

## **Prospectus for MUA General Fund**

This prospectus has been prepared in accordance with the Fourth Schedule of the Securities (Collective Investment Schemes and Closed-end Funds) Regulations 2008 under the Securities Act 2005, and has been authorized by the Financial Services Commission. A copy has been filed with the Financial Services Commission, the Trustee and the Custodian of the Scheme.

JUNE 2021

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## **2. Organisation and Management of the CIS**

### **2.1 The CIS Manager and Principal Distributor**

**MUA Mutual Fund Ltd**  
2<sup>nd</sup> Floor, Barkly Wharf  
Le Caudan Waterfront  
Port Louis, Mauritius

#### **Removal of Manager**

As specified in the Trust Deed dated 30th May 1990, the manager shall cease to hold office as Manager of the Trust if

- I. The Manager is removed from office by the Supreme Court pursuant to section 19 of the Unit Trust act 1989, or
- II. Approval of the Trust Scheme is revoked under section 14 of the Act;
- III. Winding up proceedings are instituted against the Manager.

#### **Replacement of Manager**

As specified in the Trust Deed dated 30th May 1990 (clause 10.11.4), a new Manager shall be appointed by the Trustee. If the Trustee fails to do so within three months of the vacancy or retirement first occurring, a new Manager may be appointed by Extraordinary Resolution and following compliance with section 13 of the Act.

### **2.2 The Trustee**

**SBM Bank (Mauritius) Ltd**  
State Bank Tower  
1, Queen Elizabeth II Avenue  
Port Louis, Mauritius

#### **Replacement of Trustee**

The power of appointing a new Trustee of the Trust shall be vested in the Manager. No person shall be appointed as a new Trustee unless qualified to act as such pursuant to section 9 of the Act. If the Manager fails or refuses to appoint a new Trustee, such new Trustee may be appointed by an Extraordinary Resolution following compliance with section 13 of the Act.

**ii. Bertrand Casteres**

**Appointment:** Non-Executive Director, with effect from 15 April 2013 and for an undefined duration of term.

**Principal Occupation:** Group CEO, MUA Ltd

**Other Board Memberships:** Director of MUA Ltd, The Mauritius Union Assurance Co. Ltd, MUA Life Ltd, Fondation Mauritius Union Ltd, MUA Foundation Ltd and MUA Pension Ltd

**iii. Naresh Gokulsing**

**Appointment:** Non-Executive Director, with effect from 15 April 2013 and for an undefined duration of term.

**Principal Occupation:** Managing Director, MUA Life Ltd

**Other board memberships:** MUA Pension Ltd and MUA Stockbroking Ltd

**iv. Jérôme Katz**

**Appointment:** Executive Director, from 10 April 2015 and for an undefined duration of term

**Principal Occupation:** Head of Strategy & Financial Services, Mauritius Union Assurance Co Ltd

**Other Board Memberships:** Fondation Mauritius Union Ltd and MUA Foundation Ltd

**v. Ah Low Dean**

**Appointment:** Non-Executive Director, from 24 June 2021 and for an undefined duration of term

**Principal Occupation:** Treasury and Accounts Manager, Mauritius Union Assurance Co Ltd

**2.7 Assets and Liabilities Committee (ALCO)**

Investment decisions for the Fund are taken at the Group Level by the MUA Assets and Liabilities Committee (ALCO) which comprises of the following members:

Alfred Bouckaert (Chairperson)

Bertrand Casteres

Bruno de Froberville

Dominique Galea

Ashraf Musbally

Olivier de Grivel

Mehtab Aly

- ii. Provision of registrar and transfer facilities,  
Responsible Person: Farook Sahabooleea;
- iii. Distribution of the securities of the Scheme,  
Responsible Persons: Soundararajen Ramsamy and Shabeneez Nahaul;
- iv. Maintaining accounting records of the Scheme,  
Responsible Person: Pradesh Kumar Baboolall; under the supervision of Soundararajen Ramsamy
- v. Giving investment advice in relation to the Scheme,  
Responsible Persons: Soundararajen Ramsamy and Shabeneez Nahaul

#### **Termination of management contract**

As specified in the Trust Deed dated 30th May 1990, the manager shall cease to hold office as Manager of the Trust if

- I. The Manager is removed from office by the Supreme Court pursuant to section 19 of the Unit Trust act 1989, or
- II. Approval of the Trust Scheme is revoked under section 14 of the Act;
- III. Winding up proceedings are instituted against the Manager.

## **4. Investment Objectives and Practices and Financial Characteristics**

### **4.1 Investment Objective**

The investment objective of MUA General Fund is to achieve long term capital appreciation and generate consistent dividend income.

### **4.2 Investment Policy**

Investment will be made in equities, fixed-interest securities and other assets and will be well diversified across economic sectors. Part of the investment will be made overseas. Cash or near cash may be held as necessary in order to enable units to be redeemed or for the efficient management of the Scheme in accordance with its objective.

### **4.3 Investment Risks**

The unit holder should be aware that any investment carries a level of risk that generally reflect its potential for reward. Neither the Manager or the Trustee, nor any other functionary guarantees the performance of the Funds, the attainment of the stated objective, or the repayment of capital.

**X. Performance Risk:**

Past performance should not be viewed as a guide to or indicator of future performance. The value of investments and the income derived from them can go up or down.

**XI. Tax Risk:**

Any tax treatment detailed in this prospectus may change and any implied tax benefits may vary between investors and may change in the future.

**4.4 Investment Restrictions and Practices**

The Fund intends to invest strictly according to its Investment Mandate, which is in accordance with the rules and regulations governing Collective Investment Schemes in Mauritius. The Mandate is closely monitored and updated by the MUA Assets and Liabilities Committee (ALCO), MUA Management Assets and Liabilities Committee (MALCO) and the MUA Board of Directors.

**Investment restrictions**

The Fund undertakes not to:

- I. purchase a security, other than a debt security issued by the Government of Mauritius or the government of any other country, if immediately after the purchase, more than 10% of its net assets, taken at market value at the time of purchase, would be invested in securities of that issuer;
- II. purchase a security of an issuer where, immediately after the purchase, the Fund would hold more than 10% of a class of securities of that issuer;
- III. purchase real estate;
- IV. purchase a mortgage;
- V. purchase a security for the purpose of exercising control or management of the issuer of that security;
- VI. purchase an illiquid asset, if, immediately after the purchase more than 10% of the net assets of the Fund, taken at market value at the time of purchase, would consist of illiquid assets;
- VII. purchase or sell derivatives, except within the limits established by the Commission or, in the case of a specialized fund authorized by the Commission;
- VIII. purchase or sell a physical commodity, including precious metals, except in the case of a specialized CIS authorized by the Commission,

The complete set of Investment restrictions to which the Fund is subject is also available in the Investment Mandate.

#### 4.5 Type of Investors

The profile of a unit trust investor is one who has both sufficient capital and an attitude to investment which enables one to accept short term fluctuations in the value of their capital.

Particularly suitable for:

- I. Investors wanting capital growth or a combination of income and capital growth.
- II. Investors willing to tolerate a certain amount of capital risk.
- III. Investors who can commit money for the medium to long-term.
- IV. Investors seeking a cost effective access to local and overseas markets.

#### 4.6 Valuation

As specified in the Trust Deed (1990), the Manager 'shall carry out the valuation of all or any of the Assets of each Fund on any Business Day at a time to be determined by the Manager and agreed by the Trustee'. As such, the valuation for the MUA General Fund is carried out on a weekly basis, on Wednesdays. The Manager deems right to value the Fund on a weekly basis as prices do not normally change significantly on a day-to-day basis.

#### 4.7 Distributions

Distributions of income will be made twice yearly to holders of units registered on the following dates: 30 June and 31 December. The Scheme will distribute the whole of its available net income to unit holders after deducting fees, charges and other expenses and adjusting for any tax liabilities or refunds.

Units are quoted ex-distribution on the first day of a new half-year. The payment dates will take place within two months after the half year ends. Payment will be made to the order of the holder or in the case of joint holders, the first named on the Register. Distribution needs not be in cash only but may be made by issue of additional units that will rank pari passu with existing units.

The table below shows the amount of dividend paid by the MUA General Fund for the last 3 years:

Last 3 Financial Years Annual Distributions	
Financial Year ending 30 June	Dividend / Unit (Rs.)
2021	1.06
2020	1.34
2019	1.93

Unit holders are entitled to the following rights:

- I. Redemption of units
- II. Switching of investments
- III. Transfer of investments to heir
- IV. Annual Report of the Fund
- V. Half-Yearly Statements
- VI. Distribution of Income

The above rights of the unit holders can be modified:

- I. by either the Trustee, when it is of the opinion that this is necessary to comply with the provisions of any statutory authority or to correct a manifest error; or
- II. by way of an 'Extraordinary Resolution' passed at a meeting duly convened and carried by a majority of not less than three-fourths of the unit holders; or
- III. where such modification is otherwise expressly authorized by the Supplemental Deed.

## 5.2 Contractual Plans

Subscription to units under the Scheme may be made in two ways, namely by lump sum investment and by monthly investment or monthly saving plan.

Currently, the minimum lump sum investment required is MUR 5000 and the minimum monthly investment required is MUR 500.

The valuation for the MUA General Fund is carried out on a weekly basis, on Wednesdays and thus investment into the fund can be made weekly, at latest before every Wednesday. There is currently no entry fee upon investment.

The unit holder may cancel the plan at any time at his own discretion. However, an exit fee of 1% of the net asset value shall then apply.

## 5.3 Net Asset Value

The issue and repayment prices of units will be calculated by the Manager on the basis of the valuation of the assets of the Scheme. While liquid assets will be valued as per latest available market prices, illiquid assets, if any, shall be valued as per their latest available net asset value.

The issue price of a unit shall be the amount calculated according to the following formula:

$$CV/U + NI/U + IC$$

The repayment price of a unit shall be the amount calculated according to the following formula:

$$CV/U + NI/U - EF$$



Currently, the minimum lump sum investment required is MUR 5000 and the minimum monthly investment required is MUR 500.

- **Redemption**

Units may be sold back to the Manager, who is under the obligation to repurchase them, by sending to the Manager a written Repayment request duly completed and signed. The repayment or repurchase price will be determined on the next valuation day following the receipt of the Repayment Request and a cheque for this sum of money will be sent to the client within a week. Currently, unit holders are charged an exit fee of 1% of the net asset value.

- **Large Deals**

If a unit holder requests redemption of a number of units representing not less than 5% of the value of net assets of the Scheme, the Manager is permitted to charge a repayment fee at the maximum rate of 2% on the repayment price.

<b>Summary of Charges</b>	
<b>Type of charge</b>	
<b>Purchases or redemptions</b>	<b>Description</b>
Amounts payable on	
a) purchase of units	Nil
b) exchange/transfer of units to a related fund	Nil
c) redemption of units	1% of Net Asset Value
<b>Services</b>	
<b>Amounts payable with respect to-</b>	
a) management fees paid by the CIS	1.25% of Net Asset Value of the Fund, calculated on weekly basis and payable monthly in arrears
b) trustee fee paid by the CIS	Flat Fee of Rs.150,000 payable annually
c) obtaining certificates	Nil
d) purchase plans	Nil
e) withdrawal plans	Nil

### 5.5 Suspension of Dealings

The Trustee, or the Manager, with the prior agreement of the Trustee, may suspend the redemption of units if in their opinion; there is good and sufficient reason to do so having regard to the interests of the unit holders. But it must give notice (Repayment Suspension Notice) to the Stock Exchange Commission and the public in general by way of publication in two daily newspapers. In such cases, dealings would recommence when considered appropriate by the Trustee and the Manager, who should give notice thereof to the general public in like manner.

### 5.6 Publication of Prices

## **6.1 Information**

Unit holders can access constitutive documents of the collective investment scheme at the directly from the office of the CIS Manager.

## **6.2 Termination of the Trust**

The Trustee may terminate the Trust upon the happening of the following events:-

- I. If the Manager goes into liquidation (other than voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the Trustee) or if a receiver is appointed for the undertaking of the Manager or any part thereof; or
- II. If it becomes illegal or in the opinion of the Trustee impracticable or inadvisable to continue the Trust;
- III. If the Holders resolve that the trust be terminated.


## **6.3 Anti-Money Laundering Provisions**

The Fund is subject to anti-money laundering legislations. Hence the Fund must ascertain the identity of all unit holders and the source of their investment monies. Unit holders are requested to provide such identification documentation when purchasing units in the Fund. These documents are listed in the Fund's application form. Unit holders should be aware that any "suspicious transaction" shall be reported to the Financial Intelligence Unit.

## 7. Signatures

This prospectus is in accordance with the Fourth Schedule of the Securities (Collective Investment Schemes and Closed-end Funds) Regulations 2008 under the Securities Act 2005, and has been authorized by the Financial Services Commission.

We hereby acknowledge that the facts stated in this document are true to the best of our knowledge, and approve it for issue.



Jerome Katz  
Director, MUA Mutual Fund Ltd



Naresh Gokulsing  
Director, MUA Mutual Fund Ltd



SBM Fund Services Ltd  
Representative of SBM Bank (Mauritius) Ltd  
Trustee, MUA Mutual Fund Ltd