

HERITAGE FUND LIMITED

(Solid Growth, Sustainable Income and Long Term Value)

PROSPECTUS

(SCHEME PARTICULARS)

(Rules and Regulations of the Fund & The Scheme Particulars)

Offer for Initial Public Subscription

For 500,000 shares of the Heritage Fund
At Gp20 per Share

OFFER OPENS: July 26, 2010
OFFER CLOSES: August 16, 2010



Promoter
FIRSTBANC FINANCIAL SERVICES LIMITED

A copy of these scheme particulars along with the business plan of Heritage Fund Limited have been cleared by the Managers of the Mutual Fund and approved by the Securities and Exchange Commission (SEC). This prospectus has been issued in compliance with SEC regulations on Unit Trust and Mutual Funds, L.I. 1695. The SEC however assumes no responsibility for the correctness of any of the statements contained in this document.

The Managers of the Heritage Fund Limited individually and collectively accept full responsibility for the accuracy of the information given and confirm, having made all reasonable enquiries, that to the best of their knowledge, information and belief, there are no material facts the omission of which would make any statement herein misleading, deceptive or untrue.

HERITAGE FUND LIMITED

(An Authorised Equity Market Mutual Fund)

**Offer for Initial Public Subscription
For 500,000 shares of the Heritage Fund
At Gp20 per Share**

The distribution of this document and the offering of shares in certain jurisdictions may be restricted by law; persons into whose possession this document comes are required by Heritage Fund Limited to inform them about, and observe any such restrictions. This document does not constitute an offer to, and may not be used for the purpose of an offer to or the solicitation by, anyone in any jurisdiction or in any circumstances in which such offer or solicitation is not authorised or is unlawful.

Before deciding whether to apply for shares, you should consider whether this investment is a suitable investment for you as their unit price may fluctuate.

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THE HERITAGE FUND

Heritage Fund is an open-ended equity market mutual fund with the objective of achieving long term capital growth for its investors. The Fund seeks to raise a minimum amount of GH¢100,000 (One hundred thousand Ghanaian Cedis) during the Initial Public Offering at a price of Gp20 per share. The Fund will invest in both listed and non listed securities in profitable sectors based on well informed research and decisions in order to generate superior returns for investors at minimal risk.

THE OFFER

The Fund is initially offering a minimum of 500,000 shares. The Heritage Fund consists of an unlimited number of shares at an initial cost of 20Gp per share.

The minimum investment for purchase of shares under the IPO is set at 100 shares and thereafter in multiples of 25 shares.

This prospectus is being issued under the Securities Industry Law 1993 (P.N.D.C.L 333) as amended and the Unit Trust and mutual Funds Regulations (L.I 1695). Copies of the prospectus, together with copies of documents specified therein, have been delivered to the commission.

The initial offering for shares of the Heritage Fund will begin from 8:30am on the 26th of July, 2010 and end 5.00pm on 16th August, 2010

Any change in the period will be made by the manager with the approval of the commission. All application for shares should be directed to the Manager at its registered offices below:

FirstBanC Financial Services Limited
6 South Liberia Road
Kwame Nkrumah Avenue
Adabraka, Accra

PROSPECTUS SUMMARY

The Mutual Fund	The name of the Mutual Fund is Heritage Fund Limited (the Fund). It is an open-ended equity market mutual fund that was established on 8th December 2009 with an unlimited duration. The Fund will invest in a diversified portfolio of listed and unlisted securities as well as money market instruments.
Shares Offered Ordinary	Shares of no par value
Initial Minimum Purchase	100 shares valued at GH¢20.00 and thereafter in multiples of 25 shares.
Investment objective and policy	The Fund seeks to achieve long term capital growth for its investors. The Fund will invest primarily in listed and unlisted securities in all sectors, as well as Fixed Income securities. It is anticipated that the Fund's portfolio shall consist of 75% equity and 25% fixed income instruments with a rebalancing range in the margin of +/- 10%
The Fund Manager	FirstBanC Financial Services Limited, a SEC-Licensed Investment Adviser
Regular Investment Purchases	Investors have the option of making regular investments at a minimum of GH¢5.00.
Management Fee	The Manager shall receive a management fee not exceeding 2% per annum of the Net Asset Value of the Fund payable on a monthly basis

PROSPECTUS SUMMARY

Dividends and Distribution

No dividends shall be paid out to investors. All net income and realized capital gains, if any, will be reinvested. Any investor who wishes to cash out his / her investment may redeem their shares.

Redemption

Shares can be redeemed by applying in person at the offices of the Manager or in writing to the Manager or duly authorised agents of the Manager on any business day

Base Currency

The base currency of the Fund is the Ghana Cedi

Risk factors

The Fund is a newly organized investment company that will invest primarily in capital market. The potential risks associated with the Fund are market risk, Credit and default risk, inflation and Exchange Rate risk, Investment Style risk and taxation and regulatory risk

OFFER TIME TABLE

Application List Opens: July 26th, 2010

Application List Closes: August 16th, 2010

Receiving Banks make returns to Fund Manager: August 23rd, 2010

Issue and Distribution of Contract Notes: August 30th, 2010

Final Dispatch of Contract Note: March 22, 2010

Trading Commences: September 7th, 2010

The Manager and Other Parties to the Offer

The Manager:

Name:	FirstBanC Financial Services Limited
Country of Incorporation:	Ghana
Registration Number:	CA-51,514
Nature of Corporate Form:	Limited Liability
Date of Incorporation:	27th October 2008
Address:	# 6 South Liberia Rd, Kwame Nkrumah Ave. Adabraka P.O. Box 1464, Osu - Accra Tel: +233-0302- 250627, 250 636 Fax: +233-0302- 250 627 E-mail: info@firstbancgroup.com Website: www.firstbancgroup.com

Authorised Shares: 1,000,000,000

Paid Up Capital: GH¢530,000.00

Directors of the Manager:

Name	Address	Affiliations	Occupation	Nationality
HRM Nene Adamtey 1	TDC Service Plot #073A Sakumono Estates	Marina Financial Group Fletcher International Group	Business Executive	Ghanaian
Mr. Ben Oduro	1 Ginger Close. Adenta	N/A	Chartered Accountant	Ghanaian
Mrs. Ama Bartels Kodwo	No 4, 10th Avenue, Ridge	KEK Insurance Brokers Ltd.	Economist/Transporter	Ghanaian
Mr. Mawuli Hedo	No. 2 Dahlia Lane, Teshie Nungua Estate Accra	FirstBanC Financial Services Ltd.	Investment Manager	Ghanaian

Directors of the Fund:

Name	Address	Affiliations	Occupation	Nationality
Prof. John Bright Aheto	Central University College	Ghana Broadcasting Corporation	Lecturer	Ghanaian
Mr. Kwame Adjei-Adjivohn	Ghana Reinsurance Co. Ltd.	Ghana Reinsurance Co. Ltd	Chartered Accountant/Financial Analyst	Ghanaian
Mr. Ben Acolatse	SIC Insurance Company Ltd.	SIC Insurance Company Ltd	Insurance	Ghanaian
Mr. Stephen Kpordzih	Agricultural Development Bank Ltd.	Agricultural Development Bank Ltd.	Banker	Ghanaian

THE CUSTODIAN

Name:	STANBIC BANK GHANA LIMITED
Nature of Corporate Form:	Limited Liability
Country of Incorporation:	GHANA
Date of Incorporation:	27th July 1999
Name of Holding Company:	STANDARD BANK GROUP
Holding Company Incorporation:	Incorporated in South Africa
Address:	VALCO TRUST HOUSE, CASTLE ROAD, ACCRA
Issued Shares:	84,224,914
a) Paid up Capital	GH¢ 62,435,000
b) Preference share capital	N/A
c) Reserves	GH¢ 26,481,105.00
d) Total Shareholders' Funds	GH¢ 44,805,815.00
Principal Business:	Banking
Auditors:	Pannell Kerr Forster # 20 Farrar Ave Adabraka, Accra P .O. Box 1219, Accra, Ghana.
Lawyers:	Agbesi Dzakpasu Pension House Accra LEX-ECK Consult C645/3, 4th Crescent - Asylum Down P .O. Box CT 3556, Cantonments, Accra.
Registers:	FirstBanC Financial Services will act as Registrar. The register may be inspected at the offices of the Manager/Register at FirstBanC Financial Services Limited # 6 South Liberia Rd, Kwame Nkrumah Avenue, Adabraka – Accra, Ghana

THE CONSTITUTION OF THE SCHEME

1.1 The Mutual Fund

The name of the Mutual Fund is Heritage Fund Limited (the Fund). The Fund is an open-ended equity market mutual fund that was established on 8th December 2009.

1.1.2 Investment Objective

The Fund seeks to achieve long term capital growth for its investors.

1.1.3 Base Currency

The base currency of the Fund is the Ghanaian cedi.

1.1.4 Initial Subscription

The Fund seeks to raise a total of GH¢100,000 (One hundred thousand Ghanaian cedis) during the offer period.

1.1.5 Shares

The Fund consists of an unlimited number of shares at an initial price of Gp20 per share. The Fund will initially offer a minimum of 500,000 shares.

The minimum investment purchase of shares during the Initial Public offering (IPO) is set at 100 shares and thereafter shares can be purchased at the prevailing market price on each business day.

No fractional Shares may be issued under the scheme. Only whole and fully paid shares may be issued.

1.2 Principal Investment Policy

The Heritage Fund is an **EQUITY FUND**. The Fund will invest primarily in listed and non listed securities in all sectors. The aim is to develop a portfolio that will ensure superior return for investors at a minimal risk.

The Fund shall be established and operated in accordance with L.I.1695. The Fund shall invest principally in Equity and Fixed income securities. This means that a considerable proportion of the Fund's asset shall be invested in equity instruments compared to Debt instruments. To ensure liquidity, the Manager shall maintain at least five percent (5%) of the Fund's assets in cash or cash equivalents. It is anticipated that the Fund's portfolio shall consist of 70% equity and 25% fixed income instruments with a rebalancing range in the margin of +/-10%.

Equity Instruments shall consist of listed and non listed equity securities in Ghana and other African Stock Exchanges and markets, subject to Securities and Exchange Commission approval. Not more than 10% of the Fund's assets shall be invested in equity instruments which are not listed on an organised stock exchange.

Investment in Debt instruments shall consist of both money market and or fixed income instruments.

1.2.1 Investment Guidelines

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 (NAV) 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 un-authorised 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;
- (l) Make short sales of securities or maintain a short position;
- (i) 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

1.2.2 **Target Investors**

The Fund is open directly to all subscribers who may subscribe to its shares. The primary objective of this Fund is to promote the habit of investment among individuals especially young people who have an appetite for risk. It will also serve as an alternative investment vehicle for institutional clients and other fund Managers.

1.3 **Dividend Policy**

It is the intention of the Fund to reinvest all investment income if any. Therefore dividend will neither be declared nor distributed.

The benefit to investors for investing in this fund will be generated from growth in the Net Asset Value of each share of the Fund they hold.

1.4 **Maintenance of Prudent Level of Liquidity**

The Manager shall maintain an optimal proportion of the Fund's assets in cash and other short term liquid investment to meet request for redeeming interest in the scheme. Up to 5% of the Fund's asset shall be invested in cash and other liquid funds/investment including those managed by the Manager. When the Fund invests part of its cash balance in any money market fund managed by the Manager, the Fund bears its proportionate share of the at-cost expenses of such fund.

1.4.1 **Borrowing Powers**

The Board of Directors may upon the request of the Manager borrow for the account of the scheme for the purpose of enabling the Manager meet liquidity needs of the Fund. The Fund may borrow from the custodian or any of its associates. Any money borrowed shall attract an interest rate equivalent to the commercial rates on the market.

Borrowing shall not exceed 10% of the Fund's assets.

1.5 **Accounting Date**

The accounting period of the Fund shall commence from first day of January to the last day of December in each calendar year except for the first year of business.

1.6 **Winding Up**

- (1) If the company is wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Code or by the Bodies Corporate (Official Liquidations) Act, 1963 (Act 180) divide amongst the members in specie or kind the whole or part of the assets of the company, whether they consist of property of the same kind or not and may

for that purpose set the value as the liquidator considers fair upon any property to be divided and may determine how the division is to be carried out as between the members or different classes of members.

- (2) The liquidator may vest the whole or any part of the assets in trustees upon trust for the benefit of the members on such conditions as the liquidator thinks fit.
- (3) Notwithstanding the foregoing, no member shall be compelled to accept any securities on which there is any liability.

1.7 **Management of the Fund**

FirstBanC Financial Services Ltd. is the Manager of the Fund and provides the Fund with investment and advisory services.

The Fund has entered into a management agreement ("Management Agreement") with the Manager. Under the agreement the Manager is entitled to an annual management fee of 2% of the Fund's average Net Assets. The management fee shall be calculated and deducted on monthly basis.

The Management Agreement provides that subject to the direction of the Directors, the Manager is responsible for the management of the Fund's portfolio. The Manager shall constantly review the Fund's portfolio based on its own research and information from other sources. The responsibility to buy, sell or hold a particular security rests with the Manager subject to review by the Board.

The Manager makes investment decisions and places orders for transactions on behalf of the Fund. Other administrative duties are also performed by the Manager.

2. **THE CHARACTERISTICS OF INTEREST IN THE FUND**

2.1 **Types of Interest**

Investment in the Fund will be in the form of shares.

2.2 Evidence of Shares

Upon purchase of shares of the Fund, a Contract Note will be issued and dispatched to shareholders within one week. The Contract note will serve as evidence of purchases of shares of the Fund.

2.3 Voting Rights

Shareholders have the right to vote and participate in the determination of the remuneration of the Directors of the Fund and other matters submitted to shareholders.

If there is show of hands, every member present at a meeting in person or by proxy shall have one vote.

If there is a poll, every member present at the meeting in person or by proxy shall have one vote for every share held.

3. VALUATION OF ASSETS, CHARGES, DISTRIBUTION AND FEES

3.1 Valuing Shares

The Fund is open for business each day the Ghana Stock Exchange (GSE) is open. The Fund's Net Asset Value Per Share (NAVPS) is the value of a single share. It is calculated as Fund assets minus the liabilities, divided by the number of outstanding shares. FirstBanC will normally calculate the Fund's NAV at the close of business of the GSE. However, NAV may be calculated earlier if trading on the GSE is restricted or as permitted by the Securities and Exchange Commission (SEC) or latest by 4:00 pm daily.

Investments listed on a recognized stock exchange shall be at last traded price before close of business.

The Fixed Income Instruments are valued on the basis of amortized cost. Under this approach, an instrument is valued at cost at the time of purchase, and thereafter, amortising any purchase discount/premium at a constant rate until maturity. 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 will receive if it sold the instruments.

Other investment securities not traded on organised market shall be valued under the direction of the Board of Directors, and in accordance with international best practices.

Shares are sold to potential investors based on the NAV at close of each business day.

3.2 **Remuneration**

3.2.1 **Remuneration of Manager**

- a. The Manager is entitled to receive a management fee of two percent (2%) per annum of the Net Asset Value of the Fund payable at the end of each month excluding any indirect taxation.
- b. The management fee shall be calculated as 2% of the Net Asset Value 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 payment period, and shall be calculated in respect of successive payment periods. No charge is payable in respect of the initial offer period.
- c. Any indirect tax chargeable in respect of services provided by the Manager for each period shall be paid out of the Fund.

3.2.2 **Remuneration of the Custodian**

The Custodian is entitled to receive remuneration for its service which, together with any indirect taxation, shall be paid by the Fund. The remuneration shall consist of a periodic charge calculated in accordance with the paragraphs below.

- a. The periodic charge payable to the Custodian shall be calculated in respect of successive calendar month periods ("payment periods") except that no charge shall be payable in respect of the initial offer period. The first payment period shall begin on the day after the end of the initial offer period.
- b. 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.

- c. The amount of the periodic charge for each payment period shall be set out in the Scheme Particulars of the Fund as amended from time to time and shall be calculated at such a percentage of the value of the property of the Fund as the Manager and the Custodian may agree, 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. The percentage shall not in any event exceed what shall be determined by the Commission.
- d. 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 the winding up is made; or in the case of a winding up following the passing of a special resolution at a meeting of shareholders pursuant to the regulations, such other day as may be specified by the resolution or the terms of the Fund or a proposal approved by the Board.
- e. The calculation of the remuneration to which the Custodian is entitled under this regulation shall be made without taking into account any indirect taxation in respect of it and the Custodian shall, in addition to the remuneration, be entitled to a sum equal to the indirect tax payable on it which is also to be paid out of the Fund.
- f. The Custodian is entitled to receive out of the property of the Fund payment by way of reimbursement of expenses properly incurred by the Custodian in performing duties imposed upon it or exercising powers conferred upon it by th

3.2.3 Directors Remuneration

Remuneration of Directors of the Fund shall be determined periodically by the Board of Directors subject to the approval by shareholders at shareholder meetings. The remuneration of the directors shall be paid out of the assets of the scheme.

3.2.4 **Other Remuneration and Expenses Chargeable to the Fund**

- a. The Manager is entitled to make payments out of the Fund, to registrars, Custodian and auditors by way of remuneration for their services and to make payments by way of contributions to the expenses of any other regulatory bodies.
- b. The Manager is entitled to meet the costs incurred in connection with the production of certificates of title, distribution of clients' statements, financial statements and other materials, and the mailing of these items out of the Fund.
- c. The Manager is entitled to meet costs incurred in organising Annual General Meetings (AGM), costs of annual financial statements to shareholders, legal and accounting expenses etc., out of the Fund.
- d. The fees of the Manager of the Fund shall be paid out of the Fund's assets.

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

4.1 **Initial Offer of Shares**

The initial offer of shares in the scheme will be at Gp20 per share. The minimum initial purchase is 100 shares per investor and multiple of 50 shares thereafter. The initial offer will open for 21 days inclusive of the days on which the offer opens and closes.

4.2 **Days and Times for Issue and Redemption**

The Manager will be available to receive request to purchase and redeem interest in the scheme on any business day from 8.00am GMT to 5.00pm GMT.

4.3 **Purchase of Shares**

The purchase price will be determined by the NAV of the Fund at any time. The Fund may reject for any reason, or cancel as permitted or required by law, any purchase orders, including exchanges.

Purchases can be made between the hours of 8.00am and 5.00pm on any day apart from Saturdays and Sundays as well as public holidays

4.4 **Procedure for Purchases**

The units of the Fund are not listed on any stock exchange. Purchases of the Fund can be made directly on any working day at the office of FirstBanC Financial Services Limited or any of its agents. An investor may subscribe directly to the Fund by completing an application form. Application forms as well as purchase order forms can be downloaded and printed from our website, www.firstbancgroup.com or obtained directly from the office of the Manager or any of its agents.

4.4.1 **Purchases by Mail or Bank Wire**

Purchases can also be made through ordinary mail or bank wire. A new investor purchasing by ordinary mail should first complete an application form and a purchase order form. The completed forms should be mailed with a cheque made out to Heritage Fund for the investment amount. The mailing address is The Manager, Heritage Fund, P.O. Box 1464, Osu - Accra. Purchase will be made after cheques have cleared.

For purchase by bank wire, an investor must complete an application form and mail it to the Manager at the above address or email or fax the completed form to the Manager and may contact the Manager for further instructions.

The share price is the Fund's NAV divided by the number of outstanding shares (NAVPS). Your units will be bought at the next NAVPS calculated after your request for investment is received in proper form. The Fund may stop offering units completely or may offer units only on a limited basis, for a period of time or permanently. If you place an order to buy units and your payment is not received and/or cleared, your purchase may be canceled and you could be liable for any losses or fees the Fund or FirstBanC Financial Services Limited has incurred.

4.1.2 Additional Purchases

Additional purchases for an existing account can be made directly at the offices of FirstBanC Financial Services Limited, its agents, through ordinary mail or by bank wire. For additional subscription via mail or bank wire, fill out a purchase order form, fax or mail to the Fund Manager. Attach a cheque with the mail or deposit/wire money into the Fund Account. You may also make additional purchases by filling out a standing order form to enable automatic withdrawal from your bank account.

4.1.3 Foreign Currency Payment

The base currency of the Fund is the Ghanaian Cedi. However, purchases with foreign currencies may be allowed if such currency is convertible to the Ghana Cedi in the Ghanaian Market. In such instance, the applicant should allow for foreign currency conversion which may result in delays. Foreign currencies shall be converted using the prevailing interbank market rate for such currency. Purchases shall be made after conversion to the Ghana Cedi is completed.

4.2 Redemption of Shares

The price of one unit is the Fund's NAV per unit. Your units will be sold at the next NAV calculated after your order is received in proper form. Normally, redemptions will be processed within five business days, but it may take up to ten days to pay the redemption proceeds if making immediate payment would adversely affect the Fund. Certain requests must include a signature guarantee. It is designed to protect you and FirstBanC Financial Services Limited from fraud. If you submit your request to FirstBanC Financial Services Limited by mail, your request must be made in writing and include a signature guarantee if any of the following situations apply:

- You wish to sell more than 50% of your shares in the Fund;
- The address on your account (record address) has changed within the last 15 days and you wish to sell GH¢10,000 or more of units;

4.1.2 Additional Purchases

Additional purchases for an existing account can be made directly at the offices of FirstBanC Financial Services Limited, its agents, through ordinary mail or by bank wire. For additional subscription via mail or bank wire, fill out a purchase order form, fax or mail to the Fund Manager. Attach a cheque with the mail or deposit/wire money into the Fund Account. You may also make additional purchases by filling out a standing order form to enable automatic withdrawal from your bank account.

4.1.3 Foreign Currency Payment

The base currency of the Fund is the Ghanaian Cedi. However, purchases with foreign currencies may be allowed if such currency is convertible to the Ghana Cedi in the Ghanaian Market. In such instance, the applicant should allow for foreign currency conversion which may result in delays. Foreign currencies shall be converted using the prevailing interbank market rate for such currency. Purchases shall be made after conversion to the Ghana Cedi is completed.

4.2 Redemption of Shares

The price of one unit is the Fund's NAV per unit. Your units will be sold at the next NAV calculated after your order is received in proper form. Normally, redemptions will be processed within five business days, but it may take up to ten days to pay the redemption proceeds if making immediate payment would adversely affect the Fund. Certain requests must include a signature guarantee. It is designed to protect you and FirstBanC Financial Services Limited from fraud. If you submit your request to FirstBanC Financial Services Limited by mail, your request must be made in writing and include a signature guarantee if any of the following situations apply:

- You wish to sell more than 50% of your shares in the Fund;
- The address on your account (record address) has changed within the last 15 days and you wish to sell GH¢10,000 or more of units;

- You are requesting that a cheque be mailed to an address different from the record address;
- You are requesting that redemption proceeds be paid to someone other than the account owner;
- The redemption proceeds are being transferred to a FirstBanC Financial Services Limited account with a different registration.

You should be able to obtain a signature guarantee from a bank or broker (including FirstBanC Financial Services Limited offices.)

Shares can be redeemed by applying in person at the office of the Manager or in writing to the Manager or duly authorized agents of the Manager on any business day. Redemption form will have to be completed in this respect. Redemption form may be obtained from the Manager's office or any of its authorized agents or downloaded from the official website of the Manager.

Upon receipt of the redemption request, the Manager shall proceed with the redemption of all or part of the investors holding in the scheme at the price per share at the date of the request less any fee applicable.

Redemption request must be accompanied by the Contract Note relating to the shares to be redeemed and/or other evidence as may be required by the Manager to prove the holder's title and the right to redeem.

The Manager will redeem all interest held in the scheme by the investor if as a result of the redemption request the investor's interest in the scheme will be less than GH¢20.00 after such redemption.

Redemptions may be suspended or payment dates postponed when the GSE or other exchanges on which the Fund has investment is closed (other than weekends or holidays), when trading on the GSE or any exchange on which the Fund has investment is restricted, or as permitted by the SEC.

If constraints prevail in the overall financial markets of countries in which the Fund invests to the extent that it affects investors redemption requests, the Board, with the approval of SEC, shall extend the payment of redemption proceeds to a period not exceeding 30 days.

4.2.1 **Exchanging Units**

An exchange involves the redemption of all or a portion of the units of one Fund and the purchase of units of another Fund. As a unit holder, you have the privilege of exchanging units of the Fund for units of other FirstBanC Financial Services Limited Funds. However, you should note the following policies and restrictions governing exchanges:

- The Fund may refuse any exchange purchase for any reason. For example, the Fund may refuse to exchange purchases by any person or group if, in FirstBanC Financial Services Limited's judgment, the Fund would be unable to invest the money effectively in accordance with its investment objectives and policies, or would otherwise potentially be adversely affected.
- Before exchanging into the Fund, read its prospectus.
- If you are exchanging between accounts that are not registered in the same name, address, or identification number, there may be additional requirements.
- Under applicable anti-money laundering regulations and other regulations, exchange requests may be suspended, restricted, canceled, or processed and the proceeds may be withheld.
- The Fund may terminate or modify the exchange privileges in the future.
- Other Funds may have different exchange restrictions and minimums, and may impose redemption fees. Check each Fund's prospectus for details.

4.2.2 Redemption Charge

The Manager shall charge a maximum redemption fee of 3%. This will be applied as follows:

- Redemption within first year of investment will attract the full 3% of the shareholder's investments (Principal plus any income).
- Redemption within second year of investment will attract a fee of 2% of the shareholder's investments (Principal plus any income).
- Redemption within third year of investment attract 1% of the shareholder's investments (Principal plus any income).
- Redemption within a period after third year will attract no fee.

Note that redemption fee applies to how long each investment has been with the Fund not how long the investor has been with the Fund.

Redemption fee also applies to exchanging of shares.

4.3 Publication of Prices

The Fund unit price shall be published on every business day at the registered office of the Manager or on our website, www.firstbancgroup.com, and regularly in widely circulating newspapers. Interests in the Fund are not listed on any stock exchange.

5 RISK FACTORS AND SPECIAL CONSIDERATIONS

Generally investment is associated with risk. It is known in the investment market that the higher the risk associated with an investment, the higher the return. Historically the stock market has generated much higher return compared to the fixed income market. However the stock market also comes with much higher risk. The Heritage Fund is an equity market fund which would invest a considerable proportion of the Fund's Assets on the stock market. It is therefore imperative that investors be conversant with the risk associated with investing in the financial market. Risk reflects the fluctuations or the ups and downs in the prices of financial instruments.

The value of investment and the return derived from them may rise or fall. Investors may not recover the principal investment amount invested in the Fund. There is no guarantee that the Fund's objective will be achieved and no warranty or representation is given to that effect.

5.1 **Market Risk**

Market risk refers to the probability that a security's price may decline. Stock prices fluctuate within wide ranges. Again the illiquid nature of most African Stock Exchanges may affect the time and prices at which the security could be sold.

5.2 **Credit and Default Risks**

There is the risk that the issuers of the instruments in the Fund's portfolio will be unable to meet interest payments or repay principal. If a portfolio instrument declines in credit quality or goes into default, it could also affect the Fund's value and return.

5.3 **Inflation and Exchange Rate Risk**

The combined effects of inflation and currency depreciation may also erode the value of investments over time. Among others, the value of the Fund will be subject to the effects of inflation and exchange rate fluctuations. The Fund may invest in other African markets and currency conversion may impact on the return of the Fund.

5.4 **Investment Style Risk**

This is the risk that returns from the type of stocks in which the Fund invests will trail the return from the overall market.

5.5 **Taxation and Regulatory Risk**

There are a number of tax laws which impact on investment returns. Currently capital gain tax is not applicable until November 2010. However as the Ghanaian financial market evolves, a number of laws may be passed to regulate the operation of the capital market and may have potential impact on the performance of Fund Markets. Similar regulatory framework in other African markets may have similar effects.

5.6 Event and Political Risk

Several African countries are currently undergoing democratic reforms. However it is still considered one of the volatile regions around the world. As the Fund seeks to invest in other stock markets in Africa, it may be exposed to political risks in these countries.

5.7 How does the Fund pursue its investment objective?

The portfolio Managers look for equity securities with a favourable total return history that has prospects for income payments to continue or increase. The portfolio Managers also look for equity securities of companies that they believe are undervalued and have the potential for an increase in price. The Fund seeks to receive dividend payments that provide a yield that exceeds the yield of the stocks in the respective industry.

Companies may be undervalued due to market declines, poor economic conditions, actual or anticipated bad news regarding the issuer or its industry, or because they have been overlooked by the market. To identify these companies, the portfolio Managers look for companies with earnings, cash flows and/or assets that may not be reflected accurately in the companies' stock prices or may be outside the companies' historical ranges. The portfolio Managers also look for companies whose dividend payments appear high when compared to the stock price.

The portfolio Managers may sell stocks from the Fund's portfolio if they believe:

- A stock no longer meets their dividend payment or valuation criteria;
- A stock's risk parameters outweigh its return opportunity;
- More attractive alternatives are identified; or
- Specific events alter a stock's prospects.

When the Managers believe it is prudent, the Fund may invest a portion of its assets in other African market securities, debt securities of companies, debt obligations of governments and their agencies, and other similar securities. The Fund generally limits its purchase of debt securities to investment-grade obligations.

By applying both qualitative and quantitative criteria for a company's assessment, the Fund Manager on an on-going basis considers the size of the company and the respective market, the existing liquidity as well as the investment restrictions and the valuation of the company. The Manager's investment selection will also be guided by its understanding of the business and the earning model of respective companies.

The Fund may engage in active and frequent trading of portfolio securities to achieve its principal investment strategies.

6 GENERAL INFORMATION

6.1 Reports

The Fund shall publish half-yearly reports within two months after the end of the half-year, and annual reports within three months after year end. Shareholders can request for personal valuation statements at the office of the Manager upon giving sufficient notice to the Manager.

6.2 Meetings

Annual General Meetings (AGM) of unit holders will be held each year. The Board of Directors shall determine the dates of the meetings. Notices of all meetings will be published and copies of such notices sent to registered shareholders by post at their addresses in the register of unit holders.

6.3 Inspection of Documents

Copies of the Fund's regulations, any amending instruments, and the most recent annual and half-yearly reports, may be obtained or inspected at the office of the Manager at # 6 South Liberia Rd, Kwame Nkrumah Ave. Adabraka, Accra.

6.4 Complaints

Complaints about the operation of the Fund may be raised with officers of the Manager or the Trustee or with the Securities and Exchange Commission.

6.5 Correspondence

FirstBanC Financial Services Ltd. will send the following statements to clients.

- Confirmation statements (after transactions affecting your Fund balance, except reinvestment of distributions in the Fund or another Fund, certain transactions through automatic investment or withdrawal programs, certain transactions that are followed by a monthly account statement, and other transactions in your FirstBanC Financial Services Limited cash account).
- Monthly or quarterly account statements (detailing Fund balances and all transactions completed during the prior month or quarter).

To reduce expenses, only one copy of most financial reports and prospectuses may be mailed to a client. Call FirstBanC Financial Services Limited at +233 21 250 627, +233 21 250 636 if you need additional copies. Electronic copies of most financial reports and prospectuses are available at the FirstBanC Group's web site, www.firstbancgroup.com

You may initiate many transactions by telephone or electronically. FirstBanC Financial Services Limited will not be responsible for any loss, cost, expense, or other liability resulting from unauthorized transactions if it follows reasonable security procedures designed to verify the identity of the investor. FirstBanC Financial Services Limited will request personalized security codes or other information for investor verification, and may also record calls. For transactions conducted through the Internet, FirstBanC Financial Services Limited recommends the use of an Internet browser with 128-bit encryption. You should verify the accuracy of your confirmation statements upon receipt and notify FirstBanC Financial Services Limited immediately of any discrepancies in your account activity. If you want to cancel or do not want the ability to sell and exchange by telephone, indicate that on the application form or call our offices.

6.6

Regular Investment

Investors who want to make periodic top up into their account can do so through any of the following means:

- Completing a standing order form at FirstBanC purposely for investment into the Fund. With this a specified amount will be transferred from your bank account to your investment account with FirstBanC on a regular basis.
- Post dated cheque for each month spread over a year could also be issued payable to Heritage Fund Ltd. in respect of your investment into the Fund.
- You could indicate on the application form about your intention to make regular investment. An authorized FirstBanC staff will contact you on a regular basis to remind you to increase your investments on regular basis



HeritageFund

Solid Growth • Sustainable Income • Long Term Value

ACCOUNT APPLICATION FORM

Please write in block letters

Account No.
(Office use only)

Initial Investment Amount (GH¢)

ACCOUNT TYPE (Please tick one)

☐

Individual

☐

Joint-Applicant

☐

In Trust For (ITF)

APPLICANT

Full Name

(Mr./Mrs./Dr./Miss/Other)

First Name

Middle Name

Surname

In Trust For (If Any)

Date of Birth Marital Status Nationality

Residential Address

Postal Address

Telephone Numbers

Residential

Office

Mobile Number

Fax

Country of Citizenship:

☐

Ghana

☐

Other

Tax Residence

☐

Ghana

☐

Other

Employment Status:

☐

Employed

☐

Unemployed

Occupation

Monthly Net Income (GH¢)

☐

Below 100.00

☐

100.00 - 1,000.00

☐

1001.00 - 2,000.00

☐

Above 2,000.00

Sources of Income

Salary

Other (Please specify)

**SECOND APPLICANT**

Full Name _____

(Mr./Mrs./Dr./Miss/Other) First Name Middle Name Surname

Date of Birth _____ Marital Status _____ Nationality _____

Residential Address _____

Postal Address _____

Telephone Numbers _____

Residential Office Mobile Number Fax

Country of Citizenship ☐ Ghana ☐ Other Tax Residence ☐ Ghana ☐ OtherEmployment Status ☐ Employed ☐ Unemployed Occupation _____

Monthly Net Income (GH¢)

☐ Below 100.00 ☐ 100.00 - 1,000.00 ☐ 1,001.00 - 2,000.00 ☐ Above 2,000.00

Sources of Income Salary _____ Other (please specify) _____

FIRST APPLICANT**SECOND APPLICANT**

Valid ID Type (please tick one)

- ☐ Passport
☐ Voter's ID Card
☐ Driver's License
☐ National Identification Card
☐ Other (please specify) _____

Expiration Date _____

Valid ID Type (please tick one)

- ☐ Passport
☐ Voter's ID Card
☐ Driver's License
☐ National Identification Card
☐ Other (Please specify) _____

ID Number _____

Expiration Date _____

For joint accounts, an order is valid with the following signatures

Any signatory to sign _____ Both signatories to sign _____

YOUR INVESTMENT OBJECTIVE (Choose one that closely matches your view)Short Term: You seek to preserve your capital and are willing to accept the lowest returns in exchange for price stability ☐Conservative: You seek to minimize fluctuations in market values and are concerned with the conservation of your capital ☐Balanced: Your focus is capital appreciation and you will accept fluctuations in market value of your investment ☐Growth: You have a preference for growth and can withstand significant fluctuations in market value ☐Aggressive Growth: You seek aggressive growth and can tolerate wild fluctuations in market values ☐

How long do you plan to invest?

Less than one year

One to three years

Over three years

What is your overall knowledge about investment?

Low

Medium

High

What are you investing primarily for?

Retirement

Education

Other (Please specify)

Mortgage/Housing

Travel

HERITAGE FUND OPERATIONS AND MANAGEMENT AGREEMENT

The Heritage Fund is an open ended equity market mutual fund. The Fund seeks to achieve long term capital growth for its investors.

A shareholder is advised to be in the Fund for at least three years before making withdrawals. Withdrawals made before three years is subject to a sales commission of 1-3% of the shareholder's investment (principal plus any interest).

Returns on the fund are in the form of capital gain/loss and not guaranteed interest.

The Fund shall charge a management fee of 2% of the Net Asset Value. Other operational expenses would be charged to the Fund

The minimum balance on your account must be GH¢20.00. Any account below this amount would be liquidated.

DECLARATION:

I/We here by apply for shares under this offer on the terms and conditions set out in the Heritage Fund Prospectus. I/We declare that I/we am/are a Qualifying Offer Applicant(s) and that to my/our knowledge there is no other Applicant being made for my/our benefit (or that of any persons for whose benefit I/We am/are applying) for the Heritage Fund Shares for which I/we have applied on this Form

First Applicant

Joint Applicant (if any)

Name

Name

Signature

Signature

Date

Date

FOR OFFICE USE ONLY

Receiving Officer's Name

Approving Officer's Name

Signature

Signature

Date

Date



