



CORNERSTONE
ASSET MANAGERS



FAQs

FREQUENTLY

ASKED QUESTIONS



■ What is a Unit Trust Fund?

A Unit Trust is a way for people to pool their money together to invest in big opportunities like shares, bonds, or real estate. Everyone who contributes owns a small piece, called a unit, of the big investment.

It's like many friends coming together to buy a cow and then sharing the milk equally based on how much money each friend contributed.

This makes it easier for individual investors to grow their money without needing a lot of cash or expertise.

■ Where's my money invested?

Government Bonds, Treasury Bills, Fixed & Call Deposits.

■ How safe is my investment in Unit Trust?

A unit trust is characterized by a "trust" structure. Cornerstone (fund manager) does not hold client money, instead a custodian bank safe-keeps all the money. A trustee (KCB Bank) monitors every transaction to ensure that investments are made according to the mandate of the Unit Trust Fund.

Further more, Unit Trusts are regulated by the Capital Markets Authority (C.M.A) and are audited every year. Incase the fund manager's license is not renewed by C.M.A, the unit trust fund is fully transferred to another licensed fund manager to manage

■ **What benefits do I get from investing in a unit trust?**

The Unit Trust fund gives you affordable access to the financial markets. For as low as UGX 100,000, you gain access to various investment options within the capital markets and enjoy the benefits of professional fund management.

■ **How can I invest in the Unit Trust?**

You can start by opening an account with Cornerstone Asset Managers Limited and depositing the initial amount of UGX 100,000.



■ How much do I need to start investing in the Cornerstone Unit Trusts?

The minimum initial investment in the Uganda Shilling Income Fund is UGX 100,000 and you can top up anytime with a minimum of UGX 10,000.

The Dollar Income Fund requires a minimum initial investment of USD 500 and you can top up anytime with a minimum of USD 50.



What are the roles/functions of the various counter parties involved in the management of the Cornerstone unit trusts?

The following counter parties ensure the Unit Trust is a secure investment:

- The Trustee will keep an eye on all the engaged parties and verify that all fund manager and custodian activities follow legal standards.
- The custodian will protect the unit trust's securities and assets in a separate account.
- The fund manager will allocate the portfolio among several asset classes according to the fund's mandate and will use its market knowledge and expertise to provide an outstanding rate of return.
- The auditor will, on a yearly basis, review and audit the operations of the unit trust to improve investor security even further.

■ **How long does it take to access my money incase I have to withdraw?**

It takes two working days after submitting a withdraw request. You can choose to withdraw your interest or your principle at any time.

■ **What are the hidden tax obligations, if any, on Unit Trusts?**

Currently, URA hasn't imposed any tax obligations on Unit Trusts.



■ Does investing in Cornerstone Unit trust funds expose me to any underlying risks?

With any investment, there is a positive relationship between expected return and risk i.e the greater the underlying risk, the higher the expected return;



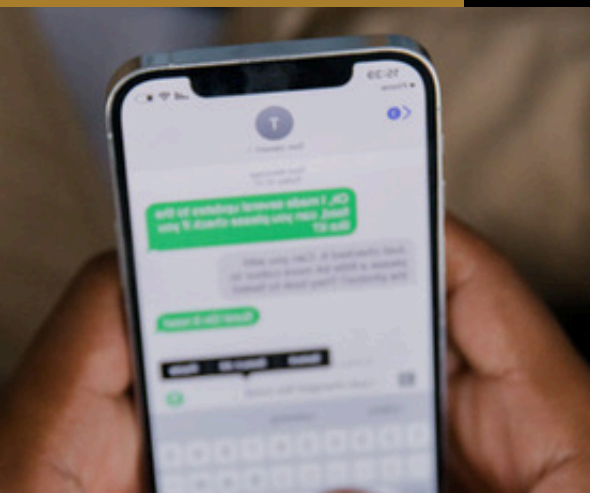
With Cornerstone Unit trust funds;

Both the Uganda Shilling Income Fund and the US Dollar Income Fund are low risk investments which mainly invest in Fixed income securities and these are less risky assets.

The Uganda Shilling fund is an ideal investment for conservative investors seeking consistent returns in Uganda Shillings, making it a relatively safe investment.

Furthermore, the US Dollar Income Fund offers protection against currency risk while unlocking global investment potential.

■ How can I track my investment and returns?



The **Cornerstone client portal** provides daily information about the performance and unit trust fund.

Thank You!

Please feel free to contact us
for further information.



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