period and end on the last day of the quarter in which such offer period expires and in respect of the first Payment Period the relevant valuation point shall be the first valuation point of the Fund following the end of the initial offer period;
- b) The amount of the periodic charge for each such Payment Period shall be calculated as such percentage of the value of the assets of the Fund divided by 365 (or, in a leap year, 366) and multiplied by the number of days (including fractions of a day) comprised in the relevant Payment Period
- c) For the purposes of calculating the Custodian's periodic charge in respect of any Payment Period, the net asset value of the Fund shall be determined by using the bid basis of valuation at the relevant valuation point. The relevant valuation point shall be the most recent point to have occurred; and) In the event of a winding up of the Fund, the final Payment Period for the purpose of calculating the Custodian's periodic charge shall end on the day on which the final distribution in such winding up shall be made or, in the case of a winding up following the passing of an extraordinary resolution at a meeting of shareholders pursuant to the Regulations such other day as may be specified by the resolution of the terms of the Fund or proposal thereby approved.
- e) The calculation of the remuneration to which the Custodian is entitled under the Regulation shall be made without taking into account any indirect taxation in respect thereof.
- f) Any amount of remuneration payable to the Custodian calculated under sub-Regulation (b) above in respect of any Payment Period shall accrue on a daily basis and shall be paid to the Custodian on or as soon as possible after the date on which the relevant Payment Period ends.

#### **Remuneration of directors**

The fees of non-executive directors will be paid out of the property of the Fund after approval by shareholders at an annual general meeting.

#### **Other Expenses Chargeable to the property of the Fund**

- a) The Manager shall be entitled, out of the assets of the Fund, to make payments to service providers including registrars, and auditors by way of remuneration for their services and to make payments by way of contributions to the expenses of regulatory bodies.
- b) The Manager shall be entitled, out of the assets of the Fund, to meet the costs incurred in connection with the production of certificates of title, distribution, stationery and the mailing thereof. Accounting and legal expenses; cost of maintaining the Fund's existence; cost of shareholders' reports and meetings; and the cost of preparing and printing prospectus and statements of additional information will be borne by the Fund.



**Fees and Expenses**

This table summarizes the fees and expenses you may pay if you invest in the Fund.

**Shareholder Fees (Fees paid directly from your investment)**

		Redemption Charge
Databank Balanced Fund	1%	None

**Annual Fund Operating Expenses (Expenses that are deducted from Fund assets)**

	Management Fee	Custody Fee	Other Expenses	Total Amount Fund Operating Expenses
Databank Balanced Fund	1.50%	0.50%	1.5%	3.5%

The annual management fee is taken into account in the pricing of the Fund. Other expenses cover items such as audit fees, accounting charges, administrative fees, shareholder services, and all other charges and expenses incurred in the operation of the Fund, and are taken into account in the pricing of the Fund.

*Example*

**The effects of charges and expenses on an initial investment of GH¢100 in Databank Balanced Fund, assuming growth of 20% a year is set out below.**

The figures below are not guaranteed and serve only to demonstrate the effect of charges and expenses on an investment.

**Assuming an initial charge of 1.0% in year 1, and expenses as detailed above.**

At end of year	Investment to date	Effect of deductions to date	What you might get back
Initial investment	Gh¢100		
1		GH¢4.8115	GH¢114.9885
2		GH¢9.4258	GH¢139.2080
3		GH¢14.7853	GH¢161.6900
4		GH¢21.0104	GH¢187.8030
5		GH¢28.2408	GH¢218.1332
<b>Returns</b>			<b>118.13%</b>

**THE ISSUE AND REDEMPTION OF INTEREST IN THE SCHEME**

**Issue of Shares**

The shares of the Fund are not listed on the Stock Exchange. You may set up a new account to buy Fund shares. When you buy Fund shares, the shares are purchased at the last published price.

You can buy shares of the Fund within normal business hours on every business day that is between 8am GMT and 4pm GMT.



The Manager will be available to receive request for the issue and redemption of shares between 8am GMT and 4pm GMT on Mondays to Fridays except on statutory public holidays. Applicants settling in a currency other than the base currency of the Fund may experience a delay in processing the application to allow for currency conversion. Payment of the total amount due should be made in Ghanaian cedis. However payment can be made in a freely convertible currency and the necessary foreign exchange transaction will be arranged on behalf of and at the expense of the applicant. Shares will be issued and redeemed on any day except Saturdays, Sundays and statutory public holidays. The issued shares will not be listed on the Ghana Stock Exchange.

The issue of shares is conditional upon receipt of subscription monies and cleared funds by 4p.m. GMT on a valuation day. If timely settlement is not made an application may lapse and be cancelled. In such circumstances the Fund has the right to bring an action against the defaulting applicant to obtain compensation for any loss directly or indirectly resulting from the failure by the applicant to make good settlement by the settlement date.

The initial offer will be opened for 21 days inclusive of the days on which the offer begins and ends. 500,000 shares will be on offer at an initial price of GHp10 per share. An amount of GH¢50,000 is expected to be raised during the offer. Subject to receipt of the subscription monies in full and the registration particulars, contract notes together will be dispatched in accordance with the applicant's instructions to the applicant or his nominated agent at the risk of the applicant. If any application is not accepted in whole or in part the subscription monies (without interest) will be returned by cross cheque to the applicant within 14 working days after the closure of the Offer. Monies are deemed to have been returned to the applicant when an announcement is made in the media for the applicants to collect their monies. The right is reserved by the Board of Directors to reject any application. No shares of the Fund will be issued during any period when calculation of the net asset value per share is suspended by the Fund.

### **Receiving Agent**

The receiving agent is: Databank Brokerage Limited.

### **Minimum Investments**

The minimum initial investment value for all investors not on the regular investment plan is GH¢100. Additional investments should be a minimum of GH¢10.

### **The maximum Investments**

An investor may not purchase shares which will result in him/her holding more than 0.5% of the total value of the Fund.

### **Investment Options**

1. *Contact Databank or its Agents:* You may buy Fund shares with cash or cheque, by contacting personnel of Databank Asset Management Services or other agents of Databank. Representatives of Databank Client Services will assist you, step-by-step, with the application to invest in the Fund.
2. *By Mail:* To open a new account to buy Fund shares you need to :
  - Complete and sign the attached application forms
  - Write a cheque for the investment amount to the Databank Balanced Fund Limited and Mail the application and cheque to the Manager, Databank Balanced Fund, c/o Databank Asset Management, Private Mail Bag, Ministries Post Office, Accra, Ghana.



To buy additional shares for an existing account you need to:

- Write to the Fund specifying the name(s) on the account, the account number and the additional investment amount. The letter must be signed by the account holder(s).
- Make out a cheque for the investment amount to Databank Balanced Fund Limited, and Mail the letter and cheque to the Manager, Databank Balanced Fund at the same address as for new accounts

1. *By Bank Wire:* To open a new account to buy Fund shares:

Mail or Fax the attached Application Form, completed and signed, to The Manager, Databank Balanced Fund, c/o Databank Asset Management, Private Mail Bag, Ministries Post Office, Accra, Ghana. Before sending instructions by wire, please call us at (233-21) 681404, 7010070, weekdays from 8.00am to 5.00pm (at that time we will provide you with details of our bank account to which the Fund, should be wired). Wire the instructions specifying the name of the Fund, your name, along with the investment amount. When you buy Fund shares, wire purchase instructions will be executed on the next business day. Your Bank may impose a fee for sending a wire. The Fund will not be responsible for the consequences of delays, in the banking wire systems.

To buy additional shares for an existing account:

- Before sending instructions by wire, please call us at (233-21), 681404, 7010070, weekdays from 8.00am to 5.00pm advising us of your purchase.
- Wire the instructions specifying the name of the Fund, your name and account number, along with the investment amount in the same manner as that for opening a new account.

2. *By Regular Investments:*

This option is only available to those who would like to purchase shares through regular bank transfers. This is a purchase plan that allows you to transfer money automatically from your bank account on a monthly basis. The Fund will not be responsible for the consequences of delays and any charges imposed by your bank. The minimum amount for this option is GH¢10 per month. Contact Databank Asset Management Services for further information about this service.

3. *By Telephone*

### **Additional Purchase Information**

Application settling in a currency other than the base currency of the Fund may experience a delay in processing the application to allow for currency conversion. As soon as the price at which the shares are to be issued has been determined, the Fund will inform the applicant, if practicable, of the total number of shares allotted and the total cost including any applicable initial sales charge in respect of the number of shares applied for. Payment of the total amount due should be made in Ghanaian cedis.

However, payment can be made in a freely convertible currency and the necessary foreign exchange transaction will be arranged on behalf of, and at the expense of, the applicant through the banking system as per Bank of Ghana regulations. Subscription monies in cleared funds must be received on the valuation day before a purchase is made. No shares of any Fund will be issued during any period when calculation of the net asset value per share is suspended by the Fund. Notice of any suspension will be given to applicants for shares, and applications made or pending during such suspension may be withdrawn by notice in writing received by the Fund prior to the lifting of such suspension. Unless withdrawn, applications will be considered on the first Valuation Day following the end of the suspension, as if received on that Valuation Day.



## Redemption of Shares

You can sell some or all of your Fund shares within normal business hours on every business day. Your shares will be sold at the last published price. The minimum value of redemptions for partial redemptions is GH¢10. Shareholders who have not invested a minimum amount of GH¢100 within the first twelve months of joining the Fund will have their investment redeemed.

### 1. *Contact Databank Asset Management:*

To sell your shares, simply call at Databank Asset Management and you will be instructed on the procedure. Payment will be sent to the address to which the account is registered or otherwise according to your instruction at the redeemer's expense.

### 2. *By Letter:*

You may also sell your shares by writing a letter of instruction that includes:

- *The name of the Fund;*
- *Your account number;*
- *The account registration name(s) and address*
- *The Cedi amount or the number of shares you wish to sell, and*
- *The signature of each owner as it appears on the account.*
- *The name of the payee*

Mail the letter to the Manager, Databank Balanced Fund, c/o Databank Asset Management, Private Mail Bag, Ministries Post Office, Accra, Ghana. A crossed cheque will be mailed to the names, and address in which the account is registered, or otherwise according to your instructions at the redeemer's expense.

### 3. *By Telephone:*

To sell shares by telephone, first fax a redemption letter to us on (021) 681442. You must provide your account name(s), address, Fund, account number, social security number or any valid identification number before you may redeem shares by telephone. All telephone redemption requests are recorded.

Shares in the Fund may be redeemed within normal business hours on every business day at the net asset value per share last published price, except that dealings in orders received on any trading day on which any of the securities held by the Fund is traded shall be at the next published price. If a redemption request would result in a shareholder's investment in the Fund being less than 500 shares, the Company may redeem the full shareholding in that Fund and pay the proceeds to the Shareholder. The payment for redemption has been delegated to the Manager. Payment for shares redeemed will be made by crossed cheque not later than five (5) bank business days after the redemption request has been received in good order. A transfer can be made into the redeemer's bank account at the redeemer's expense.

The right of redemption will be suspended with the approval of the SEC at times when:

1. any of the principal markets on which any substantial portion of the investments of the Fund quoted are closed otherwise than for ordinary holidays or during which dealings therein are restricted or suspended
2. the existence of any state of affairs which constitute an emergency as a result of which disposal or valuation of assets owned by the Fund would be impracticable and;
3. there is a breakdown in the means of communication normally employed in determining the price or value of any of the investments of the Fund or during any other period when the Securities Exchange Commission (the "SEC"), by order, so permits.



Any such suspension shall be published in two newspapers of national circulation by the Fund and shall be notified to shareholders requesting redemption of their shares by the Fund at the time of the filing of the request for such redemption. Under normal circumstances, prior to redemption requests, and before any payment will be made; the Manager must have received the registered share certificate(s), if any, to be redeemed and the duly completed transfer information. In the event that no share certificates are issued, evidence of one's investment will be via the person's records in the register of the Fund.

**The price at which shares in the Fund are redeemed may be more or less than the cost to the shareholder depending on the net asset value per share of the Fund at the time of redemption.**

A shareholder may not withdraw his request for redemption except in the event of a suspension of the valuation of assets of the Fund and, in such event; a withdrawal of a redemption request will be effective only if written notification is received by the Manager before termination of the period of suspension.

### **Reservations**

The Fund may stop offering its shares at anytime and may reserve the right to reject any order for the purchase or exchange of shares. The Fund may also modify the conditions of purchase at any time and such information would be included in the updated scheme particulars. The Fund reserves the right to close an account if, in the opinion of the Fund the account is suspected of being opened for fraud or money laundering purposes. The Fund reserves the right to revise or terminate the telephone redemption privilege at any time. In the event that a Fund suspends telephone redemption privileges you will still be able to redeem your shares by mail. A fax and telephone indemnity must be provided by anyone who wishes to send instructions by fax and telephone.

### **Publication of Share Price**

The most recent issue and redemption prices will be published after determination of the Net Asset Value on every business day.

### **LIABILITY FOR SCHEME PARTICULARS**

1. A person responsible for issuing a document that contains the particulars of a scheme is liable to pay compensation to any person who:
  - a) purchases or agrees to purchase interests in the scheme; and
  - b) suffers loss due to an untrue or misleading statement or the omission of any particulars required by the Regulations to be in the scheme particulars.
2. Where the form of a scheme particular requires details which are not relevant to the particular scheme, the omission of those details shall not be considered as an omission for purposes of the Regulations.
3. A person shall not incur any liability under the Regulations for any loss in respect of interests in a scheme if the person satisfies the court that at the time when the scheme particulars were prepared or ought to have been revised the person reasonably believed, having made such enquiries as were reasonable, that the statement was true and not misleading or that the matter which caused the loss was properly omitted if
  - a) the person continued in that belief until the time when the interests were acquired;
  - b) the interests were acquired before it was reasonably practicable to bring a correction to the attention of persons likely to acquire them;



- c) before the interests were acquired the person had taken such steps as were reasonable for the person to have taken to ensure that a correction was brought to the attention of persons likely to acquire them; or
  - d) the person who acquired the interests was not influenced, or not influenced to any material extent, by that statement or would not have been influenced to any material extent, by the inclusion of the matter omitted in deciding to acquire the interest.
4. A person shall not incur any liability under the Regulations if the person satisfies the court that:
- a) before the interests were acquired, a correction was published in such a manner as to inform prospective participants in the scheme;
  - b) the person took such steps as were reasonable to secure the publication and believed it had taken place before the interests were acquired;
  - c) the purchaser acquired the interests with the knowledge that the statement was misleading or with the knowledge of the omitted matter; or
  - d) the failure to revise the scheme particulars was because the person reasonably believed that the change or new matter was not such as to require a revision of the scheme particulars.

## **GENERAL INFORMATION**

### **Guarantee of Minimum Initial Subscription**

The Board of Directors of the Fund guarantees an initial minimum subscription of GH¢50,000 (Fifty thousand Ghana cedis) and in the event that the minimum subscription is not raised upon the closure of the Initial Public Offering the directors guarantee to purchase from the Manager to make up for any shortfall between the amount raised and the guaranteed minimum subscription.

### **Information on Shareholders' Meetings and Reports**

The annual and half year reports will be published four months and two months respectively after the end of the accounting period.

The annual general meeting of shareholders will be held each year. Notices of all meetings will be published in the print media as the Board of Directors shall from time-to-time determine in line with SEC rules and will be sent to registered shareholders by post at least twenty-one (21) days prior to the meeting at their addresses in the register of shareholders. Such notices will include the agenda and specify the time and place of the meeting.

Audited annual reports and unaudited reports will be mailed to shareholders at their registered addresses. Copies of the constitution of the scheme, any amending instrument and the most recent annual and half-yearly reports may be inspected and obtained at the registered office of the Company No 61 Barnes Road, PMB, Ministries Post Office Accra. The accounting year of the Fund ends on December 31 in each year.

### **Meetings, attendance and voting**

1. The investors of the Fund shall meet for the transaction of business at such times and places as the board of directors of the mutual fund may determine except that the Manager shall hold such meeting at least once a year.
2. The board of directors of the Fund shall at the request in writing of investors registered as holding not less than one-twentieth of the number of interests in issue or at the request of a trustee or custodian made in writing, convene a meeting of the investors within thirty days of the date of the request.



3. The Manager may attend any meeting of investors but the Manager is not entitled to vote or be counted for a quorum.

### **Performance Information**

For the purposes of advertising, performance will be calculated on the basis of average annual total return. Advertisements also may include performance calculated on the basis of total return.

Databank Balanced Fund prices will be published twice a week in the National Daily Graphic and The Statesman. The Fund's price will also be available at Databank's premises daily and on the Databank website.

Average annual total return quotations for the specified periods will be computed by finding the average annual compounded rates of return (based on net investment income and any capital gains or losses on the portfolio investments over such periods) that would equate the initial amount invested to the redeemable value of such investment at the end of each period. The return is expressed as a percentage rate which, if applied on a compounded annual basis, would result in the redeemable value of the investment at the end of the period.

Total return is computed on a per share basis. Total return generally is expressed as a percentage rate which is calculated by combining the income and principal changes for a specified period and dividing by the maximum offering price per share at the beginning of the period. Advertisements may include the percentage rate of total return or the value of total return. Total return may also be calculated by using the net asset value per share at the beginning of the period instead of the maximum offering price per share at the beginning of the period. Performance will vary from time to time and past results are not necessarily representative of future results. You should remember that performance is a function of portfolio management in selecting the type and quality of portfolio securities and is affected by operating expenses. Performance information, such as the described above, may not provide a basis for comparison with other investment or other investment companies using a different method of calculating performance.

### **Copies of Regulations**

Copies of the regulations of the scheme can be inspected and obtained from Databank Asset Management Services Limited ("the Manager") at No. 61, Barnes Road, Adabraka, Accra.

### **Material contract**

The Management Agreement is between Databank Asset Management Services Limited and the Databank Balanced Fund Limited. Copies of Management Agreement of the scheme can be inspected and obtained from Databank Asset Management Services Limited ("the Manager") at No. 61 Barnes Road, Adabraka, Accra

### **Complaints**

Complaints about the operation of the scheme may be made to Databank Asset Management Services Limited ("the Manager").

### **Complaints procedure**

1. The Manager of a scheme 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.

### **Account Information Changes**

To change information regarding an account (including a new address, change of beneficiary, or change in the automatic investment plan), you must send the new information to Databank Asset Management Services Ltd.. Please mail the new information to Databank Balanced Fund, PMB Ministries Post Office, Accra. Include your Databank Balanced Fund account number, as well as your name, address, signature and phone number, along with the new information. You may fax this information to Databank Balanced Fund, +233 21 681442. You may confirm receipt of this information by calling Databank Asset Management Services Ltd or Databank Client Services Ltd at 233-21- 681404, 7010070.

## **ADDITIONAL INFORMATION**

### **Risk Factors**

*There is no assurance that the Fund will achieve its investment objective.*

The investment of the Fund will be subject to normal market fluctuations and other risks inherent in investing in securities and there can be no assurance that any appreciation in value will occur. The value of investments and the income derived therefrom, which is linked to the net asset value of the Fund, may rise or fall resulting in the possibility of the investor not realizing his initial investment. An investor who sells shares after holding for a short period may, in addition, not realise the amount originally invested.

Investing in securities in Ghana and other newer emerging markets, involves certain considerations not usually associated with investing in securities of issues in more developed capital markets. Such risks may include:

- a) *Greater economic uncertainty;*
- b) *The small size of the markets for securities and low volumes of trading resulting in illiquidity and price volatility; and*
- c) *The relative lack of publicly available information on listed companies.*

There is the possibility of delays in the settlement of trades which may result in periods when the assets of the Fund are invested and no return is earned thereon. Shareholders who purchase shares using foreign currency may be subject to significant fluctuations of currency rates. Changes in foreign currency exchange rates will affect the value of securities when translated into the currency with which the shareholder invested. Investment in equity securities carries greater risks than investment in government instruments and investors should be aware that while equity securities can be extremely rewarding, the risks are consequently higher. Investors should regard investments in the Fund as medium to long-term in nature and should expect a moderate level of volatility due to the relatively moderate level of risk involved.

A principal risk of investing in the Fund is associated with its equity investments. In general, stock values fluctuate in response to activities specific to the company as well as general market, economic and political conditions. Stock prices can fluctuate widely in response to these factors.

*Some other risk factors are:*

*Credit risk* refers to the possibility that the issuer of a security will be unable to make interest payments and or repay the principal on maturity.

*Interest rate risk* refers to fluctuations in the value of a fixed-income security resulting from changes in the general level of interest rates.

*Operational Risk:*

The Fund will invest through the services of brokers and custodians. This is no guarantee that these parties will not fail to trade or discharge their obligations as expected. This risk can lead to the incurring of costs related to the replacement of the deal (replacement risk). Again this kind of risk may take the form of settlement risk when the Fund pays cash or delivers securities but the other party delays execution thereby causing illiquidity which may be critical. While the Manager and the custodian of the Fund intend to use the services of only the best qualified parties, the choice of available options may be limited. Investors in the Fund will have to understand that they may have to bear such risk

*Market Risk:*

The value of your investment may decline due to fluctuations in the market

*Liquidity Risk:*

This risk exists when particular investments are difficult to purchase or sell, possibly preventing the Fund from selling out of these illiquid securities at an advantageous price. This could lead to extended withdrawal periods due to the Funds inability to meet redemption request.

In addition, the mutual fund is particularly subject to the risk that the purchasing power of your investment may be eroded overtime by inflation. The Investment Manager actively manages the Fund's assets to reduce the risk of losing any principal investment as a result of the above mentioned.

## **Taxation**

*Taxation of the Company:*

Under Ghanaian tax laws, the interest, dividends, or any other income of a mutual fund is exempt from income tax. Capital gains on the sale of securities listed on the Ghana Stock Exchange are exempt from tax until 2010. **Taxation of Shareholders:** The interest or dividends payable to a member of a mutual fund is exempt from tax.



## APPLICATION AND DISPATCH OF CONTRACT NOTE

### 1. Application

Application must be made on the application form enclosed. Care must be taken to complete the form as wrongly completed forms will be rejected.

Application for the shares now offered will open at GHp 10 per share. Application for the shares must be for a minimum of 100 shares. The number of shares for which application is made and the amount of the cheque, money order or cash attached should be entered in the space provided. All other joint applications 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 the Receiving Agent below. Cheques and money orders must be crossed "DATABANK BALANCED FUND" and made payable to the Receiving Agent with whom the application is lodged. All cheques will be presented upon receipt and all applications in respect of which cheques are returned unpaid will be rejected.

### 2. Dispatch of Contract Notes

The Manager reserves the right to accept or reject any application. Application monies will be retained in a separate bank account by DATABANK BALANCED FUND, pending investment. Contract Notes for accepted applications will be sent by post 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, through the post, or designated by an account within 28 days of the close of the offer, or after 28 days, interest will be paid from that day at the prevailing Bank of Ghana Prime Rate.

### 3. Receiving Agent

Copies of the scheme particulars may be obtained free of charge from the office of DATABANK BROKERAGE LIMITED below:

Databank Brokerage Limited  
No. 61 Barnes Road  
Adabraka  
Accra

## Databank Balanced Fund Ltd

<i>APPLICATION FORM-Corporate</i>			
Name of organization :.....  .....	<b>1<sup>st</sup> Signatory</b> Title (Designation) .....  Surname:.....  First Name(s):.....		
Postal Address:  .....  .....  Business Telephone #:.....  E-mail: .....	<b>2<sup>nd</sup> Signatory</b> Title (Designation).....  Surname:.....  First Name (s):.....  <b>3<sup>rd</sup> Signatory</b> Title (Designation).....  Surname:.....  FirstName(s):.....		
<b>Lump-Sum Investment</b>  Complete this section if you wish to make a single lump-sum payment. The minimum is currently GH ¢50. Please make a cheque out for the amount payable to DATABANK BALANCED FUND LTD	I/We wish to invest GH GH ¢100 <input type="checkbox"/> GH ¢200 <input type="checkbox"/> GH ¢300 <input type="checkbox"/> GH ¢500 <input type="checkbox"/> Other <input style="width: 50px;" type="text"/>	<b>Regular Investment Plan</b> The minimum is GH ¢5 per month. I/We understand that any monies paid to DATABANK BALANCED FUND LTD, under the terms of the Regular Investment Plan will be used to purchase shares on my/our behalf at the price prevailing on the next trading day after receipt of any monies.	I/We wish to invest monthly GH ¢10 <input type="checkbox"/> GH ¢20 <input type="checkbox"/> GH ¢50 <input type="checkbox"/> Other <input style="width: 50px;" type="text"/>
If you do not want re-investment of dividend please tick <input type="checkbox"/>			
<b>SIGNATURES: Please Tick ( One / Two / Three ) to Sign</b>			
1 <sup>st</sup> Signatory..... Date .....			
2 <sup>nd</sup> Signatory ..... Date:.....	3 <sup>rd</sup> Signatory ..... Date:.....		
The investment objective of the Fund is to achieve growth in income and capital, provide liquidity as well as conserve principal by investing in diversified portfolio of equities and fixed income securities such as government securities and corporate bonds listed on recognized markets  <b>The price at which shares in the Fund are redeemed may be more or less than the cost to the shareholder depending on the price per share of the Fund at the time of redemption.</b>			



## Databank Balanced Fund Ltd

### APPLICATION FORM-Individual

<b>Personal Details:</b> To be completed by all applicants		<b>Joint Applicant (if any)</b>	
First Applicant (Mr/Mrs/Miss)..... Surname:.....		Title (Mr/Mrs/Miss).....Surname:.....	
First Name(s): .....		First Name(s):.....	
Postal Address:..... ..... .....		<b>Investment For Children:</b> An account may be opened for a child under 18 in the name of an adult and held in trust for the child. Simply complete the Personal Details Section with the adult's full name and address and enter the child(ren)'s name(s) below.	
Home Telephone #:.....		Child(ren)'s	
Business Telephone #:.....		Name:.....	
E-mail: .....		.....	
Marital Status: Single/Married/Other.....		.....	
Nationality:.....		.....	
<b>Occupational Details</b>		Beneficiary(ies):.....	
Occupation:.....		Relationship:..... (%).....	
Name & Address of Employer:..... .....		.....	
<b>Lump-Sum Investment</b>  Complete this section if you wish to make a single lump-sum payment. The minimum is currently GH¢100. There is no maximum. Please make a cheque out for the amount payable to DATABANK BALANCED FUND LTD	I/We wish to invest  GH ¢100 <input type="checkbox"/> GH ¢200 <input type="checkbox"/> GH ¢300 <input type="checkbox"/> GH ¢500 <input type="checkbox"/> Other <input style="width: 50px;" type="text"/>	<b>Regular Investment Plan</b>  The minimum is GH ¢10 per month. There is no maximum. I/We understand that any monies paid to DATABANK BALANCED FUND LTD, under the terms of the Regular Investment Plan will be used to purchase shares on my/our behalf at the price prevailing on the next trading day after receipt of any monies.	I/We wish to invest monthly  GH ¢10 <input type="checkbox"/> GH ¢20 <input type="checkbox"/> GH ¢50 <input type="checkbox"/> Other <input style="width: 50px;" type="text"/>
If you do not want re-investment of dividends please tick <input type="checkbox"/>			
<b>Signatures</b> All applicants: (If joint applicants, both must sign). I am/We are aged 18 years or over			
<b>First Applicant</b>		<b>Joint Applicant (If Any)</b>	
Signature:.....		Signature:.....	
Date:.....		Date:.....	
The investment objective of the Fund is to achieve growth in income and capital, provide liquidity as well as conserve principal by investing in diversified portfolio of equities and fixed income securities such as government securities and corporate bonds listed on recognized markets  <b>The price at which shares in the Fund are redeemed may be more or less than the cost to the shareholder depending on the price per share of the Fund at the time of redemption.</b>			

## Notes

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