



BK CAPITAL AGUKA UNIT TRUST FUND  
**PROSPECTUS**

OCTOBER, 2020





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THIS PROSPECTUS IS SUBMITTED IN CONNECTION WITH AN OFFER OF UNITS OF THE BK CAPITAL AGUKA UNIT TRUST FUND (THE "FUND") TO THE GENERAL PUBLIC. THE DISTRIBUTION OF THIS PROSPECTUS AND SUPPLEMENTARY DOCUMENTATION AND OFFERING OF UNITS MAY BE RESTRICTED IN CERTAIN JURISDICTIONS; PERSONS INTO WHOSE POSSESSION OF THIS PROSPECTUS ARE REQUIRED TO INFORM THEMSELVES ABOUT AND OBSERVE ANY SUCH RESTRICTIONS. THIS PROSPECTUS DOES NOT CONSTITUTE ANY OFFER BY ANYONE IN ANY JURISDICTION IN WHICH SUCH OFFER IS NOT LAWFUL OR AUTHORISED, OR TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH AN OFFER.

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THE CAPITAL MARKET AUTHORITY OF THE REPUBLIC OF RWANDA ("CAPITAL MARKET AUTHORITY") HAS AUTHORISED THE FUND UNDER LAW N° 40/2011 OF 20/09/2011 REGULATING COLLECTIVE INVESTMENT SCHEMES IN RWANDA ("CIS LAW") AND PERMISSION HAS BEEN GRANTED BY THE CAPITAL MARKET AUTHORITY TO OFFER TO THE PUBLIC THE SECURITIES WHICH ARE THE SUBJECT OF THIS ISSUE. AS A MATTER OF POLICY, THE CAPITAL MARKET AUTHORITY ASSUMES NO RESPONSIBILITY FOR THE CORRECTNESS OF ANY STATEMENTS OR OPINIONS MADE OR REPORTS CONTAINED IN THIS PROSPECTUS.

THE MANAGEMENT TEAM OF BK CAPITAL LIMITED ("THE INVESTMENT MANAGER"), WHOSE NAMES ARE SET OUT IN THIS PROSPECTUS, HAVE TAKEN ALL REASONABLE CARE TO ENSURE THAT THE INFORMATION CONTAINED IN THIS PROSPECTUS IS, TO THE BEST OF THEIR KNOWLEDGE AND BELIEF, IN ACCORDANCE WITH THE FACTS AND DOES NOT OMIT ANYTHING MATERIAL TO SUCH INFORMATION. THE PROSPECTUS MUST BE READ IN FULL AS ALL INFORMATION CONTAINED IN IT FORMS AN INTEGRAL PART OF THE PROSPECTUS. THE DOCUMENT SHOULD ALSO BE READ IN CONJUNCTION WITH THE TRUST DEED OF THE FUND ("TRUST DEED"). ANY CONFLICT BETWEEN ANY STATEMENT MADE IN THIS PROSPECTUS AND ANY PROVISION OF THE TRUST DEED SHALL BE RESOLVED IN FAVOUR OF THE LATTER DOCUMENT. ANY INFORMATION OR REPRESENTATION GIVEN OR MADE BY A PERSON WHICH IS NOT CONTAINED HEREIN OR IN ANY OTHER DOCUMENT WHICH MAY BE AVAILABLE FOR INSPECTION BY THE PUBLIC SHOULD BE REGARDED AS UNAUTHORISED AND SHOULD ACCORDINGLY NOT BE RELIED UPON.

INVESTORS SHOULD BEAR IN MIND THAT THE INFORMATION AND OPINIONS IN THIS PROSPECTUS IS SELECTIVE AND UP-TO-DATE ONLY AS AT THE DATE OF THIS PROSPECTUS.

SUBSCRIPTION PROCEEDS WILL BE INVESTED BY THE FUND IN ACCORDANCE WITH THE INVESTMENT POLICY CONTAINED IN THIS PROSPECTUS AND AS MAY BE AMENDED FROM TIME TO TIME. PROSPECTIVE INVESTORS SHOULD APPRECIATE THAT ALL FINANCIAL INVESTMENTS CARRY INHERENT RISKS, AND NO ASSURANCE OR GUARANTEE CAN BE GIVEN THAT THE INVESTMENT OBJECTIVES OF THE FUND WILL BE FULLY MET. THE ATTENTION OF INVESTORS IS DRAWN PARTICULARLY TO THE RISK FACTORS SET OUT IN "SECTION 7 – RISK FACTORS AND MITIGATIONS" OF THIS PROSPECTUS.

COPIES OF THIS PROSPECTUS AND THE TRUST DEED OF THE FUND ARE AVAILABLE FOR CONSULTATION AT THE PLACE OF BUSINESS OF THE FUND AND OF THE INVESTMENT MANAGER

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## HIGHLIGHTS OF THE FUND, PRINCIPAL FEATURES AND GLOSSARY

The BK Capital AGUKA Unit Trust Fund (**"the Fund"**) is an open-ended Unit Trust vehicle under the laws of Rwanda that pools money together from like-minded investors, mainly Rwandans, who have similar investment objectives.

The pooled money is managed by BK Capital Limited (**the "Investment Manager"**), a professional Investment Manager who is also the Promoter of the Fund. BK Capital Limited invests the Fund's money into a diversified portfolio of money market instruments, cash deposits and debt instruments.

The investments of the Fund shall at any time comply with the investment objective and investment policy of the Fund as described in this Prospectus. Investors should, prior to any investment being made, take due account of the investment risks set out in "Section 7 - Risk Factors and Mitigations" section of this Prospectus.

Highlights & Summary of the Offering	
<b>Promoter and Investment Manager</b>	BK Capital Limited
<b>Legal Structure</b>	Open-ended, Unit Trust
<b>Investment Objectives</b>	to achieve a competitive level of return, with higher liquidity than the government bond markets of Rwanda, by investing assets in a diversified portfolio of Frw denominated money market and debt instruments issued by the Government of Rwanda and Corporate entities operating in Rwanda
<b>Asset Allocation</b>	Call and Fixed Deposits, Other, Money Market Instruments, Short to Medium Term Debt Securities no greater than 7 years to maturity
<b>Eligible Investors</b>	Open to retail and institutional investors in Rwanda and the Diaspora, EAC nationals and international institutional investors within the permissible legal framework of Rwanda. Nothing in this prospectus constitutes an offer of securities for sale in the United States or any other jurisdiction where it is unlawful to do so
<b>Minimum initial Investment</b>	Frw 100,000
<b>Holdings Basis</b>	Single or Joint; with Units being freely transferable
<b>Issue Price</b>	Frw 100
<b>Pricing Date</b>	13/10/2020
<b>Closing Date</b>	13/11/2020
<b>Income Distributions</b>	The Fund will pay out regular Distributions of income twice a year
<b>Transparency</b>	NAV of the fund will be disclosed no later than 3 months after the closure of the Offer Period and thereafter will be calculated on every Valuation Day
<b>Duration</b>	Perpetual
<b>Risk Mitigation</b>	the Fund is positioned as a low risk product with a diversified asset allocation capable of generating a competitive rate of return on the investment when compared to cash

## PRINCIPAL FEATURES AND GLOSSARY

The following summarizes the principal features of the BK Capital AGUKA Unit Trust Fund (“the Fund”) and should be read in conjunction with the full text of this Prospectus.

<b>Application Form</b>	Official document for a prospective investor to complete when applying for Units in the Fund
<b>Assets</b>	The assets of the Fund comprising assets represented by the proceeds of the issue of Units of the Fund, reserves (including retained earnings) and all other assets attributable to the Fund.
<b>Auditors</b>	The auditors for the time being of the Fund-BDO
<b>Authorized Distributor</b>	Any person or entity duly authorized from time to time by BK Capital Limited to distribute or arrange for the distribution of the Fund Units
<b>Base Currency</b>	The Rwandan Franc (“Frw”) shall be the ‘Base Currency’.
<b>Beneficiary</b>	The Unit holder or Next of Kin entitled to receive all eligible benefits from the Fund as the case may be
<b>Benchmark</b>	The Benchmark is a point of reference against which the performance of the Fund may be measured, unless otherwise stated. The Fund’s Benchmark shall be the performance of the Republic of Rwanda 12 Month T-Bill Yield over a comparable period
<b>Bid Price and Offer Price</b>	The Bid Price represents the price at which the Investment Manager is willing to Buy Units  The Offer Price represents the price at which the Investment Manager is willing to Sell Units
<b>Book Closure Date</b>	The cut-off date determining which investors of record will receive a given Income Distribution
<b>BK Capital</b>	The Investment Manager whose principal office is located at Bank of Kigali Headquarters KN 4 Ave, Kigali, Rwanda
<b>BNR</b>	National Bank of Rwanda
<b>Board</b>	The Board of Directors of BK Capital
<b>Business Day</b>	A weekday other than any day declared as a public holiday in the Republic of Rwanda,
<b>Capital Market Authority (Rwanda) or Authority</b>	Regulatory body charged with the prime responsibility of regulating capital market, collective investment schemes, commodity exchange and related contracts and warehouse receipt system. CMA is empowered to issue licenses and approvals related to Collective Investments Schemes in Rwanda and was established under Law N° 23/2017 as an independent public agency
<b>CIS Law</b>	Law N° 40/2011 of 20/09/2011 Regulating Collective Investment Schemes (“CIS”) in Rwanda
<b>Investment Manager</b>	Means the Promoter, BK Capital Ltd, licensed by the Authority

<b>Custodian</b>	<p>a person who performs custodial services for a scheme, who is qualified to so act and who is licensed under the law;</p> <p>The assets of the Fund are held under the custody or control of KCB Bank Rwanda. The Custodian is largely responsible for holding and safeguarding securities owned within a Unit Trust</p>
<b>Distributions or Income Distributions</b>	Distributions of Income attributable to Units of the fund for the year where applicable. Money market funds typically pay out Income Distributions on a regular basis
<b>Financial Year</b>	The financial year of the Fund starting 1 <sup>st</sup> January and ending on 31 <sup>st</sup> December each year
<b>Institutional Investor(s)</b>	An investor which currently includes credit institutions, investment companies, insurance companies, savings and credit co-operatives, and other professionals in the financial sector
<b>Investor</b>	Individuals, corporate entities or any other entities or persons subscribing to Units of the Fund from time to time.
<b>Trust Law</b>	Law No20/2013 OF 25/03/2013 of the Republic of Rwanda regulating the creation of Trusts and Trustees
<b>Minimum Initial Amount and Minimum Holding Amount</b>	<p>The minimum investment levels for initial, maintenance and subsequent investments</p> <p>These levels are specified in “Section 4.1.1 – Minimum Initial Amount and Minimum Holding Amount”</p>
<b>Net Asset Value</b>	<p>“Net Asset Value” means such amount as is from time to time ascertained by the Investment Manager being the aggregate of:</p> <p>i) the value of all Assets; and</p> <p>ii) any other amounts which, in the opinion of the Investment Manager, should be included for the purpose of making a fair and reasonable determination of the total value of the Fund having due regard to generally accepted accounting standards and principles current from time to time</p> <p>less the aggregate of:</p> <p>i) all liabilities of the Fund; and</p> <p>ii) any other amounts which, in the opinion of the Investment Manager, should be excluded for the purpose of making a fair and reasonable determination of the total value of the Fund having due regard to generally accepted accounting standards and principles current from time to time.</p>
<b>Net Asset Value per Unit or NAV per Unit</b>	In relation to Units of the Fund, the value per Unit determined in accordance with the relevant provisions described under the heading “3.5.5 - Calculation of Net Asset Value per Unit”
<b>Net Income</b>	All income due and receivable less all costs, charges and expenses due or accrued and paid or payable out of the Fund.
<b>Offer Period</b>	The Opening and Sale Period of the Unit Trust Fund, during which prospective investors can for a limited time, apply for Units in the Fund at the Issue Price
<b>Ordinary Resolution</b>	A resolution that is approved by a simple majority of the votes of those unit holders entitled to vote and voting on the matter which is the subject of the resolution.



<b>Prospectus</b>	Means this offer document dated 13/10/ 2020 as may be amended from time to time.
<b>Register</b>	The register of holders of the Units, held by the Fund.
<b>Risk Considerations</b>	As more fully described under “Section 7 - Risk Factors & Mitigations”, investors should note that the value of an investment in the Units may fluctuate and the value of Units subscribed by an investor is not guaranteed
<b>Seed Investment</b>	A cornerstone investment by the Investment Manager to support the Fund during the initial launch period
<b>Statement of Account OR Account Statement</b>	Summary statement shared by the Investment Manager with respect to the Unitholders investments with them and detailing any investment transactions on the Unitholders account, be it Subscription or Redemption
<b>Special Resolution</b>	Resolution approved by a majority of seventy-five per cent of the votes of those Unit holders entitled to vote and voting on the resolution.
<b>Trustee</b>	any person or a corporation established under the law or an entity having legal personality appointed to manage a trust and make follow up on its operation; The Fund’s Trustee is KCB Bank Rwanda.
<b>Units</b>	Ownership interests in the Fund. Units will be offered in registered form, issued in accordance with the provisions of the Law and the Trust Deed and having the rights provided for under the Trust Deed with respect to such Units and its terms of issue. All Units must be fully paid for and fractions will be issued up to 2 decimal places. Registered units will be issued and confirmed by means of a Statement of Account dispatched to the investor following the issue of units.
<b>Unit Classes</b>	Within the Fund, separate classes of Units may be issued (hereinafter referred to as a “Unit Class” or “Class of Units” as appropriate) whose assets will be commonly invested but where a specific fee structure, redemption charge structure or minimum subscription amount may be applied. Details of each Class are described in “Section 4.1 – Unit Classes”
<b>Units Dealing</b>	Units are available for Subscription and Redemption on each Valuation Day subject to limitations and charges set out in “Section 5.5 – Subsequent Subscription and Redemption of Units”
<b>Unitholder</b>	Individual or entity holding units in the Fund.
<b>Valuation Day</b>	A Business Day other than a day on which any exchange or market on which a substantial portion of the Fund’s investments is traded is closed. When dealings on any such exchange or market are restricted or suspended, the Investment Manager may, in consideration of prevailing market conditions or other relevant factors, determine whether a Business Day shall be a Valuation Day or Non-Valuation Day

All references herein to time are to Rwanda time unless otherwise indicated

Words importing the singular shall, where the context permits, include the plural and vice versa



## MANAGEMENT AND ADMINISTRATION OF THE FUND

### SERVICE PROVIDERS TO THE FUND

#### Promoter and Investment Manager of the Fund

BK Capital LTD  
Bank of Kigali Headquarters  
KN 4 Ave  
Kigali, Rwanda

#### Legal Advisor of the Fund

Trust Law Chambers  
KG 569 Street  
Kigali-Rwanda.

#### Custodian and Trustee of the Fund

KCB Bank Rwanda LTD  
18 KN4 Ave Kigali-Rwanda

#### Banker

Bank of Kigali  
KN 4 Ave Kigali-Rwanda  
Or such other Banks as may be specified in the Appendices

#### Auditor

BDO Rwanda  
Career Center Building, 8th Floor  
KG 7AV Kigali-Rwand  
E-mail [rwanda@bdo-ea.com](mailto:rwanda@bdo-ea.com)

#### Authorized Distributors

The issue and redemption of Units may be effected directly through BK Capital Ltd (the Investment Manager), which is the sole distributor of the Units at the date of this Prospectus but may in future authorize other entities to distribute Units on the Investment Manager's behalf.

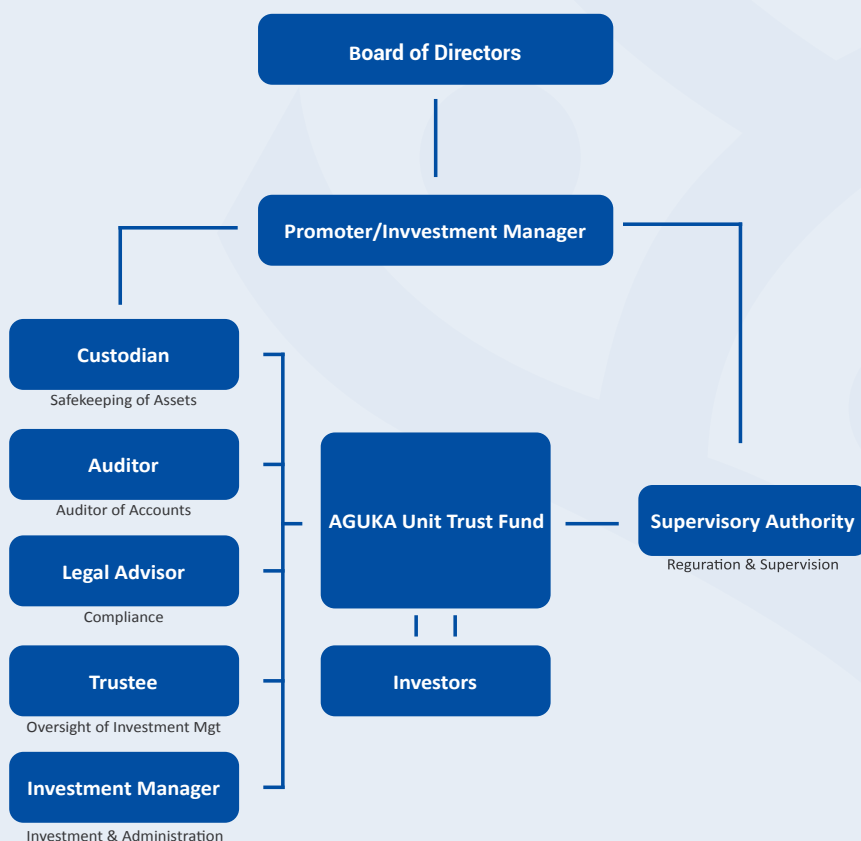
## GENERAL DETAILS

### 1.1.1 STRUCTURE OF THE FUND

As illustrated below, the BK Capital AGUKA Unit Trust Fund has been created through a Trust Deed.

BK Capital is the Promoter and Investment Manager and has appointed a Trustee KCB Bank Rwanda Ltd and Custodian KCB Bank Rwanda Ltd. The Trustees represent the Unitholders interests and protect their investment in the Fund, while the Custodian holds and safeguards the Securities of the Fund.

The Fund is a passthrough vehicle which invests directly in approved securities and receives returns net of fees and expenses. Being an open-ended fund, it sells and repurchases units on a continuous basis.



### 1.1.2 THE PROMOTER AND INVESTMENT MANAGER: BK CAPITAL

BK Capital Limited ("BK Capital") was established and incorporated in Rwanda in 2012 as BK Securities Limited, and as a subsidiary of BK Group PLC. BK Capital is one of the Country's largest specialist stockbrokers and also offers Investment Management services. BK Capital holds Fund Management and Administration Licenses from the National Bank of Rwanda, and Security Broker and Investment Management Licenses from the Capital Market Authority.

BK Capital is the Promoter and Investment Manager for the Funds and shall manage the investments in accordance with the stated investment objectives and restrictions and, on a discretionary basis, acquire and dispose of securities of the Fund.

### 1.1.3 Duties of the Investment Manager

- a) BK Capital shall act as Investment Manager making investment decisions and entering into transactions on behalf of the fund
- b) BK Capital shall also act as the registrar of the Fund and process subscriptions from investors for the issue of Units and requests for redemption of Units.
- c) BK Capital shall in addition keep proper and accurate books of accounts of all investment transactions of the Fund in accordance with proper accounting practices together with all necessary receipts and vouchers. The books of accounts are to be available for inspection by the Trustee or any person authorized by the Trustee. Investors have a right to obtain information upon request as per article 47 of the CIS law.
- d) In the context of its marketing and distribution function, BK Capital may in future enter into agreements with Authorized Distributors ("Distributors") pursuant to which the Distributors agree to act as intermediaries with investors subscribing for Units through their facilities.
- e) Publish an audited annual report in respect of each accounting year within the period as stipulated under the Law;

**BK Capital Board of Directors:**



**Moses Kiiza GATAMA** is a Partner in Equity Juris Chamber, a Law firm operating in Rwanda; Moses is licensed to practice law in the Republic of Rwanda and has extensive experience in advising clients and negotiating contracts in the corporate finance, energy and infrastructure sectors. He has advised on several transactions such as Initial Public Offerings, Mergers and acquisitions and many other capital markets transactions. Moses holds a Master of Laws from McGill University, Montreal, Canada and a Bachelor's degree in Laws from The National University of Rwanda. He is a member of the Kigali Bar Association and the East African Law Association.



**Umulinga KARANGWA** is currently the Fund Manager/ CEO of OBAFRICA AM in Casablanca, a specialist of African stock markets who participate in the management of AFRICA PICKING FUND as an advisor to the Fund Umulinga is a highly regarded fund manager and equity investment advisor serving institutional clients as a consultant and has a deep knowledge of the African capital markets. She is a Chartered Financial Analyst (CFA) charter holder and a Master degree in Tax Management from Solvay Business School, a Master's degree in Management with majors in Finance and corporate control and taxation from Solvay Business School



**Flora NSINGA** is the Chief Shared Services Officer of Bank of Kigali. Flora joined the Bank with about ten years' experience from the telecommunication industry. She oversaw the Bank's strategic human resource restructuring, transforming it from a product-driven to a customer-focused structure. Flora holds a Bachelor's degree in Business Administration with specialization in Human Resources from Kigali Institute of Science, Technology and Management (KIST) and a Master's in Management, majoring in Leadership and Human Resources from Cambridge College Boston, Massachusetts – USA



**Mr Benjamin** joins Bank of Kigali Plc as the Chief Commercial Officer. He is a seasoned professional banker with a wide-ranging experience. He joined the banking industry in 2007 and held various positions including Head of Corporate and Institutional Banking, Benjamin has been associated with several landmark transactions in sectors such as telecommunications, power, consumer and airlines. He has led products and transactions structuring within various sectors of the economy ranging from manufacturing, agriculture, transport, real estate, trade and tourism. Benjamin holds a Masters in Development Economics from Louvain La Neuve and Namur University.

## BK Capital Ltd Fund Management:



Government of Rwanda.

**Carine UMUTONI** is the Managing Director of BK Capital, a subsidiary of BK Group PLC. Carine has 16 years' experience in the banking industry with expertise in Treasury solutions, Assets & Liabilities Management, Investments, Trade Finance and Capital Markets Activities. Carine holds an MBA in Economic Policy & Corporate Strategy from Maastricht University of the Netherlands and a Bachelor degree in Banking and Finance from Damelin South Africa; Carine is a CFA Level 1 Candidate. Carine serves in the Board of Rwanda National Investment Trust, which was incorporated in 2015 by the



Law, International Economic Law, International Arbitration Law, Banking Law and Competition Law. Prior to joining the Corporate Affairs Department, Gedeon was the Human Resource Manager at Bank of Kigali Plc. Gedeon holds a Bachelor's Degree in Law (LLB) from the National University of Rwanda where he also served as a Permanent Law Lecturer for four years and a half (from mid-2007 to end 2011) and a Master's Degree (LLM) in Commercial Law from the University of Cape Town –South Africa.

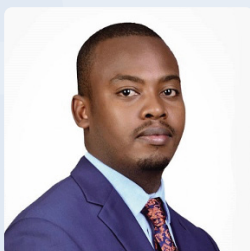
**Gedeon RUKUNDO** is the Legal Manager & Subsidiaries Corporate Counsel under Corporate Affairs Department at Bank of Kigali Plc. His main duty is to ensure that the Group's subsidiaries comply with laws and regulations and international best practices, in addition to providing legal advisory services to Bank of Kigali Plc departments and senior management to facilitate decision making. As the Legal Manager, Gedeon liaises with all judicial and para judicial institutions concerning all the legal matters. Gedeon has a vast experience in Commercial Law, particularly in Foreign Investment Law, International Trade



portfolio of Equity & Fixed Income Investments made in several markets across Africa. From 2012 to 2015, Evans was an Analyst and later an Associate at Centum Investment Company (Kenya), responsible for researching and executing investments in North and West Africa.

Prior to joining Centum, Evans worked in the Research Department of Genghis Capital (2011 to 2012) as a Fixed Income Analyst & Cross-Asset strategist. Evans is a graduate of the University of Nairobi (2009) and also holds the Chartered Alternative Investment Analyst designation (2019)

**Evans MUGI** is currently serves as a Technical Advisor to BK Capital's Investment Management team and in this reduced role participates in the idea generation process, assists in developing and mentoring the investment staff and develops frameworks for **performance and risk measurement**. At Nabo Capital (Kenya), Evans was responsible for the firm's investment activities including capital allocation, risk management and managing a team of associates and analysts. From 2015 until he became the Investment Manager in 2017, Evans was a Portfolio Manager overseeing a diversified



settlement of financial transaction executed by the broker/dealer, the investment team or front-office teams. Prior to that Darius was the senior custody services officer at Bank of Kigali, he was with Bank of Kigali from 2015, prior to that Darius served as Custody services officer in KCB Bank Rwanda for four year. Darius has seven years' experience in customer service, personal banking and finance of which five years have been devoted to securities industry and custody services, Darius is a specialized Custodian and is responsible for reporting and safeguarding a firm's or individual's financial assets. Darius holds a Bachelor's degree in business administration majoring in accounting from Uganda Christian University and currently pursuing CISI certification with the

**Darius MUKIZA** is the Investment Management-Senior Officer at BK Capital Ltd, He is responsible for Investment Management and Administration by developing and leading implementation of dynamic, short and long term cross-asset investment strategies and by active deal sourcing to support this; by growing AuM via compounding (investment performance) and actively selling investment solutions and by developing new capabilities in private markets and real estate, via building teams Before that Darius was the Operations and Compliance officer and was responsible for the processing,





**Elvis HAVYARIMANA**

Mr. Elvis HAVYARIMANA is responsible for the processing, settlement of financial transaction executed by the broker/dealer, the investment team or front-office teams responsible for Investment Management and Administration's reporting and regulator's reporting and compliance. Ensure clients' portfolios and performance are aligned with Investment Policy Statements and benchmarking requirements; Mr. Elvis HAVYARIMANA holds a Bsc in Mathematics from the University of Rwanda. He is currently pursuing a Msc in Financial Engineering online at World Quant University and is a CFA Level 2 candidate.



**Allan KAGENZA**

Mr. Allan Kagenza is the Business & Financial Analysis Manager at BK Capital Ltd. He is responsible of the Investments portfolio and corporate finance advisory services. He has 3 years of relevant experience in Financial Analysis and Investment Management. Allan previously worked at I&M Bank (Rwanda) as a Business & Product Development Analyst, NISK Capital as a Financial Analyst and Centum Investment Company Limited Kenya as an Investment Analyst - Private Equity. Allan holds a Bachelor of Business Administration in Finance from the College of Business and Economics at the University of Rwanda and is a CFA Level 1 candidate

#### 1.1.5 THE TRUSTEE OF THE FUND: KCB BANK RWANDA LTD

As per the Trust Deed the Promoter of the Fund has contracted a corporate trustee. The Trustee of the Fund shall be the guardian of the Fund assets held in trust for the benefit of the Unitholders and shall always act in the best interest of the Unitholders by undertaking the obligations as set in the Trust Deed

##### **Duties of the Trustee**

The Trustee of the Fund shall be the guardian of the Fund assets held in trust for the benefit of the Unitholder and shall always act in the best interest of the Unitholder by undertaking the following:

- a) Ensure that the Fund is managed by the Investment Manager in accordance with the Trust Deed, the Prospectus, the internal rules of the Fund and all applicable laws;
- b) Ensure that the Custodian takes into custody all the Assets of the Unit Trust and holds the Assets in trust for the Unitholders in accordance with all applicable laws;
- c) Take all steps and execute all documents which are necessary to secure acquisitions or disposals, properly made by the Investment Manager in accordance with this Trust Deed and all applicable laws;
- d) Ensure through the Investment Manager that any income due to be paid to the Fund and or claim of any repayment of tax and direct any income received in Trust for the holders is remitted to the Fund's account;
- e) Execute all documents as are necessary and take all steps to ensure that instructions properly given to it by the Investment Manager, as to the exercise of rights (including voting rights) attaching to the ownership of the Fund's portfolio are carried out;
- f) Execute and deliver to the Investment Manager or his nominee upon the written request of the investment manager from time to time such powers of attorney or proxies as the Investment Manager may reasonably require, in such name or names as the Investment Manager may request, authorizing such attorneys and proxies to vote consent or otherwise act in respect of all or any part of the scheme portfolio.

The Custodian is entrusted with the safekeeping of the assets of the Fund comprising money market instruments, cash deposits, debt instruments and any other assets. The Custodian will maintain all assets in a segregated account.

#### **Duties of the Custodian**

- a) The Custodian must ensure the safekeeping of the Fund assets in accordance with his/her contract with the Fund, the Fund rules, the investment policy and all applicable laws;
- b) The Custodian is required to maintain the Fund assets separate and apart from the assets of any other Fund, or of any other assets in accordance with the law or regulations that may be issued by the Capital Market Authority;
- c) Notwithstanding his/her obligations under his/her contract with a Fund, a Custodian shall refuse to carry out any instruction that violates this law or any other law, the Fund rules, or the investment policy;
- d) The Custodian shall immediately inform the contracting parties, whether or not the contract has been executed;
- e) If the actions of the Investment Manager are at issue, the custodian must inform the Trustee. Where no appropriate action is taken within seven (7) days to resolve the matter, the Custodian must report to the Capital Market Authority;
- f) Take reasonable care to ensure that all transactions involving sale, repurchase or cancellation of Units done by the Fund are carried out in accordance with the provisions of the Trust Deed;
- g) Comply with Investment Manager's instructions in respect of investments unless they are not in accordance with the Trust Deed (and applicable laws);  
Take all reasonable care to ensure that funds mobilized and managed by the Investment Manager are in accordance with the Trust Deed (and applicable laws);
- g) Comply with Investment Manager's instructions in respect of investment unless they are in conflict with the provisions of the Trust Deed;
- h) Take reasonable care to ensure that Statements of Account are not issued until subscription money has been paid by the Unitholder and realized by the Investment Manager;
- i) Ensure that any registerable investments which are held for the Unitholder in the Fund are properly registered in the name of the Fund;
- j) Where title to investments is recorded electronically, to ensure that entitlements are separately identified from those of the Investment Manager of the Fund in the records of the person maintaining records of entitlement.



## THE FUND

### Legal Structure

The BK Capital AGUKA Unit Trust Fund (“the Fund”) has been registered as a Collective Investment Scheme (CIS) in accordance with the Law N°40/2011 of 20/09/2011 regulating Collective Investment Schemes in the Republic of Rwanda. The Prospectus of the Fund was approved by CMA on 31/08/2020 and the Trust Deed was registered by the Registrar General of Companies under the registration number 0001-2020-ORG.

### Motivation & Investor Profile

With the Fund, BK Capital aims to support the Government of Rwanda in promoting the culture of saving, by increasing availability of savings and investment products – and matching the product’s design to the needs and constraints of Rwandans and other entities operating in or wishing to gain exposure to the economy of Rwanda.

### The Fund is suited for:

- Retail and High Net worth investors looking for an alternative to cash deposits for their savings or cash investments
- Institutional investors including Multinationals, SME’s, SACCO’s, Churches, NGO’S and other Corporates looking to invest their savings and surplus cash balances
- Liquidity or Cash components of pension and insurance company investment portfolios

To maximize returns, investors should ideally have a two to five-year time horizon.

## FUND CHARACTERISTICS

### Investment Objective, Policy & Strategy

The Fund will seek to achieve a competitive level of return, with higher liquidity than the government bond markets of Rwanda, by investing its assets in a diversified portfolio of Frw denominated cash deposits, money market instruments and debt instruments issued by the Government of Rwanda and Corporate entities operating in Rwanda

- Cash and cash equivalents, including short term money market instruments and deposits may also be held on an ancillary basis.
- The Fund may invest in short term debt securities such as commercial paper that are unlisted or are non-transferable. Due to the characteristics of such securities, to a maximum of 15% of fund assets, where deemed prudent and attractive by the Investment Manager.
- The Trustees will have the power from time to time to change the investment objectives and policies of the Fund by authorized vote of the Fund’s investors by a majority of the scheme’s outstanding shares or units.

The Fund will adopt the following strategic asset allocation weights and ranges for each asset class. The allowable ranges for each asset class have been chosen to be consistent with long term returns expectations and risk budgets:

	Target	Allowable Ranges	
	Allocation	Minimum	Maximum
Rwanda Government Treasury Bonds & Bills	70%	60%	90%
Corporate Bonds	5%	0%	10%
Commercial Paper & Other Money Market Instruments	10%	0%	15%
Liquidity - Cash & Equivalents	15%	15%	25%
Total	100%		
Combined Fixed Income	85%	60%	115%
Combined Liquidity	15%	15%	25%

### Change in investment pattern

The asset allocation pattern as stated above is based on the current market conditions and the opportunities they offer. Subject to the Law and regulations, the asset allocation may vary or include newer instruments depending upon the perception of the investment manager about the opportunity; it must be clearly understood that the percentages stated above are only indicative and not absolute. These proportions vary substantially depending upon the perception of the manager; the intention being at all times to protect the interest of the unit holders. The changes so made will be for short term and only for defensive / or specific purpose.

### Benchmark

The Fund aims to outperform the Republic of Rwanda 12 Month T-Bill Yield over a comparable period.

### Distribution Policy

The Fund will make semi-annual and annual income distributions to Unitholders of record on the Book Closure Date. Payment of such distributions will normally be made in July and January of each year and shall be paid from the net investment income, including any realized capital gains.

### Risk Profile

The Fund's underlying investments will consist a diversified portfolio of cash deposits, money market instruments and debt instruments. With this asset allocation, the Investment Manager is aiming for high levels of security and liquidity while seeking a competitive yield. The risk to investor's capital is thus expected to be generally lower and more liquid than investments in other securities like Equities and longer-term Bonds

## INVESTMENT RESTRICTIONS AND POWERS

Pursuit of the investment objective and policy of the Fund must be in compliance with the limits and restrictions set forth in this section. Such limits and restrictions are subject at all times to any regulation and guidance issued from time to time by the CMA or any other appropriate regulatory body.

### I. General Investment Rules

- a) The Fund shall exclusively invest in:
  - i) Transferable public and private debt securities and money market instruments admitted to official listing on the stock exchange; and/or
  - ii)

- iii) Non-transferable private debt and money market instruments issued by an entity whose registered office or principal place of operations is in Rwanda and whose tenor does not exceed 12 months; and/or
- iv) Deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 months
- v) Money market instruments other than those dealt in on a regulated market, if the issue or issuer of such instruments are themselves regulated for the purpose of protecting investors and savings
- b) Shall not purchase a security, other than a debt security issued by the Government of Rwanda or the Government of any other country, if, immediately after the purchase, more than 12.5% of the Fund's Net Assets, taken at market value at the time of purchase, would be invested in securities of that issuer
- c) May invest up to 30% of its net asset value in the units of other collective investment schemes provided that such other collective investment schemes:
  - a. have been authorized under the CIS law
  - b. have the same investment policy as the BK Capital AGUKA Unit Trust Fund
- d) The Fund will in addition comply with such further restrictions as may be required by the regulatory authorities

The limits and restrictions set forth in the above restrictions shall be complied with at all times, in addition, a 5% allowance in excess of any limit or restriction shall be permitted where the limit or restriction is breached through the appreciation in value of the Fund's assets. If the percentage limitations set forth in the above restrictions are exceeded for reasons beyond the control of the Fund, it must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of its Unitholders.

## II. Borrowing Powers

The Investment Manager may not borrow for the account of the Fund amounts in excess of the greater of 10% of the net assets of the Fund at any time. Any such borrowing is to be effected on a temporary basis, for not more than 3 (three) months, and only to fund or bridge large sized redemption requests where liquidity may be constrained.

Where such borrowing takes place, the Investment Manager may mortgage, pledge, hypothecate or otherwise encumber as security for indebtedness any securities held for the Fund, except as may be necessary in connection with the borrowings mentioned above, and then such mortgaging, pledging, or hypothecating may not exceed the greater of 10% of the net assets.

## ACCOUNTING POLICIES

### Income Recognition

- a. In respect of interest-bearing securities and money market instruments, income is recognized on accrual basis that takes into account the effective yield on the asset.
- b. Gain or loss on sale of investments is recognized on the sale date on the basis of weighted average cost.
- c. other income is accounted for on receipt basis.
- d. income shall be reported in the financial statements in compliance with the international financial reporting standards (ifrs) / international accounting standards (ias).

### Expense Recognition

Expenses are accounted for on an accrual basis.

#### Investments

- a. Investments are stated at nominal cost or written down cost
- b. In case of secondary market transactions, investments are recognized on trade dates
- c. Subscription to primary market issues is accounted as investment on allotment

- d. The cost of investments includes brokerage and any applicable taxes and stamp fees

### Valuation of Total Assets and Liabilities

In valuing total assets & liabilities, the following rules will apply:

- i) Cash, bills payable on demand and other receivables and prepaid expenses will be valued at their nominal amount, unless it appears unlikely that such nominal amount is obtainable.
- ii) Deposits and other money market instruments will be valued at nominal value plus any interest or on an amortized cost basis. All other assets, where practice allows, may be valued in the same manner.
- iii) Units in other CIS shall be valued on the basis of their last Bid Price, as reported by such undertakings.
- iv) Accrued expenses including management charges, operating costs, audit fees, custody fees, trustee fees, outstanding debt to creditors and other liabilities may be valued at their nominal value plus any applicable interest and or penalties.

**Note:** In the event that any of the accounting procedures outlined above is at any time not in compliance with the treatment required under the International Financial Reporting Standards (IFRS) and the International Accounting Standards (IAS), the treatment and reporting standards of IFRS and IAS shall prevail.

### Calculation of Net Asset Value per Unit

Unless otherwise specified, the Net Asset Value ("the NAV") per Unit will be calculated on each Valuation Day. It will be calculated by dividing the NAV attributable to each Unit Class, being the value of its assets less its liabilities, by the number of Units in issue. The resulting sum shall be rounded to the nearest two decimal places.

### Calculation of Bid and Offer Prices

- (a) the Offer Price per Unit of each Unit Class is calculated as the NAV per unit
- (b) the Bid Price per Unit of each Unit Class is calculated by deducting a Redemption Charge, if any, from the NAV. For the Fund, the Redemption Charge will be calculated as a percentage of the NAV not exceeding the levels shown below

Unit Class	Redemption Notice Period	Annual Management and Advisory Fee	Early Redemption Charge
A	N/A	1.35%	Nil
I	1 Calendar Month and 5 Business Days	1.35%	1.00%
X	6 Months	Nil	Nil

### Publication of Bid and Offer Prices

The NAV per Unit and Bid and Offer Prices thereof shall be available at the registered office of the Investment Manager and may also be available on the website [www.bkcapital.rw](http://www.bkcapital.rw) The Bid and Offer Prices shall be rounded to the nearest two decimal places.

## Suspensions or Deferrals

The Fund may, with the approval of the Trustee and having duly notified the Capital Market Authority, suspend or defer the calculation of the NAV of any Unit Class and the issue and redemption of any Unit Class in the Fund:

- while any transfer of funds involved in the realization, acquisition or disposal of investments or payments due on sale of such investments by the Fund cannot, in the opinion of the Investment Manager, be effected without seriously prejudicing the interests of the Unitholders or the Fund; or
- during any breakdown in the communications normally employed in valuing any of the Fund's assets or when for any reason, the price or value of any of the Fund's assets cannot be promptly or accurately ascertained; or
- if the Fund is being wound up, or may be wound-up on or following the date on which notice is given of the meeting of Unitholders at which a resolution to wind up the Fund is proposed; or
- during the existence of any state of affairs which, in view of the Investment Manager constitutes an emergency as a result of which disposal or valuation of investments is impracticable; or
- if the Investment Manager has determined that there has been a material change in the valuation of a substantial portion of the investments of the Funds and has decided, in order to safeguard the interest of the Unitholders and the Fund, to delay the preparation or use of a valuation or carry out a later or subsequent valuation; or
- during any other circumstance or circumstances where a failure to do so might result in the Fund incurring any liability or suffering other pecuniary disadvantages or other detriment to which the Fund or its Unitholders might not otherwise have suffered

Unit holders will be informed of any suspension or deferral as appropriate.

## THE UNITS

### 8.1 UNIT CLASSES

The Fund shall have different Classes of Units (each a Unit Class) whose Assets will be commonly invested pursuant to the investment policy of the Fund. A distinct fee structure or other specific features will apply to each Unit Class and a separate Net Asset Value per Unit will be calculated for each Unit Class.

The range of available Unit Classes and their features are described as below:

- A, I, and X Unit Classes which will differ in the minimum subscription amount, minimum holding amount, eligibility requirements and fees and expenses applicable to them

Unit Class	Minimum Initial Subscription Amount	Minimum Holding Amount	Redemption Notice Period	Annual Management and Advisory Fee	Early Redemption Charge
A	Frw 100,000	Frw 5,000	NA	1.35%	Nil
I	Frw 10,000,000	Frw 10,000,000	1 Calendar Month and 5 business days	1.35%	1.00%
X	Frw 200,000,000	Frw 10,000,000	6 Months	Nil	Nil

### 8.2 Minimum Initial Subscription and Holding Amounts

The Investment Manager has set Minimum Initial Subscription Amounts and Minimum Holding Amounts for each Unit Class as described above

The Investment Manager has discretion, from time to time, to waive or reduce any applicable minimum subscription amounts subject to the approval of the CMA. The Investment Manager may also, at any time, decide to compulsorily redeem all Units from Unitholders whose holding is less than the minimum amount

specified as above. In such case the Unitholder concerned will receive one month's prior notice so as to be able to increase its holdings above such amount.

Unless waived by the Investment Manager, if a redemption request would result in the amount remaining invested by a Unitholder falling below the minimum holding amount of that Units Class, such request will be treated as a request to redeem the Unitholder's total holding in that Unit Class.

### 8.3 Eligibility Requirements

Units of 'A' Class may be acquired by retail investors

Units of 'I' Class are reserved for Institutional Investors only which are defined as follows:

- Institutional Investors, such as banks and other professionals of the financial sector, insurance and reinsurance companies, savings and credit co-operatives, social security institutions and pension funds, industrial, commercial and financial group companies, all subscribing on their own behalf, and the structures which such Institutional Investors put into place for the management of their own assets.
- Credit institutions and other professionals of the financial sector investing in their own name but on behalf of Institutional Investors as defined above.
- Credit institutions or other professionals of the financial sector established in Rwanda or abroad which invest in their own name but on behalf of their clients on the basis of a discretionary management mandate
- Collective Investment Schemes established in Rwanda or abroad
- Holding companies or similar entities, whether Rwanda-based or not, whose shareholder/beneficial owners are individual person(s) who are extremely wealthy and may reasonably be regarded as sophisticated investors and where the purpose of the holding company is to hold important financial interests/investments for an individual or a family.

Units of 'X' Class are reserved for the Investment Manager and would constitute a Seed Investment into the Fund. Units of X Class are designed to accommodate an alternative charging structure whereby the Annual Management Fee is listed as "Nil" in the Fees and Expenses tables in this appendix, due to it not being levied on any such amount of Seed Investment. The Seed Investment is subject to a one (1) year soft lock-up.

Subject to any such restrictions described below, Units are freely transferable and are each entitled to participate equally in the profits and liquidation proceeds attributable to the relevant Units Class. The Units must be fully paid upon issue carry no preferential or pre-emptive rights, and each one is entitled to one vote at any such general meetings of Unitholders. Units redeemed by the Fund become null and void.

The Investment Manager may restrict or prevent ownership of Units by any person, firm or corporation if such ownership may be against the interests of the Fund or of the majority of the Unitholders or Units Class therein. Where it appears that a person who should be precluded from holding Units, either alone or in conjunction with any other person, is a beneficial owner of Units, the Investment Manager may compulsorily redeem all Units so owned.

### CHARGES & EXPENSES

#### a. Fees and Expenses Payable by the Promoter

All fees and expenses relating to the establishment of the Fund, including certain marketing expenses in connection with the promotion of the Fund will be borne by the Promoter.



b. Fees and Expenses Payable by the Fund

The Fund will pay out of its assets:

- i. Investment Management Fees: payable to the Investment Manager. The Investment Manager shall be entitled to such annual management fee of 1.35% of NAV per annum. This fee is accrued daily and is payable to the Investment Manager monthly and in arrears. The Investment Manager may from time to time and at its discretion decide to reduce such a fee.
- ii. Transaction Fees: Stamp duties, taxes, brokerage fees and commissions, interest, levies and any other transaction related expenses incurred in acquiring and disposing of investments
- iii. Ordinary Operating & Administrative Expenses: including but not limited to the Custodian fees and ongoing custody fees covering transaction and safekeeping charges, the Trustee's fees, legal and auditing fees and expenses, the cost of publication of the Units prices and postage, the costs and expenses of preparing, printing and distributing financial reports and other documents made available to Unitholders.
  - a. The Trustee shall be entitled to a fee and remuneration of 0.3% of the NAV per annum for their services as may be agreed with the Trustee. This fee is accrued daily and is payable to the Trustee in arrears.
  - b. The Custodian shall be entitled to a fee and remuneration of 0.15% of the NAV per annum for their services at such intervals as may be agreed with the Custodian. This fee is accrued daily and is payable to the Custodian in arrears.
- iv. Extraordinary Expenses: any extraordinary expenses including, without limitation, litigation expenses, interest and the full amount of any tax, levy, duty, or similar charge imposed on the Fund or its assets.

Value Added Tax (if any) or any analogous taxation on fees payable to the Investment Manager, Trustee and the Custodian will be borne by the Fund.

c. Fees and Expenses Payable by the Unitholders

### Redemption Fee

In respect of the early redemption of Units by a holder of the 'I' Unit Class, an early redemption fee may apply and if so, shall be paid by the Unitholder to the Fund pool. This redemption fee shall not exceed 1% of NAV.



## DETAILS OF UNITS & UNITHOLDER RIGHTS

### Unitholder Rights

- a) The Units issued by the Fund are freely transferable and entitled to participate equally in the profits and distributions of the classes to which they relate and in the Net Assets for such Unit Class upon liquidation. The Units carry no preferential and pre-emptive rights.

### Voting

- b) At any such general meetings, each Unitholder has the right to one vote for each whole Unit held for any particular class of Units. In the case of a joint holding, only the first named Unitholder may vote. The Investment Manager and other Service Providers to the Fund may from time to time invest directly or indirectly in the Fund and, as Unitholders, shall also have a right to vote at general meetings.

### Joint Unitholders

- c) The Investment Manager will register registered Units jointly in the names of not more than four (4) Unitholders should they so require. In such cases, rights attached to such units must be exercised jointly by ALL those parties in whose name it is registered except when;
  - (i) Voting as described in (b) above,
  - (ii) the Unitholders have indicated their desire to have individual signatory powers, or
  - (iii) unless one or more persons (e.g. attorney or executor) is/are appointed to do so.

### Compulsory Redemption

- d) The Trustee and/or Investment Manager may, if necessary, require redemption of Units to ensure that Units are neither acquired nor held by or on behalf of a person in breach of law, regulations or requirements of any country or government or regulatory authority. The Trustee and/or Investment Manager may in this connection require a Unitholder to provide such information as they may consider necessary to establish whether the Unitholder is the beneficial owner of the Units which they hold.

### Rights on a winding up

- e.) The Fund has been established for an unlimited period. However, the Fund may be liquidated at any time by a resolution adopted at an Extraordinary meeting of Unitholders, at which meeting one of several liquidators will be named and their powers defined. Liquidation will be carried out in accordance with the provisions of the CIS law. The net proceeds of liquidation shall be distributed by the liquidators to the Unitholders in proportion to the value of their holding of Units.

## THE OFFER FOR UNITS OF THE FUND

### TIMETABLE

The timetable for the Offer Period for Units of the Fund to is as follows:

Opening of the Offer Period: 13/10/2020

Closing of the Offer Period: 13/11/2020

Processing of Account Statements to Unit Holders: 18/11/2020

Subsequent Sale of Units: 23/11/2020

The Fund will open for repurchase operations after gestation period of 3 months from the close of the Initial Sale Period.

Copies of the Offer Documents of the Fund are also available online at [www.bkcapital.rw](http://www.bkcapital.rw)

### SEED INVESTMENT

- Seed Investment: The Investment Manager will invest up to Frw 200,000,000 as Seed Investment into the Fund. This cornerstone investment is intended to support the product to quickly achieve scale post-launch, and may be realized at the earlier of the lapse of a one-year period post launch, or such a time as when the fund size grows to Frw 2,500,000,000.

### REQUIREMENTS FOR ADMISSION INTO THE FUND

Investors wishing to apply for Units during the Offer Period shall:

- a) Complete the application form in Appendix III – Application Form as specified by the Investment Manager. Application forms are available at the offices of the Investment Manager and with the Authorized Distributors. Application forms may also be downloaded from BK Capital's website at: [www.bkcapital.rw](http://www.bkcapital.rw)
- b) Pay the desired investment amount at the collecting bank branch as indicated in the application form and obtain a receipt
- c) Application forms, when completed, should be sent to the Investment Manager with evidence of payment.

### INITIAL SUBSCRIPTION AND ACQUIRING UNITS

#### When Can Units be Acquired

The Offer Period shall open from 13/10/2020 Requests for subscriptions will be dealt with on any Business Day during the Offer Period and on any Valuation Day during the Subsequent Sale period which is to commence on 23/11/2020

#### Where Can Units be Acquired

- a) At the offices of BK Capital Ltd

#### Payment for Acquisition of Units

- a) Payment for acquisition of Units during the initial and subsequent sale period shall be made either by payment order, cheque or bank transfer payable to the Fund
- b) For subsequent investments where the investor wishes to make regular contributions, investors may fill in a standing order instruction form and forward it to the Investment Manager.
- c) Applicants are advised to ensure cash in Frw is deposited with a designated collecting bank alone against a stamped receipt of the bank

- d) International investors can effect a bank transfer to the collection account [00040-06983907-43 WITH BK ]
- e) The beneficiary name for bank transfer: [AGUKA UNIT FUND COLLECTION ACCOUNT]
- f) All subscription monies shall be kept in the custody account of the Fund and in the name of the Fund. The account details for effecting bank transfer or cash deposit are as below

ACC NAME	BANK	ACC NUMBER	SWIFT CODE	CURRENCE
AGUKA UNIT TRUST FUND COLLECTION ACCOUNT	BANK OF KIGALI PLC	00040-06983907-43	BKIGRWRW	FRW

Please note that BK Capital Ltd will not be responsible for cash handed over to any person other than the designated collecting bank.

#### Method of Subscription and Investment options

For any application made, the Minimum Application per Unitholder shall be Frw 100,000 (or equivalent in USD, Euro, KES, UGX, TZS or GBP at the ruling rate of the day published by the Custodian Bank). The total price of the Units applied for shall be payable on application.

#### i) **Lump Sum Payment**

Investors shall be given the option of making a one-off payment in the form of a Lump Sum.

#### ii) **Regular Savings Plan**

Investors shall also be given the option of subscribing to a Regular Savings Plan. Payment shall be effected in the following ways:

##### a) **Monthly**

The Monthly savings plan shall carry a minimum monthly subscription of Frw 50,000

##### b) **Quarterly**

The Quarterly savings plan shall carry a minimum quarterly subscription of Frw 100,000

##### c) **Yearly**

The Yearly savings plan shall carry a minimum yearly subscription of Frw 200,000

### Mode of Holding

Applications may be received as either single or joint holding of the Units. Next of Kin will be indicated in the Application Form with their full particulars.

### Allotment of Units

- a) Allotment of Units during the initial sale shall be made at the face value of Frw 100 per Unit
- b) Units shall be allotted up to 2 decimal places
- c) Allotment of Units shall be subject to realization of the invested amount by the Investment Manager and in addition, the applicant fulfilling all eligibility conditions as set out under the Prospectus
- d) A Statement of Account shall be processed against each allotment and sent to the Unitholder

### Statement of Account/ Account Statement

- a) An Account Statement shall be processed indicating among other particulars, the details of the Unitholder Account Number, Date of Acceptance, Amount Invested, Number of Units Held and Performance to Date

- b) The Account Statements in respect of the Unitholders who shall join the scheme during the initial sale period shall be processed by 18/11/2020
- c) The Account Statement shall then be emailed to the Unitholder. The Account Statement can also be sent by postal route if the Unitholder is bearing the cost

## SUBSEQUENT SUBSCRIPTION AND REDEMPTION OF UNITS

Requests for Subscription or Redemption should be sent to the Investment Manager at its registered address. An Application Form, a copy of which can be found in Appendix III – Application Form also be obtained from the website [www.bkcapital.rw](http://www.bkcapital.rw) or directly from the Investment Manager.

Requests for Subscription and Redemption of Units can be made on any day that is a Valuation Day. For Subscriptions requests, Units will be allotted at the Offer Price determined on the Valuation Day on which the request is accepted. For Redemption requests, Units will be redeemed at the Bid Price determined on the Valuation Day on which the request has been accepted.

Unless otherwise specified, requests for Subscriptions and Redemptions will be dealt with on the next Valuation Day (T +1 Day) on which they are received provided they are received prior to 11:00AM on that Valuation Day. Requests received after such a time will be accepted on the next Valuation Day. As a result, requests for the Subscription and Redemption of Units shall be dealt with on an unknown basis before the determination of the Net Asset Value for the effective day. Subscriptions and Redemptions shall be suspended whenever the determination of the Net Asset Value is suspended by the Fund as detailed under “Section – Suspensions and Deferrals”

### Subscription of Units

- a) As mentioned above, Subscriptions for Units can be made on any day that is a Valuation Day. Units will be allotted at the Offer Price of the relevant Unit Class as described in “Section 7 – Calculation of Bid and Offer Prices” determined on the Valuation Day on which the request has been accepted.
- b) Units are only issued on receipt of cleared funds.

### Redemption of Units

- a) As mentioned above, requests for redemption of Units can be made on any day that is a Valuation Day for the Fund. Redemptions will be effected at the Bid Price of the relevant Units Class determined on the Valuation Day on which the request has been accepted as described in “Section 7 – Calculation of Bid and Offer Prices”
- b) Redemption requests will only be executed if cleared funds in respect of the subscription for those Units have been received.
- c) The Investment Manager may carry out any authentication procedures that it considers appropriate relating to a redemption request. This aims to mitigate risk of error and fraud for the fund, its agents or Unitholders. Where it has not been possible to complete any authentication procedures to its satisfaction, the Investment Manager may delay the processing of payment instructions until authentication procedures have been satisfied. This will not affect the Valuation Day on which the redemption request is accepted and the Bid Price to be applied. Neither the Investment Manager nor the Fund shall be held responsible to the Unitholder or anyone if it delays execution or declines to execute redemption in these circumstances.
- d) An early redemption charge may be applied or may be waived in whole or in part at the discretion of the Investment Manager. There is an Early Redemption Charge of 1% of NAV applicable to Unitholders of the “I” Class of Units (Institutional Investors) as described in “Section 4.1 – Unit Classes”.
- e) If the total requests for redemptions on any VD exceeds 15% of the total value, of Units in issue, the Investment Manager may decide that redemptions in excess of 15% shall be deferred until the next Valuation Day. On the next Valuation Day, or Valuation Days until completion of original requests, deferred requests will be dealt with in priority to later requests and shall be effected at the ruling Bid Price on the material Valuation Day.

## Payment following Redemption of Units

- a) Redemption payments may be paid in the Base Currency by bank transfer within 5 Business Days of the relevant Valuation Day. A Unitholder may request, at its own cost and subject to agreement by the Investment Manager that their redemption proceeds be paid in a currency other than the Base Currency.
- b) If in exceptional circumstances, redemption proceeds cannot be paid within the period specified above, payment will be made as soon as reasonably practicable thereafter (not exceeding, however, 15 Business Days) at the Bid Price calculated on the relevant Valuation Day.

## Settlements

Confirmation of completed Subscriptions and Redemptions will normally be dispatched within 2 Business Days following the execution of the transaction. No redemption requests will be made until the original application form and relevant subscription monies have been received from the Unitholder and all the necessary anti-money laundering checks have been completed. Redemption proceeds will be paid on receipt of instructions where such payment is made into the account specified by the Unitholder in the original application form submitted. However, any amendments to the Unitholders registration details and payment instructions can only be effected upon receipt of the original documentation.

## GENERAL INFORMATION

### a) TAXATION

#### General

Investors are advised to seek independent tax advice on both domestic and foreign taxation laws, in respect of the acquisition, holding, and disposal of Units, as well as any distributions made by the Fund, in view of ascertaining their respective rights and liabilities.

Please note that the information to follow is subject to the existing taxation laws and practices as at the date of this present Prospectus. Prospective Investors are hereby reminded that Laws and Regulations are subject to such amendments as may from time to time be required.

#### The Fund

The Fund's Net Income is exempt from the following tax as provided by Law No. 16/2018 of 13/04/2018 establishing taxes on Income in Rwanda as shall be amended from time to time:

- Tax on its capital gains, distribution, interest and any other income.

Prospective investors should note that all taxes are subject to change from time to time with changes reflected on the Income Tax law in Rwanda.

#### Unitholders

Generally, the tax consequences of acquiring, holding, converting, repurchasing or disposing of the Units will depend on the relevant laws of the jurisdiction to which the Unitholders are subject to. These consequences will vary with the law and practice of the Unitholder's country of residence, domicile or incorporation and with his/her own personal circumstances. Potential Unitholders are advised to consult their professional advisers in this regard. As at the date of this Prospectus, capital gains on investment in units is not subject to any tax in Rwanda. The distribution of income and of the proceeds of redemption is not subject to any withholding tax in Rwanda.



**Meetings**

At its discretion, the Investment Manager may choose to convene an Annual General Meeting of Unitholders of the Fund, to be held in Rwanda on such a day as is a Business Day.

For any such general meetings of unitholders, notices are to be sent to registered Unitholders by e-mail or Short Message Service (SMS) 21 days prior to the meeting inclusive of the date notice is deemed to be served and the day of the meeting. Notices will also be published in such other newspapers as the Investment Manager may decide. Such notices will include the agenda and specify the place of meeting.

The quorum of the meeting shall consist of at least 5% of the unitholders of the portfolio inclusive of proxies received. For off-shore/ diaspora investors who may not be able to attend the meetings, the Investment Manager may host web conference meetings.

The Trustee, Investment Manager or Unitholders as the case may be, may convene an extra-ordinary meeting at any time but no later than six (6) weeks after receipt of such requisition. The request shall state the objects of the meeting and the resolution or resolutions proposed at such meetings and shall be signed by the Unitholders and deposited with the Investment Manager.

An extra-ordinary meeting of Unitholders shall be convened for the following purposes among others:

- i. To approve any change of the investment policy or objectives of the scheme proposed by the Investment Manager with the consent of the Trustee
- ii. To authorize any changes to the trust deed proposed by the Investment Manager with the consent of the Trustee

The accidental omission to give notice of a meeting or the non-receipt of notice of a meeting by any unitholder entitled to receive notice shall not invalidate proceedings of that meeting

No business shall be transacted at any meeting unless a quorum of Unitholders is present at the time the meeting proceeds to business. If within thirty (30) minutes from the time appointed for the meeting a quorum is not present, the meeting, if convened on the requisition of the Unitholders, shall be dissolved and in any other case it shall stand adjourned to such day and time not being less than seven (7) days thereafter and to such place as may be appointed by the Chairman if any has been appointed by the Trustee. If at such meeting a quorum is not present within fifteen (15) minutes from the time appointed for the meeting, the Unitholders present shall comprise quorum.

The Chairman presiding at the meeting shall be appointed by the Trustee but if at any meeting he is not appointed or is unwilling to act, the Unitholders present shall choose one of their members to be Chairman of the meeting.

Except where an extra-ordinary resolution is specifically required or permitted by Law, any resolution put to vote in the meeting shall be decided by a simple majority of votes of units present in that meeting.

The instrument appointing a proxy shall be in writing under the hand of the appointer or his lawyer duly authorized in writing, or, if appointer is a corporation, under the hand of an officer or lawyer/legal officer duly authorized. A proxy need not be a Unitholder. The instrument appointing a proxy and the power of attorney shall be deposited at the office of the Trustee or Investment Manager not less than forty-eight (48) hours before the time of holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, and in any default the instrument of proxy shall not be treated as valid.

The Trustee shall keep minutes of every meeting in a minute book

## Annual Reports

The Investment Manager shall within 4 months after the end of the financial year of the Fund submit to CMA the Annual Report of the Fund which shall contain such matters required to be included pursuant to the applicable laws and Code of Corporate Governance, as well as:

- a. the Investment Manager's Investment Report;
- b. the Statement of Assets and Liabilities;
- c. an Income Statement;
- d. a Statement of Movements in Net Assets;
- e. a copy of the Auditor's Report; and
- f. Management Report.

The Annual Report and Audited Accounts shall be distributed to Unitholders via e-mail, posted on the website [www.bkcapital.rw](http://www.bkcapital.rw) and published in at least 2 newspaper dailies of the Investment Manager's choice.

Quarterly financial statements and management reports at the end of each financial quarter and upon approval by the Board, shall be filed with the CMA.

## RISK FACTORS & MITIGATIONS

The information in this Appendix should be read in conjunction with the full text of the Prospectus of which this forms an integral part

### General

The following statements are intended to inform investors of the uncertainties and risks associated with investments and transactions in transferable and non-transferable securities and other financial instruments. Investors should remember that the price of Units and/or any income from them may fall as well as rise and that Unitholders may in extreme cases not get back the full amount invested. Past performance is not necessarily a guide to future performance and Units should be regarded as a medium to long-term investment.

## RISK FACTORS

The assets of the Fund shall be invested solely in financial instruments selected by the Investment Manager, or as may be advised by a Technical Advisor appointed by the Investment Manager, or as may be approved from time to time by the Trustee.

Furthermore, prospective Unitholders should also note that their right to redeem Units may be subject to certain restrictions or may be deferred in certain circumstances as in SECTION 5

It should also be borne in mind that the investments of the Fund are subject to normal market fluctuations and to the risks inherent in all investments.

### Risks inherent in investments are detailed below:

#### Risk of relative under-performance

Although the Fund's investment strategies should ensure a positive relative performance to the benchmark (Republic of Rwanda 12 Month T-Bill Yield) there is a risk that the Fund may not be invested in the best performing securities at all times. To mitigate this, the Investment Manager will monitor the performance of the Fund closely and apply corrective measures where necessary, in line with the Manager's investment process.



## **Risk of capital loss**

Capital loss arises when Units are redeemed at a price lower than that originally paid by the subscriber. The Fund offers no guarantee or capital protection scheme, and the total amount invested is exposed to market and economic conditions. It is however expected that 50% - 70% of the assets will be held to maturity and this will be providing stability in the value of the net asset value. The Fund's choice of investments also comprises cash deposits, money market instruments and debt instruments which have historically proven to be stable investments, capable of preserving value across all points of the economic cycle.

## **Market risk**

The NAV of the Fund may fluctuate in response to market volatility, however given that the fund is invested solely in fixed income type instruments, volatility on this should be low in line with the Fund's stated profile. The Investment Manager expects the Fund's NAV to be stable.

## **Interest rate risk**

Part of the assets of the Fund may be invested in fixed income, cash/short-term securities. Should interest rates increase, the value of assets invested in fixed income securities may fall and, consequently, adversely reflect on the Net Asset Value of the Fund and its Classes. The Investment Manager however expects that the Fund's assets will largely be held to maturity.

Income Distribution payments are subject to performance of the Fund

The Fund will aim to provide Unitholders with an Income Distribution. There is no guarantee that any Distribution will be paid in respect of any financial year or period and no guarantee as to the level of any future Distributions to be paid by the Fund. The ability to pay Distributions is dependent on a number of factors including the level of income returns from the Fund's portfolio of assets. There can be no guarantee that the Fund will be in a position to pay Distributions or that it will not sustain any capital losses through its investments. As such, an investor may not receive dividend from the Fund. However, the Fund's choice of investments, comprising cash deposits, money market instruments and debt instruments is expected to be stable and income generating through the investment cycle which will mitigate part of this risk.

## **Reinvestment Risk**

Cash flows from financial instruments will be monitored and reinvested at optimised levels. There can be no guarantee on the Fund being able to reinvest the cash flows and return on such reinvestments will depend on investment opportunities, market conjuncture, economic conditions, yields and other factors at the time of reinvestment.

The foregoing factors are not exhaustive and do not purport to be a complete explanation of all the risks and considerations involved in investing in the Fund. In particular, the performance of the Fund may be affected by changes in market or economic conditions, and legal, regulatory and tax requirements. The Fund will be responsible for paying certain fees, charges and expenses referred to in this Prospectus out of the Net Assets of the Fund regardless of the level of profitability of the Fund.

## APPENDIX I – OTHER MATTERS

The information in this Appendix should be read in conjunction with the full text of the Prospectus of which this forms an integral part

### Pledge

The Unitholders may also pledge Units in favor of banks or financial institutions as security for raising loan, by completing the appropriate form issued by the bank/financial institution and other formalities as may be required. On receipt of the forms as prescribed, the Fund will record the pledge against the Units pledged. Pledge of Units is permitted only in favor of banks or financial institutions. The pledgee bank or Financial institution will have complete authority to redeem or transfer such Units upon evidence that the Unitholder has defaulted on the respective loan. The Unitholder will continue to receive income distribution on the pledged Units. The pledgee bank or financial institution will get the benefits only if a pledge is invoked due to default by Unitholder and on record date, the Units are in the bank/financial institution's account. Disbursement of loans against the pledge of Units will be at the entire discretion of the bank/financial institution and the Fund assumes no responsibility thereof. The Unitholder will not be able to repurchase/ transfer the Units that are pledged until the pledgee bank/financial institution to which the Units are pledged provides written authorization to the Manager that the pledge charge may be removed.

### Transmission

In the event of the death of a Unitholder, the survivor(s) (where the deceased was a joint holder) or the rightful heirs of the deceased (where the deceased was a sole holder) shall be the only person recognized by the Fund as having any title to the deceased's interest in the Units as provided by law No. 27/2016 governing matrimonial regimes, donations and successions as shall be amended from time to time.

### Incorporation and Place of Business

The Fund has been authorized by the Law No.40/2011 of 20/09/2011 Regulating Collective Investment Schemes in Rwanda to operate as a Collective Investment Scheme and has its registered office and business address at Bank of Kigali Headquarters, KN 4 Ave., Kigali, Rwanda.

### Money Laundering

The Investment Manager must comply with applicable anti-money laundering and counter terrorist financing laws or any other applicable Law. They must meet the criteria set by CMA and such other relevant regulatory authorities from time to time in accordance with the applicable anti-money laundering provisions, in particular, The Rwandan Law N° 69/2018 of 31/08/2018 Law on prevention and punishment of money laundering and terrorism financing which provides for the offences of money laundering, the reporting of suspicious transactions and measures to combat the financing of terrorism. This Act also lays down the obligation on every financial institution to report forthwith to the Financial Intelligence Unit ("FIU") in the central bank of any suspicious transaction. Rwanda's Anti-Money Laundering and Countering Financing of Terrorism (AML/CFT) framework is based on the law is N° 69/2018 of 31/08/2018 Law on prevention and punishment of money laundering and terrorism financing.

In compliance with the relevant Laws and Regulations of Rwanda, the Trustees of the Fund have a responsibility to apply strict anti-money laundering procedures. Investors shall be subject to a strict screening process before being allowed to invest into the Fund. Neither the Investment Manager nor the Fund can accept cash, or money derived from or intended for use in any illegal activity. To comply with its anti-money laundering and counter terrorist financing obligations, the Investment Manager will seek - and investors will be required to provide - information and documentation to ensure anti-money laundering and counter terrorist financing compliance. Amongst others, investors shall be asked to submit evidence to prove their identity, residential address, as well as the source of their funds.

By investing in the Fund, investors agree to provide truthful information and documentation, upon request, regarding their identity, residential address, background, source of investment income, and any other matters that the Investment Manager deems necessary to comply with applicable anti-money laundering and counter terrorist financing laws. Applicants who are investing on behalf of a third party are required to

acknowledge, in compliance with the relevant laws, that they have obtained sufficient information about that third party to determine that the party (a) is not involved in illegal activities, and (b) is investing funds from a legitimate source.

The Investment Manager reserves the right to approve or reject applications of potential Unitholders.

Further, in accordance with the AML/CFT Law of RWANDA and the Code on the Prevention of Money Laundering and Terrorist Financing, published by the Government of Rwanda (GoR), the Custodian will oversee the compliance and reporting of money laundering suspicions. The duties of the compliance function of the custodian will include receiving and evaluating internal suspicious transactions reports and, where appropriate, filing these with the FIU. The compliance function of the custodian are required to report any suspicion of money laundering or terrorist financing or other suspicious transactions to the regulator. Subject to applicable laws, if requested by any relevant authority including, without limitation, the FIU, the compliance function of the custodian, may pass on information about any applicant for Units of the Fund to any such regulatory authority. It is a term of subscription that any applicant will be deemed to have consented to the passing on of such information to any such authority.

#### Winding Up and Distribution of Assets upon Winding Up

If the Fund shall be wound up, it shall do so pursuant to the provisions of Law N° 23/2018 of 29/04/2018 and article 28 of Law No 40/2011 of 20/09/2011 regulating collective investment scheme in Rwanda Relating to Insolvency and Bankruptcy, and any such related or applicable Law.

If the Fund shall be wound up, the liquidator shall apply the assets of the Fund in satisfaction of the creditors' claims in such manner and order as he thinks fit.

Distribution of cash or assets of the Fund may be effected in such instalments and over such period or periods as the liquidator considers reasonable in the circumstances.

The liquidator may, with the sanction of a Special resolution of the Fund, vest the whole or any part of any such property in trustees on such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Member is compelled to accept any Units or other securities in respect of which there is any liability.

Subject to the special rights attached to Units, all monies and property that are to be distributed among members on a winding-up, shall be so distributed in proportion to the Units held by them respectively, irrespective of the amount paid-up or credited as paid up on the Units.

### Inspection of Documents

Upon prior request, copies of the following documents will be available for inspection and may be obtained free of charge at the business address of the Fund:

- a) The Trust Deed of the Fund;
- b) Agreement with the Custodian;
- c) The annual management report and audited financial statements;
- d) The quarterly financial statements and management reports.
- e) Agreement with the Trustee

Any other statutory documents may be inspected, on prior request to the Company Secretary, at the registered office of the Fund.

### Dispute Resolution

Subject to the provisions of the CIS Prospectus and the Trust Deed, the Investor, the Investment Manager, the Custodian and the Trustee may, after consultation resolve any question arising from the management and administration of the Fund under the CIS Prospectus provided that:

- a) Any Investor may enforce his rights by virtue of his statement of account and this document against the Investment Manager, the Custodian, or the Trustee as the case may be by following the hierarchy of settlement of grievance as follows:

- Seek an amicable settlement with the Investment Manager
- Failure to reach an amicable settlement with the Investment Manager, the Investor may decide to lodge a complaint with the Trustee
- In the event of Failure to reach an amicable settlement with the Trustee, the Investor may decide to lodge a complaint with the Capital Market Authority.
- If the Capital Market Authority does not respond within a period of thirty days or does not address his/ her issue to her satisfaction, then the Investor may seek to approach Capital Market Independent review panel as per article 63 of the law regulating capital market which refers to the Ministerial Order n° 003/12/2012 of 18/05/2012 determining the organization and functioning of the Capital Market Independent Review Panel and its Composition
- If issue remains unresolved the Investor may file a claim with the competent court in Rwanda.

b) Dispute resolution between the Investment Manager and the Custodian is governed by the Agreement with the Custodian.

#### Additional Information

- All documents and remittances to the Investment Manager and to Authorized Distributors are sent at the risk of the Unitholder.
- The Investment Manager may rebate its investment management fees in respect of any application for Units.
- As the value of Units in the Fund reflects the value of the investments held by it, the Net Asset Value of Units and the income accruing to them may increase or decrease.
- The Investment Manager has the right to act as principal in the issue or redemption of units.
- Copies of the Prospectus can be obtained from:

The Investment Manager  
BK Capital Ltd.  
Bank of Kigali Headquarters  
KN 4 Ave. Kigali-Rwanda





## APPENDIX II – LEGAL OPINION

The Board of Directors  
BK CAPITAL AGUKA UNIT TRUST FUND  
KN4 AVE No12 PLOT No790 P.O. Box 175  
Kigali - Rwanda

Dear Sirs

### RE: **BK CAPITAL AGUKA UNIT TRUST FUND**

We, the undersigned, have been instructed to act as Rwanda legal counsel in relation the creation of a unit trust fund named BK Capital AGUKA Unit Trust Fund (the Fund) .

The legal advisory team consisting of the attorneys of the law firm Trust Law Chambers being a member of the Rwanda Bar Association and the East African Law Society, practicing and qualified as such to practice Rwanda and to advise upon the Laws of the Republic of Rwanda.

### Documents and Records Examined

1. In providing this Opinion for the purposes of the Prospectus relating to the Fund (the Prospectus), we have examined ;
  - i. Copy of the certificate of incorporation of the Trustee;
  - ii. Licenses of the Trustee;
  - iii. License of Fund Management for the BK Capital
  - iv. The Trust Deed entered into between the Trustee and BK Capital Ltd in relation to the Transaction;
  - v. such other records and documents as we have considered necessary and appropriate for the purposes of this Opinion (collectively, the “Documents”).
2. For the purposes of this opinion, we have assumed the following:
  - a. All written information supplied to us in relation to the Fund is true, accurate and up to date;
  - b. The authenticity of documents submitted as originals, the conformity with the original documents of all documents submitted as copies and the authenticity of the originals of such latter documents;
  - c. The authenticity of all signatures on all documents provided; and
  - d. All licenses, agreements and other relevant documents have been duly authorized, executed and delivered by the parties to those documents other than the Company

### Opinion

3. In our opinion, based on the information made available to us by BK Capital Ltd and subject to
  - i. the foregoing;
  - ii. paragraph 4 of this Opinion;
  - iii. any matters set out in the Prospectus;
  - iv. the reservations set out below; and
  - v. any matters not disclosed to us:
  - a. The Trustee is duly incorporated and validly existing under the laws of the Republic of Rwanda
  - b. The Trustee has all relevant licenses and authorizations from the National Bank of Rwanda (BNR) and the Capital Market Authority to carry out its roles as contemplated under the Trust Deed.
  - c. The Fund has been set up in compliance with Law N° 40/2011 of 20/09/2011 regulating Collective Investment Schemes as well as Law No 20/2013 of 25/03/2013 regulating the creation of Trusts and Trustees.

- d. The setting up of the Fund and all the transactions contemplated thereof will not violate any relevant laws or Regulations of Rwanda;
- e. Application has been duly made to, and permission duly granted by the Capital Markets Authority (The Authority) in respect of the issue of the units of the Fund;
- f. All other authorizations, approvals, consents, licenses, exemptions, filings, registrations and notifications with governmental or public bodies or authorities of or in Rwanda required in connection with the Trust have been obtained and given in proper form and are in full force and effect;

## Further Opinions

4. Based upon and subject as aforesaid, and without prejudice to the generality of the foregoing, we are also of the opinion that:
- a. a copy of the Prospectus, together with the documents required under Instructions N° 01/2010/ Org of 12/04/ 2010 of the Registrar General relating to the form and content of a prospectus (the "Prospectus Instructions") have been delivered to the Registrar of Companies for registration, duly signed by the authorized persons .
  - b. the Trust Deed constitutes the legal, valid and binding and enforceable obligations of the parties thereof.
  - c. this Prospectus contains statements made by BK Capital Ltd and by ourselves, all of whom are experts for the purposes of Article 25 and 26 of the Prospectus Instructions. In accordance with Article 25 of the Prospectus Instructions, BK Capital Ltd and we, the legal advisors, have given and have not before the delivery of this Prospectus for registration withdrawn our consent to the issue of the Prospectus with the statements by us included in the form and context in which they are included;
  - d. in addition to the information required to be included by the Companies Act, the Prospectus includes such information as investors would reasonably require and reasonably expect to find therein for the purpose of making an informed decision
  - e. Based on the foregoing, we are of the opinion that the units issue is in conformity with all applicable laws and has received all necessary authorizations.

## Reservations

5. This letter and the opinions given in it are governed by Rwandan law and relate only to Rwandan law as applied by the Rwandan courts as at today's date. We express no opinion in this letter on the laws of any other jurisdiction.

We as the Legal Advisors confirm that we have given and have not, prior to the date of the Prospectus, withdrawn our written consent to the inclusion of the legal opinion in the form and context in which it appears.

Yours faithfully



**Richard Balenzi**  
Partner, Trust Law Chambers

## APPENDIX III – APPLICATION FORM



Email: [bkcapital@bk.rw](mailto:bkcapital@bk.rw) Tel: (+250) 788143141/3241 Web: [www.bkcapital.rw](http://www.bkcapital.rw)

### Investment Application Form

Agent code No.

Agent stamp

Serial No.

Copies of the offer document are available and may be collected during normal working hours (except Saturdays, Sundays and public holidays) from BK Capital Ltd office and its authorized collecting agents. The offer document is also available on the website: [www.bkcapital.rw](http://www.bkcapital.rw)

Applicant CSD number

Field marked \* are mandatory

☐ Individual Applicant

☐ Corporate/Institutional Applicant

### Client details (Individual Applicant)

Holding Basis\*

☐ Singly

☐ Jointly by both

☐ Jointly by either

	First Applicant*	Second Applicant/Guardian	Next of kin
Surname			
First name			
Middle name			
Date of Birth (if minor)			
ID/Passport no. (attach copy)			
<input type="checkbox"/> Resident Rwandan	<input type="checkbox"/> Diaspora	<input type="checkbox"/> EAC/Others	<input type="checkbox"/> Male <input type="checkbox"/> Female

Applicant's occupation

☐ Agriculture

☐ Employed

☐ Business

☐ Professional

☐ Student

☐ Retired

☐ Other's (please specify)

Source of funds

☐ Savings

☐ Salary

☐ Inheritance

☐ Bonus

☐ Other (specify);

### Client details (Corporate/Institutional Applicant)

Corporate Name	
Registration Number (attach a copy)	
<input type="checkbox"/> Rwandan	<input type="checkbox"/> EAC <input type="checkbox"/> Foreign, name country :
Pension Fund/Institution	<input type="checkbox"/> Bank <input type="checkbox"/> Insurer <input type="checkbox"/> Cooperative <input type="checkbox"/> MFI <input type="checkbox"/> Others (Corporate body, AgdfNGO,etc.)

### Client details (both individual and institutional)

Mailing address*				Bank particulars	
Country				Bank Name	
Address line 1				Branch Name	
Address line 2				Account No.	
P.O. Box		Postal code		Swift Code	
Telephone No.				Email	
Investment option*		Income option		Reinvestment option	

Your investment will earn income distributions (interest). Please indicate below if you would like us to pay the income into your bank account or if you would like us to automatically reinvest the income earned on your investment, in which case you shall receive additional units.



## Acknowledgement Slip (ALL PARTICULARS TO BE FILLED IN CAPITAL LETTERS)



Email: bkcapi@bk.rw Tel: (+250) 7881 431 41/32 41 Web: www.bkcapital.rw

First Applicant name		Stamp with date of Collecting agent along with receiving official signature
ID/Passport number		
Application amount		
Payment details other than cash, please indicate		
Cheque/ Payment order/ Money transfer No.		
Bank name, Branch		
Swift code for money transfer		
Date		
Total application amount		
In figures (FRW)*		
In words (FRW)*		
Payment type:	<input type="checkbox"/> Cash <input type="checkbox"/> Payment order <input type="checkbox"/> Cheque <input type="checkbox"/> Money transfer	
Payment details* (other than cash, please indicate)		
Cheque/ Payment order/Money transfer No.		Swift code for transfer:
Bank name, (Abbreviated)		Branch
Date		

### Regular Savings Plan (RSP)

Payment type Self	Monthly RSP	RSP Enrollment Period	RSP installment amount (Rwf)	Payment mode  Credit by employer to the fund  Standing order from bank
	5 <sup>th</sup> of Month	Standard (fixed period)		
Group (Company/ Organization)	30 <sup>th</sup> of Month	From		
If you ticked on Group please specify		To		
		Default (Ongoing basis)		
		Start date		

### Declaration and signature of Applicant(s)

I/We have read and understood the contents of the offer document of AGUKA Unit Trust Fund and the instructions attached herewith as issued to date. I/We agree to abide by the terms and conditions, rules and regulations of the scheme on the date of investment.

Signature Applicant	First Applicant/Guardian /Authorized signatory	Next of Kin Guardian
as applicable with date		
Corporate Seal/Stamp		

## Instructions to investors:

- a) Payment for application may be made by depositing cash, cheque, bank transfer or payment order only at a collecting bank.
- b) The investor(s) should indicate the investment option. Either income or reinvestment
- c) All payment for the units should be deposited at Aguka Fund accounts at the collecting banks. Stock brokers and other collecting agents are not allowed to receive cash for the payment of units.
- d) Please attach a photocopy of: Identity card/Passport/Registration certificate
- e) An application not accompanied by supporting documents like Identity card/Passport/Registration Certificate, may be liable to rejection

## Specific instructions that investors under the Regular Savings Plan should know

- f) The money is remitted to the custodial account of Aguka Fund by the Employer. The units are issued individually to the respective investor accounts (or else joint ownership as specified in the application form)
- g) The investor(s) should select the frequency and dates upon which the money will reach the custodial account of Aguka Fund. (Standing order will be signed to acknowledge).
- h) Note: RSP investors will also have to fill an application form as well as issue a standing order to their respective bank employer
- i) RSP credits during processing period will be allotted units based on NAV. Hence investors are encouraged to issue standing order to bank/ employee accordingly to exclude processing period.

## Aguka Fund Account number

Bank name	Account Number:	Swift code
Bank of Kigali	00040-06983907-43	BKIGRWRW

The Board of Directors of BK Capital, The Promoter, accept responsibility for the contents of the prospectus and, to the best of their knowledge and belief, and after making reasonable enquiries, the information contained in the prospectus is in accordance with the facts and that the prospectus makes no omission likely to affect the import of such information.

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Director

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Director

Date:









BK CAPITAL AGUKA UNIT TRUST FUND  
**PROSPECTUS**

2020

