

YOU ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THE ABRIDGED PROSPECTUS. IF YOU ARE IN DOUBT ABOUT ITS CONTENTS OR THE ACTION TO TAKE, PLEASE CONSULT YOUR STOCKBROKER, SOLICITOR, BANKER OR AN INDEPENDENT INVESTMENT ADVISER FOR GUIDANCE IMMEDIATELY. THIS ABRIDGED PROSPECTUS HAS BEEN SEEN AND APPROVED BY THE DIRECTORS OF SFS CAPITAL NIGERIA LTD AND THEY JOINTLY AND INDIVIDUALLY ACCEPT FULL RESPONSIBILITY FOR THE ACCURACY OF ALL INFORMATION GIVEN AND CONFIRM THAT, AFTER HAVING MADE ALL ENQUIRIES WHICH ARE REASONABLE IN THE CIRCUMSTANCES, AND TO THE BEST OF THEIR KNOWLEDGE AND BELIEF, THERE ARE NO OTHER FACTS THE OMISSION OF WHICH WOULD MAKE ANY STATEMENT HEREIN MISLEADING.

FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE "POTENTIAL RISK" ON PAGE 8-9

Abridged Particulars of the Prospectus

**INITIAL PUBLIC OFFERING
OF
500,000,000 UNITS OF ₦1 EACH**

AT PAR IN THE

**SFS FIXED INCOME FUND
(Authorized and Registered in Nigeria as a Unit Trust Scheme)**

PAYABLE IN FULL ON APPLICATION

FUND MANAGER:



RC956192

SFS CAPITAL NIGERIA LIMITED

ISSUING HOUSE:



APPLICATION LIST

OPENS: FRIDAY, 2 MAY 2014

CLOSES: TUESDAY, 10 JUNE 2014

THIS ABRIDGED PROSPECTUS AND THE UNITS WHICH IT OFFERS HAVE BEEN CLEARED AND REGISTERED BY THE SECURITIES & EXCHANGE COMMISSION. THE INVESTMENTS AND SECURITIES ACT NO. 29 OF 2007 PROVIDES FOR CIVIL AND CRIMINAL LIABILITIES FOR THE ISSUE OF AN ABRIDGED PROSPECTUS WHICH CONTAINS FALSE OR MISLEADING INFORMATION. REGISTRATION OF THIS ABRIDGED PROSPECTUS AND THE UNITS WHICH IT OFFERS DOES NOT RELIEVE THE PARTIES OF ANY LIABILITY ARISING UNDER THE ACT FOR FALSE OR MISLEADING STATEMENTS CONTAINED OR FOR ANY OMISSION OF A MATERIAL FACT IN THE ABRIDGED PROSPECTUS.

THIS ABRIDGED PROSPECTUS IS DATED 23 APRIL 2014

SUMMARY OF THE OFFER

The following information should be read in conjunction with the full text of the Prospectus, from which it is derived.

Investors are advised to seek information on the Fees, Charges & Operating Expenses before investing in the Fund.

1. FUND MANAGER/PROMOTER	SFS Capital Nigeria Ltd
2. ISSUING HOUSE	Skye Financial Services Ltd
3. TRUSTEE TO THE FUND	Skye Trustees Limited
4. CUSTODIAN TO THE FUND	Stanbic IBTC Bank Plc
5. SIZE OF THE FUND	₦500,000,000.00 divided into 500,000,000 Units of N1.00 each.
6. FUND RATING	AA⁽⁹⁾
7. NATURE OF THE FUND	<p>The Fund is an Open ended Fund specifically designed to help savvy individuals with 'Financial Planning'.</p> <p>By investing in low risk money market and fixed income investments the fund is targeted at maximizing the predictability of the investors returns while minimizing the risks and fluctuations. The Fund targets consistency of returns above inflation.</p>
8. INVESTMENT OBJECTIVE	<p>The main objective of the Fund is to achieve capital preservation of its assets and to maximise investment returns on capital employed, by investing in a diversified and select portfolio of high quality bond securities and money market instruments.</p> <p>The Fund will invest in Fixed Income securities: This includes low-risk interest generating investments such as: CBN Treasury Bills; Commercial Papers; Bankers Acceptances; Certificate of Deposit; FGN, State Government and Corporate Bonds.</p>
9. DISTRIBUTIONS/REINVESTMENT	<p>The Funds focus would be to maximize current level of interest income while preserving capital invested and liquidity for investors. The Fund Manager intends to declare dividends and make distributions on an annual basis.</p> <p>Unit holders may elect to receive their Distribution in 'cash' i.e. via electronic transfer or to re-invest their distribution by purchasing additional Units of the Fund. Distribution payment option shall be made at the point of subscription.</p>
10. TARGET INVESTORS/ INVESTOR SUITABILITY	<p>The Fund is aimed at investors who require liquidity and have a low risk appetite. It is also targeted at investors who wish to benefit from prevailing and historically high interest rates in Nigeria in an optimal manner. The Fund welcomes participation from resident and non-resident individual and institutional investors.</p>
11. METHOD OF OFFER	Offer for Subscription.
12. OFFER PRICE	₦1.00 per Unit. Foreign currency investors will be processed at the prevailing exchange rate at the time of subscription. CCIs will be issued to all foreign currency subscribers.
13. UNITS OF SALE	10,000 units and Multiples of 10,000 units thereafter.
14. PAYMENT TERMS	In full on application.
15. SUBSCRIPTION CURRENCY	Nigerian Naira (₦).

16. MANDATORY SUBSCRIPTION

The Fund Manager shall subscribe to a minimum of 5% of the IPO.

17. OPENING DATE

2 May, 2014

18. CLOSING DATE

10 June, 2014

19. MINIMUM HOLDING PERIOD

The minimum holding period for an investment in the Fund is 30 calendar days from the date of purchase.

20. REDEMPTION

Unit holders have the right to redeem all or part of the Units held by them at the Bid price on any business day, provided the redemption documents are received in accordance with the instructions specified by the Fund Manager from time to time. Redemption documents delivered after 4pm on a Business Day will be deemed to have delivered on the next Business Day. No additional charges will be required on redemption. However, Units redeemed before the expiration of the Minimum Investment Period will attract a processing fee of **0.5%** of the value of such redemption.

Redemption shall be effected at the Bid Price within five (5) Business Days immediately following the receipt of the Redemption Notice by the Fund Manager

21. STATUS

The Units qualify as securities in which Trustees may invest under the Trustee Act.

22. LISTING

An application has been made to The Council of The Nigerian Stock Exchange for the admission of the 500,000,000 Units being offered for subscription, to its Memorandum List.

23. FORECAST OFFER STATISTICS

	2014	2015	2016
	N'000	N'000	N'000
Income			
Bonds (FGN, State, Corporate)	23,450	28,910	40,474
CBN Treasury Bills	44,100	55,860	78,204
Money Market Instruments	42,875	54,880	72,030
Cash	525	735	1,029
	<u>110,950</u>	<u>140,385</u>	<u>191,737</u>
Expenses			
Management Fees	7,000	9,800	13,720
Issue cost	14,985		
Operating expenses	6,650	9,310	13,034
	<u>28,635</u>	<u>19,110</u>	<u>26,754</u>
Net Income	82,315	121,275	164,983
Distribution to Unitholders	<u>(82,315)</u>	<u>(121,275)</u>	<u>(164,983)</u>
Undistributed Income	<u>-</u>	<u>-</u>	<u>-</u>
Forecast ratios:			
Forecast earnings(N) per units of N1.00	0.12	0.12	0.12
Forecast price/earnings ratio at offer price	8.51	8.08	8.32
Forecast earnings yield at offer price (%)	<u>11.76%</u>	<u>12.38%</u>	<u>12.03%</u>

24. INVESTMENT RISKS

The risks associated with an investment in the Fund are set out in

the section titled "**Risk Factors**" on pages 8-9 of this Prospectus.

25. SELLING RESTRICTIONS

Under no circumstances shall this Prospectus constitute an offer to sell or the solicitation of an offer to buy or shall there be any sale of these Units in any jurisdiction in which such offer, solicitation or sale would be unlawful.

26. GOVERNING LAW

The Trust Deed and related documents will be governed by and construed in accordance with the laws of the Federal Republic of Nigeria.

FUND MANAGER, TRUSTEES AND OTHER PARTIES TO THE OFFER

FUND MANAGER:	COMPANY SECRETARY	STOCKBROKERS TO THE OFFER:
SFS Capital Nigeria Limited	Tokunbo Orimobi LP	Securities Africa Financial Limited
Plot 287 Ajose Adeogun Street, Victoria Island, Lagos	5 th Floor 72, Broad Street, Lagos.	Skye Bank Building (5 th Floor) 30, Marina, Lagos.
DIRECTORS OF THE FUND MANAGER:	FINANCIAL ADVISOR/ISSUING HOUSE:	CUSTODIAN:
Dr. Layi Fatona (Chairman)	Skye Financial Service Ltd	Stanbic – IBTC Bank PLC
SFS Capital Nigeria Limited Plot 287 Ajose Adeogun Street, Victoria Island, Lagos	Plot 287 Ajose Adeogun Street Victoria Island, Lagos	Walter Carrington Crescent Victoria Island, Lagos
	TRUSTEE TO THE FUND:	REGISTRARS TO THE OFFER:
Dr. Yemi Kale	Skye Trustees Limited	United Securities Limited
SFS Capital Nigeria Limited Plot 287 Ajose Adeogun Street, Victoria Island, Lagos	Skye Bank Building (3 rd Floor) 30 Marina, Lagos	10 Amodu Ojukutu Street Victoria Island, Lagos
	SOLICITORS TO THE TRUSTEE:	RATING AGENCY
Mr. Yemi Gbenro	Oluyomi Olawore & Co.	DataPro Limited
SFS Capital Nigeria Limited Plot 287 Ajose Adeogun Street, Victoria Island, Lagos	ITIKU House, 28/30 Macarthy Street, Onikan, Lagos Island, Lagos.	6th Floor, Ashakun House 13-15 Lake Street Marina, Lagos Island
Mr. Patrick Ilodiana (Managing)	SOLICITORS TO THE OFFER:	RECEIVING BANK:
SFS Capital Nigeria Limited Plot 287 Ajose Adeogun Street, Victoria Island, Lagos	Jackson, Etti & Edu RCO Court, 3 – 5 Sinari Daranijo Street Victoria Island, Lagos	Skye Bank PLC 3 Akin Adesola Street Victoria Island, Lagos
Mr. Dimeji Sonowo	REPORTING ACCOUNTANTS:	
SFS Capital Nigeria Limited Plot 287 Ajose Adeogun Street, Victoria Island, Lagos	Dele Olufon & Co. Plot 788 Somide Odujinrin Street Omole Phase 2, Ikeja, Lagos.	

THE FUND

The SFS Fixed Income Fund is structured as an open-ended scheme and duly authorised and registered in Nigeria as a Unit Trust Scheme under Section 160 of the ISA. The Fund is constituted by a Trust Deed in favour of **Skye Trustees Limited** as Trustee. **500,000,000** Units are being offered for subscription at the launch of the Fund. Upon the successful completion of this Offer, the net proceeds therefrom and the resultant investments will be held in trust for the beneficial interest of the Unitholders and will constitute the Fund. **Stanbic IBTC Bank Plc** has been appointed as the Custodian to provide custodial services in respect of the Deposited Property pursuant to the terms of the Custody Agreement.

As an open-ended Fund, the Units will be continuously offered to investors and the Fund Manager will be ready to redeem the Units at all times throughout the duration of the trust constituting the Fund.

INVESTMENT OBJECTIVES AND POLICY

The Fund Manager would invest funds in such a manner as to ensure no loss of principal investment. In addition, the Fund Manager would seek to always attain a return above the prevailing inflation rate.

Most of the funds would be invested in interest bearing instruments through any CBN approved Bank. However, funds may also be invested in high quality corporate, commercial papers and Bankers Acceptance.

The Fund would selectively invest a minimum of 20% in bonds of FGN, State and Corporate when it's likely to get capital appreciation and exit at a profit. This strategy would happen only when bond or fixed income instruction appears underpriced using fundamental interest rate and yield curve analysis.

The Fund Manager would monitor all exposures very keenly and seek preservation of the investment ahead of possibilities of high returns. In summary, the Fund Manager would always seek to maximize risk-adjusted return of the investments.

TARGET INVESTORS

This is principally individual financial planning products.

The target investors are Individual Investors, Investor with low risk appetite, Investor which prefer to invest funds periodically and consistently for a particular reason, Investor who do not want high fluctuation in investment returns, Group of individual who want to hold themselves accountable for meeting certain investment goals.

INVESTMENT STRATEGY

Bonds: The fund will invest in discount bonds with high coupon rates and high yields. This would reduce the impact of the effect mark-to-market in the funds overall performance.

Fixed Income: The fund would seek out the best rate available in the market amongst CBN approved banks and blue-chip corporate. This would be predominantly money market instruments such as Bank Placements, Commercial Paper and Bankers Acceptance. It is expected that the Fund Manager would be able to obtain high yields and better terms than any individual investor would be able to obtain on their own.

INVESTMENT INCENTIVES

Stable Long Term: The investment targets stable long term returns above inflation.

Ease of Investments: The Fund would seek to make investing convenient through the use of information technology.

Financial Planning Literature: As the Fund focuses on financial planning, subscribers would be constantly updated with tips on effective financial planning.

SUBSCRIPTION TO THE FUND

Following the completion of this Offer, Units of the Fund can be purchased exclusively from the Manager or any other Agent(s) appointed by the Fund Manager by completing the appropriate Purchase Order Form. Subscription may be by one of the following means:

- a) Directly from the Manager or from any designated agent. Completed Forms should be returned to any such designated agent along with a bank draft for the amount being invested.
- b) By downloading a Purchase Order Form from the Fund's website, www.sfsfixedincomefund.com. The downloaded and duly completed Form should be sent to the Fund Manager's Lagos office address as indicated on the Form. Payment for Units of the Fund can be made by a bank draft made payable in Lagos or via a wire transfer made in line with instructions on the Form. Foreign currency subscriptions shall be processed at the prevailing exchange rate advised by the Manager.
- c) Subscriptions after the closure of the Offer can be done by standing order instructions to the Fund Manager or by cheque or bank transfer to the account of the Fund Manager on a weekly, monthly or bi-annual basis as the case may be.

Foreign currency subscribers are requested to complete the Purchase Order Form and follow the instructions at the back of the Form. The Fund Manager will support all foreign currency subscribers to obtain CCIs from authorized dealers within 24 hours of

importation of capital for the purpose of investing in the Fund. CCIs are required to enable subsequent repatriation, of proceeds from redemption of Units or from any distribution of the Fund's income that the Fund Manager may undertake.

INCOME AND DISTRIBUTION

Unit-holders may elect to receive their distributions in form of cash or to re-invest it in additional units in the Fund.

INVESTMENT DISCRETION

Investment choices of the Fund will be undertaken at the discretion of the Fund Manager, in accordance with the Trust Deed. Within these limits, the Fund Manager will be responsible for all the decisions regarding investment strategies, types, amounts and timing of the investments to be undertaken by the Fund. The strategies of the Fund will be periodically reviewed and modified as market conditions dictate and as the Fund Manager deems such modifications to be in the Fund's best interest. Holding periods for the Fund's trading and investment positions will be principally dependent upon their anticipated short to long term income and capital appreciation potentials and the market conditions that may prevail over time.

INVESTMENT RESTRICTIONS

The Fund Manager will adhere strictly to the investment objective of the Fund. In addition, the Fund Manager shall invest in such instruments as are permissible under the Trust Deed and authorized by the Investment Committee, taking due cognizance of the following restrictions at all times:

- (i) Investments shall be made for trading purposes only and shall not be intended for the purpose of exercising control over the management or operating policies of issuers of securities held;
- (ii) The Fund shall not advance loans except that it may buy and hold qualifying debt instruments in accordance with its mandate;
- (iii) The Fund will not purchase securities on margin or engage in short sales of securities.

Benefits of investing in the fund: The fund is carefully designed to improve the Financial 'Health' of an individual/group/ institution; therefore the following unique benefits shall apply:

- (i) **Ease of Investment:** The fund is designed to ensure convenience in the investment process;
 - Investment in the Fund can be made using the Quickteller platform by Interswitch Limited (details as contained in the application form)
 - Various steps are being taken to ensure a seamless investment via standing instruction and direct debits.
- (ii) **Liquidity:** The fund would also provide easy exit for investors.
- (iii) **Professional Management:** The Fund will be managed by highly experienced portfolio managers.
- (iv) **Financial Planning Education:** Subscribers to the fund would be consistently sent information to improve their financial health and financial planning skills.

STATEMENTS OF UNITHOLDINGS

Unit-holders will be issued with Fund Statements, which shall constitute evidence of their title to the number of Units specified on such statements. Joint Unit holders shall be entitled to one statement in respect of the units held jointly by them which shall be delivered to the joint holder or whose name first appears on the register.

TRANSFER AND REDEMPTION OF UNITS

Redemption of Units will be possible at any time after the allotment of such Units. Units redeemed within 30 days of the purchase will attract a processing fee of 0.5% of the net redemption value. Every Unit-holder shall be entitled to transfer the Units or any of the Units held by him through the Manager in accordance with the provisions of the Trust Deed. The Manager will not transfer or redeem Units without the production of a Fund statement of unit holding relating to such Units, which must be surrendered before any transfer or redemption whether for the whole or any part thereof can be registered. Units purchased on behalf of an individual under the age of 18 years may be redeemed or transferred by the signatory or by the individual upon attaining the age of 18 years provided that such individual produces a statement of unit holding and a valid means of identification. Detailed transfer instructions are provided in the Trust Deed. Units may be redeemed on any Business Day at the Bid Price per Unit, provided redemption notices are received at the offices of the Fund Manager before 5.00 p.m. on the Valuation Day. Notices received after 5.00 p.m. shall be treated on the following Business Day. Redemption price shall be as at the date of treatment.

A new statement of unit holding will be issued for the new number of units in case of partial redemption. Under normal circumstances, the Fund will make redemption payments within 5 Business Days of receipt of the redemption notice. The account detail stated in the application form will be the default account to be credited in the event of redemption. The name on the subscriber must be the same as the name on the account to be credited.

UNIT-HOLDERS' MEETINGS AND VOTING RIGHTS

The Manager shall call a General Meeting of Unit-holders with the consent of the Trustees as the need arises to consider the accounts and all matters affecting the Fund. Each Unit of the Fund carries a right of one vote in all matters requiring the decision of the Unit-holders. The Units confer on the Unit-holders exclusive participation in the returns on the assets of the Fund and a right to receive notices to attend and vote at any general meeting of the Fund.

VALUATION OF THE UNITS

The valuation of the Units shall be done daily or such other period which the Fund Manager may advise from time to time, based on a formula approved by SEC from time to time. The Fund Manager will advise the prices of the Fund after the valuation. The current formula approved by the Commission is as follows:

ADD

1. Un-invested cash
2. Undistributed income to date, less expenses
3. Total value of fixed income securities

LESS

4. Stamp Duties
5. Brokerage Fee

$$\text{Value per Unit} = \frac{(\text{Sum of 1 to 3}) - (\text{Sum of 4 to 5})}{\text{Total Number of Units}}$$

The Bid and Offer Prices per Unit shall be displayed at the Fund Manager's office and website.

COSTS & EXPENSES OF THE FUND AND FEES

The initial costs of establishing the Fund will be charged against the expected proceeds. This charge includes the expenses of this Offer, which comprises regulatory and professional fees, printing, advertising and publicity and brokerage commission. The administrative costs, which include the Manager's fee, will not exceed 3% of Net Asset Value of the Fund per annum. All future costs and expenses of maintaining the Fund, which shall include management of its assets, administration and other services, shall be deducted from the income generated by the Fund. The Fund Manager shall be paid an annual management fee of 1% of the NAV of the fund. This fee will be computed daily and paid quarterly in arrears and represents the remuneration due to the Fund Manager for the management and advisory roles involved in the day-to-day management of the fund. The manager is also entitled to an incentive fee which shall not exceed 30% of the total returns in excess of 10% of the fund's NAV per annum.

RISK FACTORS

The Fund Manager will exercise all necessary caution in investing monies mobilized by the Fund. In addition to the foregoing, foreign currency subscribers should note that their investment will be denominated in Naira and should qualify for repatriation upon redemption. In addition, foreign subscribers should note that their investment may also be subject to currency fluctuations and exchange control regulations in the jurisdictions of which they are citizens, residents or domiciled and in which they conduct business and are advised to consult their own professional advisers, in this regard.

Market Risk

This is the risk of a downturn in any sector of the market, which may lead to loss of investor confidence in Fixed Income Securities. If the Fund is invested in any of the fixed securities market, the value of such a fund will likely reduce in the sector invested as the value of the investments it contains goes down.

Mitigant - Fund Manager will closely monitor national & international market events and trends and cautiously invest investor funds in sectors that will yield positive returns. The Fund Manager will also trade (buy and sell) investments within the fund in order to maintain a diversified and constantly reviewed asset allocation model.

Business Risk

This is the risk of a reduction in asset values as a result of unexpected changes in the operating dynamics of immediate business environment in which the fund exists.

Mitigant - Using a well diversified portfolio, the Fund Manager will aim to create a defensive asset allocation model that will help the fund guard against massive losses in value within a short period.

Liquidity Risk

This is the risk that some assets in which the fund will be invested in might be difficult to sell.

Mitigant - Investments would be majority in liquid instruments that are freely tradeable.

Interest Rate Risk

This is the risk that fluctuations in interest rates might adversely affect the value of the assets to be invested in.

Mitigant - *Bid and Offer prices would be calculated based on the cost plus accrued interest to protect subscribers from excessive interest rate fluctuations.*

Inflation Risk

This refers to the risk of loss of purchasing power due to increase in costs over time due to rising prices and results in a decrease in purchasing power over time. The interest rate on a bond is typically set when it is issued.

If there is significant inflation over the time the bond is held, the real value of the investment depreciate

Mitigant - *there is no mitigant currently to the Risk.*

NAV Risk

Stock market trends show that prices of many listed securities (especially Bonds) move in unpredictable directions, which may affect the value of the Fund's portfolio of listed securities. Depending on its exposure to such securities, the NAV of Units issued under this Fund may change depending on various factors and forces affecting the capital markets. Moreover, there is no guarantee that the market price of the Fund's Units will fully reflect the underlying asset value of the Fund.

Mitigant - *The Fund manager will invest a maximum of 20% in Bonds which can experience a fluctuation in Price.*

Credit Risk

The credit ratings of the issuers of corporate bonds in which the Fund will invest in are an assessment by the relevant rating agencies of such issuers' ability to pay the debt obligations when due. The ratings may not reflect the potential impact of all risks related to investing in the bonds. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time. There will still be the risk of loss due to an issuer's default or non-payment of the principal or coupon or both.

Mitigant - *The Fund Manager will amongst other measures to mitigate risk, assess the payment ability and past history of the issuer and only invest in corporate bonds that are issued by Nigerian listed companies and money market instruments with at least an "A" rating by a SEC registered rating agency.*

THE FUND MANAGER

SFS Capital Nigeria Limited ("SFS Capital") is a non-bank financial institution established in May 2011, with a focus on asset management. The company is duly registered as a Portfolio/ Fund Manager and Investment Adviser with SEC. SFS Capital is a carve-out of the investment management business of Skye Financial Services Limited. Since inception, SFS Capital has established itself as a leading asset management company in the financial market.

The fund management activities of SFS Capital have billions of Naira under management. Its clients' include retirement benefit schemes, Trustees, corporations, high net worth individuals, investment trust, reserve funds and saving schemes. The company also provides bespoke investment advisory services to its diversified client base.

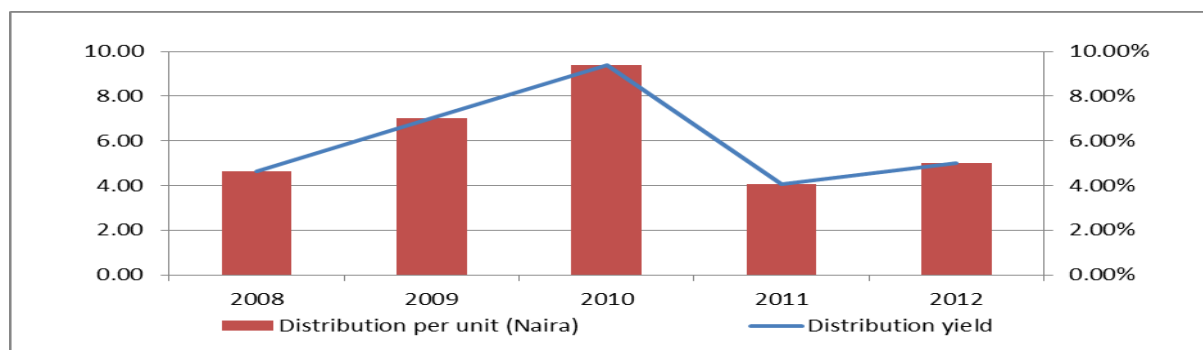
SFS Capital has considerable financial market expertise with an experienced and versatile management team. The company has a track record of being client-focused, acting with integrity and giving honest and reliable investment advice.

TRACK RECORD- THE SKYE SHELTER FUND

SFS Capital manages the Skye Shelter Fund ("the Fund"). It is a close-ended Real Estate Investment Trusts ("REIT"), and the first REIT to be listed and traded on the floor of the Nigerian Stock Exchange ("NSE"). As at 31 December 2012, the Fund had a net assets value (NAV) of N2.25 billion.

The Fund's performance since inception confirms the investment expertise of the firm's management. A REIT provides the vehicle for diversification of investment, considering the fact that real estate investment has low correlation with equity and fixed income markets. It also bridges the administrative, knowledge and capital requirement needed to have exposure to real estate investments. The launch and growth of the Fund is a reconfirmation of the innovative culture of the firm.

Since inception the Fund has distributed a cumulative of N30.09 (including 2012 distribution). This is a return of 30.09% of the unit price at inception. Notwithstanding the dismal performance of the capital market over the last five years, the Fund's NAV had increased about 12.5%. This is excluding to the amount distributed.



Source: SFS Capital Nigeria Limited

*2012 distribution is declared but yet to be paid

Financial Summary of SFS Capital Nigeria Limited

Year Ended 31 December	2013 (Management) N'000	2012 (Audited) N'000
Profit before taxation	41,432	25,007
Retained earnings	65,084	24,429
Share capital	364,002	20,000
Total Assets	21,625,034	10,719,770

THE MANAGEMENT TEAM OF THE FUND MANAGER

The Management team of the Fund Manager is currently constituted as follows:

Dr. 'Layi Fatona (Chairman)
Dr Yemi Kale (Non-Executive Director)
Mr. Yemi Gbenro (Non-Executive Director)
Mr. Patrick Ilodiana – Managing Director/CEO
Mr. Dimeji Sonowo - Director

INVESTMENT COMMITTEE

The Investment Committee will advise and guide the Fund Manager on its investment strategies and policies in order to ensure that its activities conform with the Fund's established investment objectives and in the overall interests of the Unit-holders.

The membership of the Investment Committee is as follows:

Mr. Yemi Gbenro
Mr. Patrick Ilodiana
Mr. Dimeji Sonowo
Mrs. Funmi Ekundayo (Representative of the Trustee)
Mr. Laolu Martins (independent member)

THE TRUSTEE

Skye Trustees Limited was incorporated on the 2nd of May 1991 as EIB Trustees Limited before the change of name following the merger of its former parent company (Skye Bank Plc) in 2005.

Skye Trustees is registered with the Securities and Exchange Commission as Trustees and Funds/Portfolio Managers. Skye Bank recently divested its holding with Skye trustees through a management buy-out led by its MD/CEO, Funmi Ekundayo.

The Board of Directors of the Company comprises five members.

Mr. Olawale Edun– Chairman of the board
Mrs. Funmi Ekundayo– Managing Director/CEO
Mr. Kayode Falowo- Non-Executive Director
Mr. Afolabi Caxton-martins- Non-Executive Director
Mrs. Connie Ogundare- Non-Executive Director

THE CUSTODIAN

Stanbic IBTC Holdings is a member of Standard Bank Group. Standard Bank Group is Africa's largest banking group ranked by assets and earnings and has been in business for about 150 years. Standard Bank operates in Nigeria as Stanbic IBTC Bank. In September 2012, Stanbic IBTC Bank was restructured to align with the Regulation on the Scope of Banking Activities and Ancillary Matters issued by the Central Bank of Nigeria in September 2010, which requires banks rendering universal banking, services to reorganize their businesses into banking and non-banking activities. The bank also offers custodial services for non-pension asset custodian.

INDEBTEDNESS

As at the date of this Prospectus, the Fund Manager has no outstanding debentures, mortgages, loans, charges or similar indebtedness, except in the ordinary course of business.

CLAIMS AND LITIGATION

SFS Capital Nigeria Limited is not involved in any civil litigation or criminal litigation.

COSTS AND EXPENSES

The costs, charges and expenses of and incidental to the Offer including fees payable to the SEC, The Exchange, and professional parties, brokerage, printing and distribution expenses, are estimated at about ₦14,985,000 or 3% of the gross Offer proceeds and is payable by the Fund Manager and shall be offset from the Offer Proceeds.

MATERIAL CONTRACTS

The following agreements have been entered into and are considered material to this Offer:

1. A **Trust Deed** dated 23 April, 2014 between SFS Capital and Skye Trustee Limited under which the Fund was constituted and Skye Trustees Limited has agreed to act for the benefit of the Unitholders.
2. A **Vending Agreement** dated 23 April, 2014 between SFS Capital and Skye Financial Services under the terms of which Skye Financial Services Limited has agreed to offer 500,000,000 Units of NGN1 each of the SFS Fixed Income Fund.
3. A **Custody Agreement** dated 23 April, 2014 between SFS Capital, Skye Trustee Limited and StanbicIBTC Bank Plc pursuant to which the Fund Manager has appointed StanbicIBTC Bank Plc to act as custodian of the Fund's investments, cash and other assets and to accept responsibility for the safe custody of the Deposited Property which is delivered to and accepted by the Custodian or any of its sub-custodians.

Other than as stated above, the Fund Manager has not entered into any material contracts except in the ordinary course of business.

CONSENTS

The following have given and not withdrawn their written consents to the issue of this Prospectus with their names and reports (where applicable) included in the form and context in which they appear:

Fund Manager:	SFS Capital Nigeria Ltd
Directors of the Fund Manager:	Dr. Layi Fatona (<i>Chairman</i>) Dr. Yemi Kale (<i>Non-Executive</i>) Mr. Yemi Gbenro (<i>Non-Executive</i>) Mr. Patrick Ilodiana (<i>Managing Director</i>) Mr. Dimeji Sonowo (<i>Executive</i>)
Company Secretary	Tokunbo Orimobi LP
Financial Advisor/Issuing House:	Skye Financial Services Limited
Trustee to the Fund:	Skye Trustees Limited
Solicitors to the Trustee:	Oluyomi Olawore & Co.
Solicitors to the Offer:	Jackson, Etti & Edu.
Reporting Accountants:	Dele Olufon & Co.
Stockbrokers to the Offer:	Securities Africa Financial Limited
Custodian:	Stanbic IBTC Bank PLC
Registrars to the Offer:	United Securities Limited
Rating Agency:	DataPro Limited
Receiving Bank:	Skye Bank Plc

RELATIONSHIP BETWEEN THE FUND MANAGER AND THE CUSTODIAN

The Fund Manager and the Custodian do not have any common shareholder and neither one is a subsidiary or holding company of the other. They do not have common Directors.

RELATIONSHIP BETWEEN THE FUND MANAGER AND THE TRUSTEE

The Fund Manager and the Trustee do not have any common shareholder and neither one is a subsidiary or holding company of the other. They do not have common Directors.

RELATIONSHIP BETWEEN THE FUND MANAGER AND THE ISSUING HOUSE

The Fund Manager and the Issuing House have similar shareholders. Both companies have a majority shareholder called Zigmund Investment Alliance Limited.

DOCUMENTS AVAILABLE FOR INSPECTION

1. Certificates of Incorporation of the Fund Manager and the Trustee;
2. Memorandum and Articles of Association of the Fund Manager and the Trustee;
3. The resolution of the Board of Directors of the Fund Manager authorizing the creation of the Fund and the issuance of 500 million Units of the Fund;
4. The duly executed Prospectus issued in respect of the Offer;
5. The Report of Dele Olufon Reporting Accountants, on the Financial Projections of the Fund for the 3 years ending 31 December, 2016;
6. The audited financial statements of the Fund Manager for the years ended December 31, 2012;
7. The management financial statements of the Fund Manager for the years ended December 31, 2013;
8. The letter of authorisation of the Fund and registration of the Units by the Securities and Exchange Commission;
9. The material contracts referred to above;
10. The written consents referred to above.

PROCEDURE FOR APPLICATION AND ALLOTMENT

1. APPLICATION

- 1.1 The general investing public is hereby invited to apply for Units of the Fund through any of the Receiving Agents listed in this Prospectus.
- 1.2 Applications for Units must be made in accordance with the instructions set out at the back of the Application Form attached hereto. Care must be taken to follow these instructions, as applications which do not comply will be rejected.
- 1.3 The Application List for the Units now being offered will open on 2 May, 2014 and close on 10 June, 2014. Applications must be for a minimum of 10,000 Units and in multiples of 10,000 Units thereafter. The number of Units for which an application is made and the value of the cheque or bank draft attached should be entered in the boxes provided.
- 1.4 Applications in Naira above N10 million should be transferred via RTSG into the issue Proceeds Account domiciled with the Receiving Bank indicated below:

Bank Name :	Skye Bank Plc
Account Name :	Skye Trustees/ SFS Fixed Income Fund
Account Number :	1771351912
Applicant / Sender :	Please complete as appropriate

2. ALLOTMENT

Skye Financial Services Limited and the Directors of the Fund Manager reserve the right to accept or reject any application in whole or in part. All irregular applications will be rejected. In the event of an over subscription, additional Units of the Fund will be allotted subject to the Commission's approval.

3. APPLICATION MONIES

All application monies will be retained in a separate bank account by the Receiving Bank pending allotment. If any application is not accepted, a crossed cheque/return money warrant for the full amount paid will be returned by registered post within 5 working days of allotment.

For electronic payment return, monies will be returned to the bank account details provided by the applicant on the application form with 5 working days of allotment.

A Fund Statement will be sent by registered post within 15 working days from the date of allotment.

Application Forms may be obtained free of charge from any of the Receiving Agents registered as capital market operators by SEC, to whom brokerage will be paid at the rate of ₦0.75 per ₦100 worth of units allotted in respect of applications bearing their official stamps.

The Issuing House cannot accept responsibility for the conduct of any of the institutions involved in this offer. Investors are therefore advised to conduct their own independent enquiries before choosing an agent to act on their behalf. Evidence of lodgment of funds at any of the Receiving Agents, in the absence of corresponding evidence of receipt by the Issuing House, cannot give rise to a liability on the part of the Issuing House under any circumstances.

APPLICATION FORM

APPLICATION LIST OPENS
2 MAY, 2014

INITIAL PUBLIC OFFERING OF
500,000,000 UNITS OF N1.00 PER UNIT
IN THE

APPLICATION LIST CLOSES
10 JUNE, 2014

FUND MANAGER

SFS Fixed Income Fund
(Authorized and Registered in Nigeria as a Unit Trust Scheme)

ISSUING HOUSE



RC: 956192

PAYABLE IN FULL ON APPLICATION

Application must be made in accordance with the instructions set out on the reverse side of the Application form. Care must be taken to follow these instructions as applications that do not comply may be rejected. If you are in doubt as to the action to take, please consult your Stockbroker, Accountant, Banker, Solicitor or any other professional adviser for guidance immediately.



Please complete all relevant sections of this form USING BLOCK LETTERS WHERE APPLICABLE

GUIDE TO APPLICATION	
Number of Units applied for 10,000 minimum Subsequent multiple of 10,000	Amount payable N10,000.00 N10,000.00
UNITS APPLIED FOR	
[Grid for units applied for]	
VALUE OF UNITS APPLIED/ AMOUNT PAID	
[Grid for value of units]	
DATE (DD/MM/YYYY)	
[Grid for date]	
CONTROL NO. (FOR FUND MANAGER'S USE ONLY)	
[Grid for control no.]	

DECLARATION

I/ We declare that I/we have read the Prospectus dated 23 April, 2014 issued by Skye Financial Services Limited on behalf of SFS Capital Nigeria Limited.

I/ We the undersigned, confirm that we have full legal capacity to contract and hereby irrevocably apply for the number of Units specified hereon.

I/ We attach the amount payable in full on application for the number of units indicated in the SFS Fixed Income Fund at N1.00 per unit.

I/ We agree to accept the same or any smaller numbers of Units in respect of which allotment may be made upon the terms of the Prospectus dated 23 April, 2014 and subject to the Trust Deed constituting the Fund.

I/ We understand that we will receive our allotted Units in uncertificated form. Accordingly, we hereby authorize you to allot the said Units in uncertificated form.

APPLICANT'S DETAILS (INDIVIDUAL/ CORPORATE ((Please use one box for one alphabet leaving one box blank between first word and second)

SURNAME/CORPORATE NAME
[Grid]

FIRST NAME (FOR INDIVIDUALS ONLY) OTHER NAMES (FOR INDIVIDUALS ONLY)
[Grid] [Grid]

JOINT APPLICANT'S FIRST NAME (IF APPLICABLE) OTHER NAMES (FOR JOINT APPLICANT ONLY)
[Grid] [Grid]

CONTACT PERSON (FOR CORPORATE APPLICANT)/ NEXT OF KIN (FOR INDIVIDUAL APPLICANT)
[Grid]

ADDRESS IN FULL (PLEASE DO NOT REPEAT APPLICANT(S)' NAME). POST BOX NO. ALONE IS NOT SUFFICIENT
[Grid]

CITY STATE E-MAIL
[Grid]

APPLICANT'S DETAILS (INDIVIDUAL/ CORPORATE ((Please use one box for one alphabet leaving one box blank between first word and second)

SURNAME OF MINOR OTHER NAMES
[Grid] [Grid]

DATE OF BIRTH GENDER NATURE OF RELATIONSHIP (PARENT/GUARDIAN)
[Grid] MALE FEMALE [Grid]

ADDRESS IN FULL (PLEASE DO NOT REPEAT APPLICANT(S)' NAME). POST BOX NO. ALONE IS NOT SUFFICIENT
[Grid]

CITY STATE E-MAIL
[Grid]

APPLICATION FORM (REVERSE SIDE)

INCOME DISTRIBUTION

Please tick in the box to indicate the preferred distribution option- CASH / REINVESTMENT

BANK DETAILS (FOR E-DISTRIBUTION)

BANK	BRANCH
<input type="text"/>	<input type="text"/>
ACCOUNT NO	BANK SORT CODE
<input type="text"/>	<input type="text"/>

BANK DETAILS (FOR E-DISTRIBUTION)

SIGNATURE	SIGNATURE (CORPORATE/JOINT)	OFFICIAL SEAL/RC. NO. OR *THUMBPRINT* (FOR ILLITERATES ONLY)
NAME OF AUTHORISED SIGNATORY (CORPORATE ONLY):	NAME OF AUTHORISED SIGNATORY	<input type="text"/>
DESIGNATION (CORPORATE ONLY):	DESIGNATION (CORPORATE ONLY):	

FORM OF ATTESTATION (Compulsory requirement for a witness of a thumbprint impression only)

I, _____ [Please insert full name of person attesting] of _____ [address] hereby testify that the above *thumbprint* was affixed in my presence this.....day of.....2014, and is the true right thumb print of _____ [insert name of person executing] who has acknowledged to me after due explanation of the Application Form in the language understandable to him that (i) that he has voluntarily executed this instrument and (ii) that he understands the contents and effect thereof.

As witness my hand this.....day of....., 2014. Witness Signature: _____

INSTRUCTIONS FOR COMPLETING THE APPLICATION FORM

- Applications must be made only on this Application Form, or photocopy, downloaded or scanned copy of the Application Form. Applications should be made in accordance with the instructions. Care must be taken to follow these instructions, as applications which do not comply will be rejected.
- The Application List for the Units will be open to prospective investors for the duration specified in the Prospectus.
- Applications must be for a minimum of 10,000 Units. Applications for more than 10,000 Units must be in multiples of 10,000. The number of Units for which an application is made and the applicable value should be entered in the boxes provided.
- An application for a minor must include the full names and date of birth of the minor, as well as the full names and address of the adult (Parent or Guardian) making the application on such minor's behalf.
- Joint applicants must all sign the Application Form.
- An application from a corporate body must state its Incorporation (RC) Number and bear the corporate body's common seal and be completed under the hand of a duly authorized official.
- An application by an illiterate should bear his right thumbprint on the Application Form and be witnessed by an official of the Receiving Agent at which the application is lodged who must have first explained the meaning and effect of the Application Form to the illiterate in his own language. Above the thumb print of the illiterate, the witness must record in writing that he has given this explanation to the illiterate in a language understandable to him and that the illiterate appeared to have understood same before affixing his thumb impression.
- An applicant should not print his signature. If he is unable to sign in the normal manner he should be treated for the purpose of this Offer as an illiterate and his right thumbprint should be clearly impressed on the Application Form.
- Applications in Naira below N10 million should be forwarded together with a cheque or bank draft for the full amount of the purchase price made payable to any of the Receiving Agent listed in this Prospectus. The cheque or draft must be drawn on a bank in the same town or city in which the Receiving Agent is located and crossed "SFS FIXED INCOME FUND" with the name, address and daytime telephone number of the applicant written on the back. All bank commissions and transfer charges must be prepaid by the applicant. All cheques and drafts will be presented upon receipt and all applications in respect of which cheques are returned unpaid will be rejected and returned through the post at the applicant's risk.
- Applications in Naira above N10 million should be transferred via RTGS into either of the Issue Proceeds Accounts specified in this Prospectus.
- All foreign currency subscriptions should be credited to the receiving bank account specified in this Prospectus. The applicable Receiving Bank will issue CCIs evidencing such foreign currency subscriptions. CCIs are required to enable subsequent repatriation, in a freely convertible currency, of the dividends from or proceeds of any future sale of the Units acquired in this IPO.

**APPLICATION FORM
SFS FIXED INCOME FUND**

Receiving Agents

Application Forms may be obtained free of charge from any of the following Receiving Agents registered as market operators by the SEC, to whom brokerage will be paid at the rate of ₦0.75 per annum, per ₦100.00 worth of units allotted in respect of applications bearing their official stamps.

The Issuing House cannot accept responsibility for the conduct of any of the institutions listed below. Investors are therefore advised to conduct their own enquiries before choosing an agent to act on their behalf. Evidence of lodgment of funds at any of the Receiving Agents listed below, in the absence of corresponding evidence of receipt by the Issuing House, cannot give rise to a liability on the part of the Issuing House under any circumstances.

BANKS

Access Bank Plc Diamond Bank Plc Ecobank Nigeria Plc Enterprise Bank limited Fidelity Bank Plc First City Monument Bank Plc First Bank Nigeria Plc	Guaranty Trust Bank Plc Heritage Bank Limited Keystone Bank Limited Mainstream Bank Limited Skye Bank Plc Stanbic IBTC Bank Plc Standard Chartered Bank Nigeria Limited	Sterling Bank Plc Union Bank of Nigeria Plc United Bank for Africa Plc Unity Bank Plc Wema Bank Plc Zenith Bank Plc
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STOCKBROKERS AND OTHERS

Adamawa Securities Limited Adonai Stockbrokers Limited AIL Securities Limited Alangrange Securities Limited Allbond Investments Limited Alltrade Securities Limited Alliance Capital Management Limited AMYN Investments Limited Asset & Resource Management Limited Anchoria Investment & Securities Ltd APT Securities & Fund Limited Bacad Finance & Investment Co Limited Beachgrove Securities & Investment Co Limited Beaver Securities Limited Bestworth Assets & Trust Limited BFCL Assets & Investment Limited BGL Securities Limited BIC Securities Limited BSD Securities Limited Capital Assets Limited Capital Trust Brokers Limited Capital Express Securities Limited Century Securities Limited Calyx Securities Limited Cash Craft Asset Management Limited. Capital Bancorp Limited Cashville Investments & Securities Ltd. Centre-Point Investment Limited Citi Investment Capital Limited City Investment Management Limited City Securities Limited City-Code Trust & Investments Limited Consolidated Investment Limited Cooper Flemming Stockbrokers Limited Core Trust & Investment Limited Crane Securities Limited Crossworld Securities Limited Clearview Investment Co Limited Counters Trust Securities Limited CSL Stockbrokers Limited DakaL Securities Limited DBL Securities Limited De-canon Investments Limited De-Lords Securities Limited Denham Management Limited Dependable Securities Limited Dynamic Portfolios Limited Empire Securities Limited Euro Comm Securities Limited Express Portfolio Services Limited Falcon Securities Limited	F & C Securities Limited Fidelity Union Securities Limited Fidelity Finance Limited Financial Derivatives Limited Financial Equities Limited Financial Trust Co Limited Finmal Finance Company Limited First Equity Securities Limited First Stockbrokers Limited Folu Securities Limited Foresight Securities & Investment Ltd Forte Asset Management Limited Forthright Securities & Investments Ltd Fountain Securities Limited Future View Securities Limited Genesis Securities and Investment Ltd. Gidauniya Investment & Securities Ltd Global Capital Market Limited Golden Securities Limited Great Africa Trust Limited Greenwich Trust Limited GTI Capital Limited Heritage Investment & Securities Ltd Horizon Stockbrokers Limited IBTC Asset Management Limited IBN Securities Limited ICON Stockbroker Limited IMB Morgan Plc Indemnity Finance Limited Independent Securities Limited Integrated Trust & Investments Limited Intercontinental Securities Limited International Capital Securities Limited International Standard Securities Ltd Intercontinental Capital Markets Limited Interstate Securities Limited Investors & Trust Co Limited Jamkol Investments Limited Jenkins Investment Limited Kinley Securities Limited Kundila Finance Services Limited Lakeworth Investments & Securities Ltd LB Securities Limited Lead Securities & Investment Limited Lighthouse Asset Management Limited Lion Stockbrokers Limited Lynac Securities Limited Magnartis Fin & Inv Limited Mainland Trust Limited Maninvest Securities Limited Marina Securities Limited	MBC Securities Limited Mega Equities Limited Mercov Securities Limited M & F Investment Limited Molten Trust Limited Mutual Alliance Investment & Securities Ltd Midas Stockbrokers Limited Midland Capital Markets Limited Midlands Investment & Trust Co. 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Limited Summit Finance Company Limited Support Services Limited Tiddo Universal Securities & Finance Limited Tomil Trusts Limited Topmost Finance & Investment s Ltd Transglobe Investment & Finance Co Limited	TRW Stockbrokers Limited Trade Link Finance & Securities Ltd Tropics Securities Limited Trust and Financial Services Limited Trusthouse Investment Limited Trust Yields Securities Limited UBA Securities Limited UNEX Securities & Investment Ltd Union Stockbrokers Limited Valmon Securities Limited Valueline Securities & Investment Ltd Vetiva Capital Management Limited Vision Trust & Investments Limited WSTC Financial Services Limited Yobe Investment Co. Limited Zenith Securities Limited Zuma Securities Limited
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