

DATABANK MONEY  
MARKET FUND LIMITED

# Extra-ordinary General Meeting

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# NOTICE OF ANNUAL GENERAL MEETING

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NOTICE is hereby given that an Extra-ordinary General Meeting of the Shareholders of Databank Money Market Fund Limited will be held at the British Council Auditorium, Liberia Road, Accra on **Tuesday February 26, 2019** at 9:00 a.m. to transact the following Business:

## AGENDA

### SPECIAL BUSINESS

1. To amend the Fund's Scheme Particulars to remove the cap of up to 30% given to the Fund Manager with respect to investing Assets under Management (AUM) in longer-dated fixed-income securities and make the Fund a fixed-income fund.
2. To approve a change in the name of the Fund from Databank Money Market Fund Limited to Databank MFund Limited.

**Dated this 14th day of January, 2019**

### BY ORDER OF THE BOARD

Kind regards,  
Databank Money Market Fund Limited

**ACCRA NOMINEES LTD.**  
2nd Floor Cedar House  
No 13 Samora Machel Road Asylum Down  
P O Box GP242, Accra, Ghana

ACCRA NOMINEES LIMITED  
COMPANY SECRETARIES

#### **Note:**

*A member of the company entitled to attend and vote may appoint a proxy to attend and vote in his/her stead. A proxy need not be a member of the company. Completed proxy forms should be deposited at the Databank Head Office, 61 Barnes Avenue, Adabraka, Accra, not later than 3:00 p.m. on Friday, February 22, 2019. Failure to submit the forms before the **said deadline** will result in the Proxy not being admitted to, or participating in, the meeting. A Form of Proxy is attached to this Notice of Meeting.*

# PROPOSAL TO MAKE DATABANK MONEY MARKET FUND LTD. A FIXED INCOME FUND

## INTRODUCTION

In 2004, the Databank Money Market Fund Ltd. (MFund) was created to give clients the opportunity to earn returns that are higher than what regular a savings account earns while simultaneously offering easy access to funds in one business day. This was in an era when money market securities dominated the investment universe with available tenures of 91 days to 364 days. As Ghana's macroeconomic fundamentals improved, evidenced by lower real interest rates and strong economic growth, the market began to witness the emergence of longer-dated Government of Ghana fixed-income securities of tenures greater than 365 days, which offered higher returns than shorter dated instruments on the market. This has also led to the issuance of corporate bonds by Savings and Loans firms; these firms have successfully raised long term funding to retire expensive foreign currency debt and to properly match longer-dated assets and liabilities.

Prior to 2017, MFund had not been able to take advantage of the higher interest rates on the investments with longer tenures, because it only had a mandate to invest in money market securities. This means that it could not invest in any instrument that had a maturity of more than 365 days. In 2017, MFund's manager (Databank Asset Management Services Ltd [DAMSEL]) sought and received the necessary approvals from its Board, shareholders and the Securities and Exchange Commission for the option to invest up to 30% of the Fund's assets in longer-dated securities (i.e., securities with maturities that are greater than one year). By December 2018, the Fund held approximately 30% in longer-dated securities, whose returns were higher than on money market instruments. The result of this action was a one-year return of 15.98% in 2018 (unaudited), approximately 1.5% better than if MFund had invested only in money market instruments.

We believe that in the medium term, interest rates at the shorter end of the yield curve will continue to remain relatively low, as the Ghanaian economy continues to improve, and the Government aims to reduce the amount of debt it holds in shorter-dated securities. MFund has currently exhausted its allocation to longer-dated securities. As

such, it will require a fundamental change in its mandate, which is to remove the 30% ceiling on its allocation to bonds for it to stand a chance to remain competitive in the marketplace.

If the proposal to remove the ceiling is accepted, MFund's current name, Databank Money Market Fund, will no longer be appropriate, hence the need for a name change.

## PROPOSAL

We seek the approval of shareholders to do the following:

1. Remove the 30% limit on investing in longer dated instruments
2. Change MFund's legal name from Databank Money Market Fund Ltd. To Databank MFund Ltd.

### **Remove the 30% limit on investing in longer dated instruments**

The Fund Manager seeks approval to remove the 30% limit on longer dated instruments and invest in fixed-income securities without restriction to tenure. The improved macroeconomic indicators as well as the Fund Manager's projection of long-term growth prospects of the economy is expected to translate to more attractive interest rates on longer-dated instruments compared with shorter-dated instruments. This amendment to the Fund's asset allocation will enable the Fund Manager to deliver more competitive returns to shareholders and at the same time retaining other key features of the Fund, particularly the withdrawal period.

### **Change MFund's legal name**

The Fund Manager also seeks to change MFund's legal name to reflect its change in categorization from a money market Fund to a fixed-income fund. As such, the proposal is to amend the Fund's legal name from Databank Money Market Fund Ltd. to Databank MFund Ltd.

## CONCLUSION

The current investment terrain presents several opportunities for shareholders of MFund to earn competitive returns. This will be made possible as the Fund Manager will have access to a wider array of investment options and would strategically take positions in securities to deliver competitive returns without compromising the liquidity of the Fund.

# PROXY FORM DATABANK MONEY MARKET FUND LIMITED

**PROXY FORM FOR USE AT THE EXTRA-ORDINARY GENERAL MEETING TO BE HELD AT THE BRITISH COUNCIL AUDITORIUM, LIBERIA ROAD, ACCRA ON TUESDAY FEBRUARY 26, 2019 AT 9:00 A.M.**

I/We ..... being a member(s) of DATABANK

MONEY MARKET FUND LIMITED hereby appoint ..... or failing him/her the Chairman as my/our Proxy to vote for me/us, and on my/our behalf at the Extra-ordinary General Meeting of the Company to be held on the February 26, 2019 and at any and every adjournment thereof.

I/We direct that my/our vote(s) be cast on the specified resolution as indicated by an X in the appropriate space.

RESOLUTIONS	FOR	AGAINST
① The Special Resolution to amend the Fund's Scheme Particulars to remove the cap of up to 30% given to the Fund Manager with respect to investing Assets under Management (AUM) in longer-dated fixed-income securities and make the Fund a fixed-income fund.		
② The Special Resolution to approve a change in the name of the Fund from Databank Money Market Fund Limited to Databank MFund Limited.		

On any other business transacted at the meeting and unless otherwise instructed in paragraphs 1 and 2 on the Special Business above, the resolutions to which reference is made in those paragraphs, the proxy will vote as he/she thinks fit.

Signed this ..... day of..... 2019

Signature .....

**THIS PROXY FORM SHOULD NOT BE COMPLETED AND SENT TO THE REGISTERED OFFICE IF THE MEMBER WILL BE ATTENDING THE MEETING.**

- ① A member (Shareholder) who is unable to attend an Extra-ordinary General Meeting is allowed by law to vote by proxy. The Proxy Form has been prepared to enable you exercise your vote if you cannot personally attend.
- ② Provision has been made on the Form for the Chairman of the meeting to act as your Proxy but if you so wish, you may insert in the blank space the name of any person whether a member of the company or not who will attend the meeting and vote on your behalf instead of the Chairman.
- ③ In case of joint holders, each joint holder must sign.
- ④ If executed by a Corporation, the Proxy Form must bear its Common Seal or be signed on its behalf by a Director.
- ⑤ Please sign the above Proxy Form and submit or post it so as to reach the Databank Head Office, 61 Barnes Avenue, Adabraka, Accra, not later than 3:00 p.m. on Friday February 22, 2019.

■ ■ **FOR MORE INFORMATION, CONTACT**  
■ **DATABANK AT THE FOLLOWING ADDRESSES:**

**HEAD OFFICE**

Tel: 0302 610610  
Email: info@databankgroup.com

**HO**

Tel: 0362 000071  
Email: ho@databankgroup.com

**KOFORIDUA**

Tel: 0342 031189, 0577 289123  
Email: koforidua@databankgroup.com

**KUMASI**

Tel: 0322 081483, 080077, 080078  
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**SUNYANI**

Tel: 0576 001533, 0577 704516  
Email: sunyani@databankgroup.com

**TAKORADI**

Tel: 0312 023628, 025465  
Email: takoradi@databankgroup.com

**TAMALE**

Tel: 0577 802665, 0577 80266  
Email: tamale@databankgroup.com

**TEMA**

Tel: 0303 213240, 210050  
Email: tema@databankgroup.com

**Partner locations (GTBank branches)**

**Accra**

- **Airport:** 0577 702012
- **East Legon:** 0577 702013
- **Lapaz:** 0577 739461
- **Madina:** 0577 739462
- **Osu:** 0577 702014
- **Opera Square:** 0302 668530

**Ashaiman:** 0577 702015

**Cape Coast:** 0577 702016

**Tarkwa:** 0577 702010

**Partner locations (UBA branches)**

- **KNUST:** 0276 138111

Databank is Ghana's leading investment bank and one of the first to emerge from West Africa. Databank has been instrumental in the development of the Ghanaian capital market and has built a strong reputation for its pioneering works in the industry. Driven by the goal of helping Ghanaians achieve financial independence, Databank is committed to promoting financial literacy and offering a diverse range of investment products and services to suit the investment styles of different investors.