



**THE PRIME MONEY
GLOBAL FIXED INCOME PORTFOLIO**

THE PRIME MONEY LOCAL FIXED INCOME

The Prime Money Local Fixed Income Portfolio is a naira based fixed instrument portfolio. The portfolio offers a range of highly competitive yields to the investor's over the short term to medium term (6months to 2years) with a sliding liquidity access based on a matrix rate offering. The liquidity access is available in steps of 10%, ranging from 0% to 40%.

Asset Class
Fixed Income
Currency
Naira
Minimum Initial Investment
Option 1 - N5m - N10m Option 2 - N10m and above
Target Annualized Portfolio Return
In line with market conditions
Minimum Investment Term
180 Days
Maximum Investment Term
In line with investor's time horizon
Fees and Charges
There are no fees or charges to be paid by you, except where your investment is pre-liquidated before minimum portfolio tenor. A penalty charge of 50% of total accrued portfolio return would be charged if investments are pre-liquidated.
Investment Objective
Capital Preservation, Liquidity, and Income

INVESTMENT OBJECTIVE

The primary investment objective of the Prime Money Local Fixed Income Portfolio is to provide the highest possible level of current income while still maintaining liquidity and preserving capital.

INVESTMENT UNIVERSE

Local (Naira) Denominated Fixed Income Securities.

INVESTMENT POLICY

The portfolio's pre-agreed investment strategies employ a flexible investment approach across various sectors without constraints on maturity, sector, quality or geography. These investments may include, but are not limited to any combination of the following securities;

- A. Senior secured loans or debt;
- B. Second lien or other subordinated or unsecured bonds, loans or debt; and
- C. Fixed-rate loans or debt with respect to which the Fund has entered into derivative instruments to effectively convert the fixed-rate interest payments into floating rate interest payments.
- D. The Fund may also purchase, without limitation, participations or assignments in senior floating rate loans or second lien floating rate loans.

LAGOS OFFICES:

- » 1 Mekunwen Street, off Oyinkan Abayomi Drive Ikoyi, Lagos
- » 68C Coker Road, Town Planning Way, Ilupeju
- » 86 Adeniran Ogunsanya Street, Surulere

ABUJA OFFICES:

- » 129 Adetokunbo Ademola Crescent, Wuse II, Abuja
- » 23, Aminu Kano Crescent Wuse II, Abuja

E. These investments may include, but are not limited to, any combination of the following securities; ARM High Yield Portfolio, ARM Money Market Fund, Bonds and Commercial papers.

The portfolio would be actively managed to provide a compelling combination of liquidity, low volatility and attractive returns.

The portfolio may invest in investments of any credit quality without limitation, including investments rated below investment grade. Such fixed income securities include, but are not limited to, corporate bonds, preferred securities, convertible securities, mezzanine investments, collateralized loan obligations, senior loans, second lien loans, structured products and government debt securities.

The portfolio's investments in any fixed income securities may be of any duration or maturity. The portfolio may invest in securities of foreign issuers, including issuers located in emerging markets, without limitation. The portfolio may buy or sell options or futures on a security or an index of securities, buy or sell options on futures or enter into credit default swaps and interest rate or foreign currency transactions, including swaps and forward contracts (collectively, commonly known as derivatives). Although not required to, the portfolio may use derivatives for hedging purposes and to increase the total return on its investments.

INVESTOR PROFILE

The Prime Money Local Fixed Income Portfolio is most suited for conservative investors seeking capital preservation, income and greater liquidity access to their funds without penalty.

INVESTMENT STRATEGY

In selecting bonds or debt and other securities for the Fund, ARM will seek to identify issuers and industries that are likely to experience stable or improving financial conditions. Analysis will include;

- Credit research on the issuers' financial strength;
- Assessment of the issuers' ability to meet principal and interest payments;
- General industry trends;
- The issuers' managerial strength;
- Changing financial conditions;
- Borrowing requirements or debt maturity schedules; and
- The issuers' responsiveness to changes in business conditions and interest rates.
- Relative values among issuers based on anticipated cash flow, interest or dividend coverage, asset coverage and earnings prospects.

ONITSHA OFFICE:

60A Old Market Road, Opp. Broadway
Cinema, Onitsha, Anambra

PORT HARCOURT OFFICE:

12 Circular Road, Presidential Estate II, GRA, PH

KANO OFFICE:

139, Murtala Mohammed Way, Kano

BANK ACCOUNT DETAILS**Bank Name**

Guaranty Trust Bank Plc

Swift Code

058152052

Account Name

ARM PRIME MONEY

Account Number

0004201088

Required Documentation:

1. Completed Application Form
2. Completed Reference Forms (X 2
3. Passport Photograph of Client (2 Copies for each signatory)
4. Personal Identification (Driver's License, International Passport or National ID card)
5. Resident's Permit (in the case of a foreign applicant)
6. Proof of Address (Utility Bill, Tenancy Agreement etc)

For Corporate Entities

1. Certificate of Incorporation
2. Corporate Seal of Company
3. Evidence of Initial Deposit/Transfer (Copy)
4. Board resolution authorizing opening of ARM Account and designating the person authorized to sign on behalf of the company.
5. Certified true copy of form CAC 7 (Particulars of Directors of Company)
6. Certified true copy of Form CAC 2 (Return of Allotment of Shares)
7. Certified true copy of Memorandum and Articles of Association.

ONITSHA OFFICE:60A Old Market Road, Opp. Broadway
Cinema, Onitsha, Anambra**PORT HARCOURT OFFICE:**

12 Circular Road , Presidential Estate II, GRA, PH

KANO OFFICE:

139, Murtala Mohammed Way, Kano

CUSTOMER SERVICE:**Telephone:** 234-1-4488282, 8108282, 0700 CALLARM (07002255276)**Email:** customerservice@arminvestmentcenter.comwww.arm.com.ng



SECTION 1 – GENERAL INFORMATION

Date: Account Manager's Name: Control No. (Internal)

FOR NEW ARM CUSTOMERS ☐ Send me information about ARM's services

FOR EXISTING ARM CUSTOMERS: ☐ Private Wealth Portfolio ☐ Premium Wealth Portfolio ☐ Retirement Savings Account ☐ Stock Brokerage Account Portfolio Code

SECTION 2 – PRODUCT INFORMATION

SERVICE TYPE: ☐ ARM Balanced GFI ☐ ARM High Yield GFI Others: ☐ ARM Short Duration GFI ☐ ARM Prime Money FIN

CURRENCY: ☐ USD ☐ Pounds ☐ Euros ☐ Naira

LIQUIDITY SCALE: ☐ 0% ☐ 10% ☐ 20% ☐ 30% ☐ 40%

AMOUNT:

SECTION 3 – CUSTOMER INFORMATION

FULL NAME Surname (or Company Name) First Name Middle Name

RESIDENTIAL ADDRESS: House Number Street Town/City

State Country DATE OF BIRTH: dd / mm / yyyy

Nationality Occupation Mother's Maiden Name

Mobile Phone Number Email Address

Next of Kin Relationship With Next of Kin

Next of Kin's Phone Number Next of Kin's Address

FOR JOINT APPLICANTS: Surname OtherNames

CUSTOMER BANK ACCOUNT INFORMATION: Bank Account Name Bank Account Number

Bank Name Swift Code Sort Code

FOR FINAL CREDIT TO: Customer Account Name Customer Account Number

SECTION 4 – OUR BANK ACCOUNT DETAILS

FOR: 1. Balanced GFI, 2. Short Duration GFI, 3. High Yield GFI	FOR: 1. Prime Money LFI
Bank Name: Standard Chartered Bank New York Bank Account Number: 3582-027074-002 Swift Code: SCBLUS33XXX Bank Account Name: FSDH Merchant Bank Ltd Swift Code: FSDHNGLA For Final Credit To: Arm Global Managed Fixed Income – 1000062672	Bank Name: Guaranty Trust Bank Plc Bank Account Number: 0004201088 Swift Code: 058152052 Bank Account Name: ARM PRIME MONEY

SECTION 5 – (FOR INTERNAL USE ONLY) APPLICATION CHECKLIST

☐ Completed Application Form ☐ Client's Passport Photograph ☐ Proof of Address (Utility Bill, Tenancy Agreement, etc) ☐ Evidence of Initial Deposit/Transfer (Copy)

☐ Personal ID (Drivers License, Int'l Passport or National ID card) ☐ Certificate of Incorporation (For Corporate Entities) ☐ Seal of Company (For Corporate Entities)

SECTION 6 – ARM LOCATIONS

LAGOS: ° 1 Mekunwen Street, off Oyinkan Abayomi Drive Ikoyi, Lagos ° 68C Coker Road, Town Planning Way, Ilupeju ° 86 Adeniran Ogunsanya Street, Surulere	ABUJA ° 129 Adetokunbo Ademola Crescent, Wuse II, Abuja ° 23, Aminu Kano Crescent Wuse II, Abuja	KANO: ° 139, Murtala Mohammed Way, Kano
ONITSHA: ° 60A Old Market Road, Opp. Broadway Cinema, Onitsha, Anambra	PORT HARCOURT: ° 12 Circular Road , Presidential Estate II, GRA, PH	

SECTION 7 - CUSTOMER SERVICE INFO

TELEPHONE: 234-1-4488282, 8108282, 0700 CALLARM (07002255276)	EMAIL: customerservice@arminvestmentcenter.com	KANO: www.arm.com.ng
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SECTION 8 - RISK DISCLOSURE

RISK DISCLOSURE

The value and price of investments can go down as well as up and on sale; the investor may receive less than his original investment. Past performance is not a guide to future performance. Certain types of investment may not be suitable for all investors. In addition, despite the generally conservative nature of many fixed income investments, such as bonds and money market, and the tendency of fixed income investments to be more predictable than stocks, investors should be aware that bond and individual money market instruments do carry some degree of risk.

Some risks associated with investments include:

INTEREST RATE RISK

If interest rates rise, bond prices usually decline. If interest rates decline, bond prices usually increase. This risk exists because new bonds are likely to be issued with higher yields as interest rates increase, making the old or outstanding bonds less attractive.

CREDIT RISK

Bonds/Notes carry the risk of default, which means that the issuer is unable to make further income and principal payments. This is relevant to bonds/notes (fixed income instruments) issued by project companies. Where ARM is not the issuer it is important to note that the credit risk the investor is taking lies with the company responsible for the issue

INFLATION RISK

Because a high inflation rate can erode the real value of the income you receive, inflation can jeopardise any fixed income stream on which you may be counting.

CALL RISK

A callable bond has a provision that allows the issuer to call, or repay, the bond early. If interest rates drop low enough, the bond issuer can save money by repaying its callable bonds and issuing new bonds at lower coupon rates. If this happens, the bond holder's interest payments cease and they receive their principal early. If the bond holder then reinvests the principal in bonds, he or she will likely have to accept a lower coupon rate, one that is more consistent with prevailing interest rates. This will lower monthly interest payments.

REINVESTMENT RISK

During periods of declining interest rates, you may be forced to buy new bonds at lower, prevailing interest rates as your existing investments reach maturity.

CURRENCY RISK

Foreign currency denominated securities is subject to fluctuations in exchange rates that could have a positive or adverse effect on the client's return upon the conversion into local or any other currency, of dividends or interest received, or proceeds from the sale of such securities, funds or other property. In the case of cross-currency financing (i.e. borrowing in a currency other than the base currency of the investment), the lower financing costs of certain currencies can result in potentially attractive returns. However, adverse currency movements cannot only eliminate such benefits but can result in substantial losses. This will occur where for example, the borrowed currency strengthens against the base currency of the investment, resulting in a deficit of funds for repayment of the loan when due.

FUND INVESTMENT RISK

Mutual fund performance is subject to market volatility factors including: the state of Nigerian and foreign stock markets /interest rate / currency / inflation / political, etc., markets.

In addition to the risks associated with fixed income investments described above, you should keep some other factors in mind before making an investment decision.

PRICE FLUCTUATIONS

Most importantly, investors should be aware that with either an individual bond or a money market investment, prices may fluctuate, as the securities are affected by economic and other factors. As a result, the value of your investment may increase or decrease.

GENERAL CONDITIONS

1. DEFINITIONS IN THIS AGREEMENT. "ARM" shall mean Asset & Resource Management Company Limited; the "Client" shall mean any person or persons, including a corporate body for whom an account is held by ARM whether individually, jointly with some other person or collective as group.
2. STATEMENTS OF ACCOUNTS. A statement of account will be issued at the end of each quarter and a full report detailing performance of the client's investments will be issued half yearly.
3. TAXES. Any taxes or duties levied on the Client's holding or on any security furnished by the Client, shall be charged to the Client notwithstanding that demand for payment is made only after the account has been closed.
4. APPROVAL OF STATEMENTS. Any objection to a statement of account or report on investment must be made to ARM immediately upon receipt of the same and must reach Arm no later than six weeks from the date on which the statement was sent out by ARM. On the expiration of this period, all statements of the account and reports shall be deemed to have been approved.
5. CORRESPONDENCE. Any communication from ARM to the client shall be deemed to be validly delivered to the client if sent to the latest address indicated to ARM for this purpose by the client. The date indicated on the copies of the correspondence or on mailing records of ARM is presumed to be the date of delivery. In absence of written instructions (either letter or indicated in the AOD in the section "Special Instructions") regarding the dispatch of correspondence, ARM will retain in its possession all correspondence concerning the client and shall be deemed validly delivered to the client as of the date they bear. Unless otherwise instructed in writing, ARM will destroy correspondence retained by it, including any cheques or instruments returned or unpaid, 3years following the date thereof. ARM accepts no liability in respect of its retention of any correspondence
6. SECURITY IN FAVOUR OF ARM. ARM shall have pledge against the securities, funds or other property held for whatever purpose by ARM for the account of the client. Such pledge shall secure all claims by ARM, of whatever nature, whether due or not and whether liquidated or unliquidated. ARM is authorized to realize any of the pledged assets at a private sale, without restriction and without being bound to observe the legal formalities required by the Federal Republic of Nigeria on recovery of debts and on bankruptcy, if the client, on the due date or on demand, fails to fulfill his obligations to ARM or fails to provide other security acceptable to ARM. ARM may cover short positions by corresponding purchases. ARM shall have the right to require additional collateral, if in its discretion, ARM considers it necessary for its protection whether any claim is due or not; or in the event that a petition in bankruptcy or for the appointment of a receiver is filed by or against the client; or in the event of the death of the client. In the event that the additional collateral required is not provided, ARM shall be entitled to exercise its right to realize any of the pledged assets in the manner described above.
7. CREDIT FACILITIES. From time to time, ARM may in its discretion agree to extend credit to the client who has entered into a credit agreement with ARM for advancing sums in any currency for whatever purpose or in connection with purchase of securities and others assets on margin. The client shall from time to time provide ARM on demand such collateral as ARM may require
8. PAYMENT OF INDEBTEDNESS AND COSTS OF COLLECTION. The client shall at all times be liable for the payment upon demand of any indebtedness or other obligations owing in the client's account and the client shall be liable to ARM for any deficiency remaining in any such account in the event of a total or partial liquidation. The cost of collection of any indebtedness owing from the account of a client including any legal costs shall, to the extent permitted by the applicable laws and regulations, be borne by the client.
9. MEANS OF TRANSPORTATION AND OF TRANSMISSION. Provided that ARM has acted reasonably and prudently, it shall NOT BE LIABLE FOR any RISKS and or damage resulting from the use of postal service, telegraph, telephone, telex or any other system of transmission or means of transportation, in particular by reason of loss, delay, mistake, misunderstandings, distortions, omissions or duplications. At its sole discretion, ARM may suspend the execution of any instruction given telephone, telegraph, facsimile or telex until receipt of legible written confirmation.
10. FOREIGN CURRENCY ACCOUNTS. Foreign currency investments shall be made in the name of ARM but for the account of, and at the risk of the client. The client shall bear all risks and cost with respect to such investments, including those resulting from statutory, fiscal or other measures introduced in the relevant countries restricting freedom of disposal. A client may dispose of foreign currency holdings only by requesting redemption or transfer in the relevant foreign currency or such other currency as the client shall elect.
11. SIGNATURES. Signatures are compared against specimens held by ARM and further examination is not required. ARM assumes no liability, in the absence of gross negligence, for failing to notice falsifications. The client is required to furnish ARM with a list of persons authorized to sign on its/his/her behalf together with specimens of their signatures, and to inform ARM in writing of any change in that list or in those signatures. Until it receives notice of any change, ARM is entitled to treat previously authorized signatures as valid.
12. CUSTODY. ARM shall hold securities deposited with it in its own vaults or any appointed agents, or if it deems fit, deposit these with any of its authorized custodian at no cost to the client.
13. SECURITIES LOANS. In return for the extension or maintenance of any credit facility by ARM, it is hereby agreed that all securities consisting the client's portfolio together with all attendant rights of ownership may be lent to ARM or to any third party to the extent not prohibited by applicable rules, laws and regulations. In connection with such securities loans ARM may receive and retain certain benefits to which the client will not be entitled. The client understands that in certain circumstances such loans could limit the client's ability to exercise voting rights in whole or in part, with respect to the securities lent.
14. JOINT ACCOUNTS. Where an account is held in the name of two or more persons and there is more than one signatory required, their obligations under this Agreement shall be joint and several.
15. PARTIAL LIQUIDATIONS. Subject to the size of the clients portfolio, the client shall give 7days notice in writing to effect a partial withdrawal not exceeding 10% of the market value of the securities, funds and other property comprising the client's account(s) and 21 days prior written notice in the case of partial withdrawals exceeding 10% of the market value of the clients assets but not amounting to a total liquidation of the investment; provided however that the client acknowledges that in the case of investments held in emerging markets and in particular, in Nigeria, delay in redemptions are likely given the relative illiquidity of these market
16. CAPACITY TO ENTER INTO AGREEMENT. The client represents and warrants that no one expect the client or such person as previously disclosed to ARM, has an interest in the account(s) of the client. If the foregoing representation and warranty is inaccurate or becomes so, the client will promptly notify ARM of the same.
17. DISCLOSURE. ARM shall maintain all information concerning the clients account(s) on a confidential basis, but ARM may be required by applicable laws and regulations to (and shall if required) disclose such information to the regulatory authorities including without limitation, the name, address and securities positions with respect to securities held in such account(s).
18. TERMINATION OF AGREEMENT. ARM reserves the right to suspend or terminate the account of the client at anytime by giving at least 7 days notice in writing of its intention to suspend or terminate relations. The client shall give 21 days prior written notice in case of a total liquidation or transfer of the clients account(s) and in the case of assets held in emerging markets, the client shall provide at least 40 days notice.
19. FORCE MAJEURE. ARM shall not be liable for any losses arising in respect of assets held by them on behalf of the client, where such losses are result of , whether directly or indirectly, government restrictions, exchange or market rulings, suspension of trading, war, strikes or other factors beyond the control of ARM
20. APPLICABLE LAWS AND REGULATIONS. All client account transactions shall be subject to the laws, rules, regulations, customs and practices of the exchange or market and its clearing house, if any, on which such transactions are executed by ARM.
21. GOVERNING LAW OF AGREEMENT. This Agreement shall be governed by, and construed in accordance with the laws of the Federal Republic of Nigeria. It shall inure for the benefit of the successors in title and assigns of ARM to whom the account(s) of the client may be transferred. This Agreement shall be binding upon the heirs, personal representatives, successors and assigns of the client.
22. ARBITRATION. All disputes arising out of, or in connection with this Agreement, including any question as to its validity or termination shall be finally settled by a single Arbitrator appointed by both parties, pursuant to the Arbitration and Conciliation Act, Cap A1*, Laws of the Federation of Nigeria
23. MEDIATION. At any time before the issue of Arbitration, the parties may agree to refer the dispute to Mediation, in accordance with the Lagos or Abuja Multi-Door Courthouse (LMDC or AMDC) Mediation Procedure Rules as contained in the Practice Direction of both courthouses. Where the dispute is not settled by mediation, the parties may continue with Arbitration.

24. **MODIFICATIONS AND AMENDMENTS.** ARM reserves the right to modify or amend any provision of the Agreement. Such modification or amendment shall take effect from the date specified by ARM on notice of the same to the client.
25. **SEVERABILITY OF PROVISIONS.** Any provision of this Agreement, which is unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such unenforceability without invalidating the remaining provisions hereof or affecting the validity or enforceability of the provision in any other jurisdiction.
26. **REGULATORY DISCLOSURE.** ARM is subject to the provisions of the Money Laundering Prohibition Act 2004, the Economic and Financial Crimes Commission (Establishment) Act 2002, the National Drug Law Enforcement Agency Act of 1995 and other legislation which may be implemented from time to time to combat money laundering and other economic crimes. ARM is required to comply with the provisions of this legislation and all similar legislation, especially those relating to disclosure and suspicious activity reporting.
27. **INTERPRETATION.** The headings contained in this Agreement are inserted for convenience only and shall not affect the construction of this Agreement.
28. **PAYMENT.** Cheques and payments should be made in favour of ARM alone and not in favour of an agent/representative. ARM agents/representatives are not authorized to receive cash from the client.
29. The Client warrants, undertakes and confirms that all information contained in this document and all attachments annexed hereto is complete and correct in all respects and the client undertakes to notify Asset & Resource Management Company Limited of any material changes or events as when they occur. Furthermore, the client hereby authorizes Asset & Resource Management Company Limited to obtain independent verification of any information provided by the client or obtain such further information, or make such further enquiries as ARM may at its discretion require.

PLEDGE AGREEMENT

- The client(s) (hereinafter called "the Pledgor") hereby pledges to ARM, free from any encumbrances, all of the Pledgor's securities, funds and other property of whatever nature in the possession of ARM or deposited elsewhere in the name of ARM as nominee of the Pledgor (hereinafter referred to as 'the Pledged Assets').
- The Pledge shall include all present and future rights pertaining to the Pledged Assets including but not limited to, interest, dividends, subscriptions rights, option rights and bonuses. In addition, this Pledge shall cover assets exchanged for the Pledged Assets and any new assets added to the Pledgor's account(s).
- The Pledge shall secure all present and future claims which ARM may have against the Pledgor personally or against companies or third parties for whose obligations the Pledgor is answerable wholly or in part, irrespective of the legal cause or of the transaction from which they may result. This Pledge secures not only the principal amount of any such claims, but also any outstanding or accruing interest, commissions and other incidental fees and charges.
- ARM may at anytime require the Pledgor to place additional assets as collateral with ARM or require repayment of amounts owed to ARM.
- The Pledgor agrees to take all steps necessary to deliver the Pledged Assets in good, negotiable and unencumbered form to ARM and shall, upon request by ARM, forthwith execute all such transfers and such other documents as may be necessary to enable ARM to be registered as the owner of, or otherwise obtain legal title to the securities, funds and other property.
- ARM may in its absolute discretion and to the extent permitted by the applicable laws and regulations, sell or otherwise dispose of, authorize, or charge (or borrow against) any or all of the Pledged Assets, if in its opinion, such sale, disposal, realization or charge is necessary to cover claims secured by this Pledge, whether or not such claims are due and payable. In particular and without limiting the generality of the foregoing, ARM may sell, dispose of, authorize or charge any of the Pledged Assets if;
 - In its opinion the value of the Pledged Assets has declined or threatens to decline in value below a value acceptable to ARM;
 - the Pledgor fails to pay any amounts demanded by ARM within the time limit prescribed by such demand
 - any event occurs, which in the opinion of ARM, impairs the ability of the Pledgor to meet his obligations as they become due including but not limited to a declaration of bankruptcy or insolvency on the part of the Pledgor
- ARM may sell or do any of the above – mentioned acts in relation of the Pledged Assets, or buy-in short positions, without notice to the Pledgor or any other formality required by the laws of the Federal Republic of Nigeria on recovery of debts and on bankruptcy. The Pledged Assets may be sold privately or publicly at ARM's discretion.
- The Pledgor agrees that any prior demand or notice shall not constitute a waiver of ARM's right to sell the Pledged Assets without demand or notice. Further, ARM's failure to sell the Pledged Assets at any time shall not prejudice any rights of ARM under this Pledge.
- The net proceeds of any sale by ARM pursuant to these provisions shall be applied towards settlement of its claims against the Pledgor including the principal due under any claim, interest, commission, charges and cost.
- The Pledgor shall be liable for any deficit remaining after the sale of the Pledged Assets and shall pay such deficit upon demand.
- ARM shall be authorized to lend to itself or to a third party, any of the Pledged Assets.
- The General Conditions shall apply to this Pledge as though the same were incorporated in it.

PLEDGE AGREEMENT

ARM hereby grants a Margin/Term Loan to the client (hereinafter called 'the Borrower') upon the following terms and conditions:

- AGREED ADVANCE** – the amount advanced shall not exceed the thresholds below. These thresholds will be based on the market value of the securities, funds and other assets held by ARM on the Borrower's behalf at the last reporting date.

S/N	Type of Client	Maximum Ratio
1	Third Party Fixed Income	70%
2	WRM, PPS, Institutional & Trust	60%
3	Others	To be determined

- SECURITY** – a Pledge of the securities, funds and other Assets held by ARM on the Borrower's behalf and such collateral, if required, of a type and value acceptable to ARM
- MARGIN CALL FOR TERM LOANS** – Where the ratio of loan to gross portfolio value reaches 75% for Portfolio clients (WRM, PPS and Trust) and 85% for pure Fixed Income (3rd Party) Clients, a margin call will be made by giving notice by telephone, fax or hand delivered mail. In event of a reduction payment not being made by the client within 48 hours of exceeding the agreed margin, ARM will be authorized to take action as stipulated in the Pledge Agreement to restore the margin without further reference to the Client. The foregoing provisions shall in no way affect ARM's rights under the Pledge Agreement which has been executed by the Borrower with ARM
- MARGIN CALL FOR MARGIN LOANS** – Where the ratio of loan to gross portfolio value reaches 50%, a margin call will be made by giving notice by telephone, fax or hand delivered mail. In the event of a reduction payment not being made by the client within 24 hours of exceeding the agreed margin, ARM will be authorized to take action as stipulated in the Pledge Agreement to restore the margin without further reference to the Client.

5. Clients should note that, subject to availability of funds, it takes between 5 – 10 working days, from the day of receipt of request, to issue a cheque for the loan amount provided the loan is approved.
6. **MATURITY** – the Facility shall be for a term to be agreed on by the parties (Maximum of 12months). Either party may, upon 7days prior written notice, cancel the Facility. In event of cancellation, all transactions and all liabilities incurred during the period that the facility was in effect shall remain valid. Clients would be informed of loan maturity within two weeks to the maturity. Where a client does not respond, the loan will be automatically rolled over at the prevailing rate and new changes will be debited to client's portfolio. For Fixed income clients the tenor of the loan will be restricted to the tenor of the fixed income investment.
7. **TERM LOANS** – A commitment fee ___% of the amount borrowed shall be payable on the grant of the margin/credit facility. Loans will be subject to commission charge in line with ARM's policy. This is payable up front, upon the approval of the loan and will be deducted from the portfolio or investment amount where client does not make cash available for payment. Please note that loan will not be given until payment has been made for charges, as determined by ARM.
8. The General Conditions shall apply to this Facility as though the same were incorporated in it.
9. The Borrower hereby acknowledges that he undertakes the above facility at his own request. He has read and understood the terms and conditions of the facility in conjunction with the Risk Disclosure Statement and the Borrower understands, the financial risks involved in purchasing securities with borrowed funds, in addition to, if applicable, the additional risks inherent in financing investments in currencies other than those in which the securities are denominated.

THE CONCEPT OF MONEY LAUNDERING

Money laundering has been defined as the act of converting money or other monetary instrument gained from illegal activity into money or investments that appear to be legitimate so that its illegal source cannot be traced. Terrorist financing may not involve the proceeds of criminal conduct, but rather to conceal the origin or intended use of the funds, which will later be used for criminal purposes

PLACEMENT – Introduction of cash originating from criminal activities into financial or non – financial institutions

LAYERING – Separating the proceeds of criminal activity from their source through the use of layers of complex financial or non-financial transactions. These layers are designed to hamper the audit, disguise the origin of funds and provide anonymity.

INTERGRATION – Placing the laundered proceeds back into the economy in such a way that they re-enter the financial system as apparently legitimate funds. Financial institutions may be used to any point in the money laundering process.

In compliance with anti-money laundering legislation such as Money Laundering Prohibition Act, 2004; the Economic and Financial Crimes (Establishment) Act 2004; and National Drug Law Enforcement Act, 1995, Asset & Resource Management Company Limited (ARM) has implemented its Money Laundering policy. These laws make it illegal for ARM, its employees, or agents, to knowingly engage, or attempt to engage in a monetary transaction that involves criminally derived property, including property intended for illegal activities

ARM understands that the best way to fulfill this commitment is to maintain effective internal policies and procedures that are conducive to:

- Conducting financial activities in accordance with strict ethical standards and current laws and regulations
- The implementation of codes of conduct and monitoring and reporting systems to prevent it from being used for money laundering
- Ensuring that all employees observe "Know Your Customer" policies and procedures.
- Strict compliance with applicable anti-money laundering laws, as well as the recommendations issued on this subject by the international Financial Action Task Force on money laundering and national and international authorities.

INDEPENDENT CLIENT AGREEMENT

The Client (hereinafter referred to as 'the Principal') hereby appoints ARM as agent of the Principal to manage the securities and funds of the Principal upon the following terms and conditions:

1. ARM shall have sole discretion to manage and invest the securities and funds (hereinafter referred to as "the Assets") held by ARM on behalf of the Principal. ARM may invest and reinvest such securities, funds and other properties in any investments it deems appropriate in line with the Principal's pre-agreed investment strategy as indicated in the application form
2. ARM shall not be liable for any error of judgment or mistake of law or for any loss arising out of any investment or for any act or omission in the management of the assets, except for willful misfeasance, bad faith or negligence in the performance of its duties, or caused by reckless disregard of its obligations and duties hereunder.
3. The client hereby affirms the client is fully aware that that the components of the pre agreed investment portfolio service are carefully chosen with the end goal in mind and are integral to achieving the desired outcomes. Thus service is to be subscribed to in whole and the components thereof are not subject to discretionary individual modification. For this reason, subscription into and exit from this service must be executed in whole and not parts thereof and the constitution and reconstitution of the components of the service are entirely at the discretion of ARM.
4. I/We hereby declare that the information provided to ARM is accurate. I/We further declare that the funds I/We am/are placing with ARM/ARMT have not been subject to any Money Laundering or Fraudulent activities and is not intended for the use in any criminal or illegal activity. I/We understand that providing false or misleading information is a criminal offense and will be taken very seriously. I/We understand and accept that ARM in the course of its duties may verify any of the information provided (including source of funds) and is by law required to report any suspicious activity to the relevant authorities.
5. ARM reserves the right to charge an appropriate management fee in line with changing market situations
6. The client shall give a minimum of 15 days notice in writing to effect a partial or full withdrawal of the market value of the securities, funds and other property comprising the clients accounts(s)
7. The General Conditions shall apply to this Agreement as if same were incorporated herein
8. The client hereby declares and acknowledges that the client has read and fully understands and accepts the provision contained in the agreement and the attachments including the;
 - A. Risk Disclosure Statement
 - B. Service Offering Brochure
 - C. Independent Client Agreement
 - i. Client Name
 - ii. Signature
 - iii. Date

CLIENT
NAME

Surname first (or Company Name)

SIGN

DATE

