

Dear Investor,

We write to update you on the recent development in the Nigerian Bond market targeting retail investors.

The Federal Government of Nigeria in a bid to improve the savings culture of the average Nigerian and enable them participate in the Nigerian Bond market, has commenced regular issuance of Federal Government of Nigeria Savings Bond (FGNSB) through the Debt Management Office (DMO).

The Savings Bond will have almost all the features of the existing FGN Bond plus other features/benefits to the bondholder. It is backed by the full faith of the Federal Government of Nigeria and is therefore deemed risk free.

**\*Features of the FGNSB:**

<b>S/N</b>	<b>Subject</b>	<b>Features</b>
1.	Price	Single price rule (Interest or Coupon payable on the FGNSB shall be determined by the DMO using empirical markets indicators from the CBN)
2.	Yield	Fixed interest rate at every auction
3.	Tenor	Between 2 – 3 Years
4.	Coupon payment	Coupon will be paid quarterly while the principal will be paid at maturity
5.	Transfer and Custody Agent	Central Securities Clearing System and any other licensed by the SEC
6.	Settlement	Bond holders will have their holdings credited into their CSCS account
7.	Settlement Date	Transaction day plus three days (T+3)
8.	Subscription Amount	Minimum of NGN5,000 plus multiples of NGN1,000
9.	Subscription Tenor	The offer shall be open to investors for 5 days including the day the offer is announced and the date of closure
10.	Listing	The Bond will be listed and tradeable on The Nigerian Stock Exchange as well as any other exchanges with retail trading platforms
11.	Auction and Frequency of Issuance	The product is issued monthly
12.	Offer size	To be Determined
13.	Mode of Issuance	Offer for Subscription

### **Benefits of FGNSB:**

- It offers better returns than interest rates paid by banks on savings accounts  
Steady source of income as coupon will be paid quarterly
- It offers capital preservation as the Bondholder needs not worry about losing his/ her capital if held to maturity.
- Provides an alternative source of diversification
- Interest income from investments are tax free
- The investment can be used as collateral for a loan.
- It helps investors save towards larger investments or retirement
- Coupons can be reinvested to increase holdings and yield to maturity.

### **How to Apply and Make Purchase**

- Open a stockbroking / CSCS account with Kapital Care Trust & Sec.ltd {If not having any before} **(This should be done before auction date)**
- Fill and submit the Subscription form
- Credit Kapital Care Trust & Sec. Ltd bank account with the said amount into

**Account Name: Kapital Care Trust & Securities Limited**

**Bank: Ecobank Plc**

**Account Number: 2562013819**

On settlement date CSCS credits investors account with volume of bonds purchased

For further information kindly contact any of our staff below:

1. **Daniel**            **0803 304 5928**
2. **Godwin**        **0809 677 7667**
3. **John**            **0818 400 4264**