

PRESS RELEASE

DATABANK MONEY MARKET FUND LTD HOLDS EXTRA-ORDINARY GENERAL MEETING FOR INVESTORS

Databank Money Market Fund Ltd (MFund) held an Extra-ordinary General Meeting (EGM) for its shareholders. This meeting took place on Tuesday, February 26 2019, at the British Council Auditorium, Ridge-Accra.

There were two agenda items for the EGM:

- 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 name of the Fund from Databank Money Market Fund Limited to Databank MFund Limited to reflect its change in categorization from a money market fund to a fixed-income fund.

When MFund was created in 2004, interest rates were higher on shorter-dated securities (i.e., securities with maturity dates below 12 months), and lower on longer-dated securities. For example, the average yield on 91-day Treasury Bills in 2009 was 25.39%, and ranged from 18% to 22% between 2012 and 2016. The government has since worked to fix this trend, which has led to interest rates for longer-dated fixed-income securities (i.e., securities with maturity dates greater than 12 months) rising significantly, and interest rates for shorter-term instruments falling. In 2017, the average yield for the 91-day Treasury bill dropped sharply to 14.11% and 14.59% in 2018.

To ensure that MFund is able to take advantage of the highest interest rates, whether they are on short-term or long-term instruments, a change in the Fund's mandate was required. The Fund Manager now has the flexibility to allocate funds to a wider range of securities. As such, there was also the need to change MFund's legal name from Databank Money Market Fund Limited to Databank MFund Limited.

All MFund shareholders present unanimously agreed to both proposals. Addressing the MFund shareholders were: Chairman of the Board of Directors of the Fund, Mr. Benjamin Gogo, Board Directors Kojo Addae-Mensah, Stephen Adei, Daniel Seddoh and Preba Greenstreet.

In a brief interview with Group Chief Marketing Officer, Gillian Hammah, it was stated that the change to MFund's mandate will provide its Fund Manager with a wider array of investment options, which will position the Fund to deliver more competitive returns without compromising the liquidity of the Fund. MFund investors will continue to enjoy the ability to have access to their funds within one business day.

For more information, call Databank on **0302 610610** or send an email to clientservices@databankgroup.com. You can also visit any of Databank's 18 locations to learn more.

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About Databank

Founded in April 1990, Databank's mission is to empower its customers to achieve financial independence by promoting financial literacy and offering a diverse range of investment products. To deliver on our mission, we provide innovative and responsive corporate finance, brokerage, fund management and research services to local and foreign individuals, multinational companies, pension trusts, institutions and portfolio investors for the ECOWAS sub-region. Databank currently has 18 branches across the country. The main branches are in Accra (Head office), Cape Coast, Ho, Koforidua, Kumasi, Sunyani, Takoradi, Tamale and Tema. There are also 9 partner-locations situated within GTBank branches in Accra (Airport, East Legon, Lapaz, Madina, Opera Square, Osu), Ashaiman and Tarkwa, and a UBA KNUST branch in Kumasi.

For further information, please visit www.databankgroup.com.

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