

Frequently Asked Questions

Republic US\$ Fixed Income Securities Fund (RUSFIS)

1. What is the Republic US\$ Fixed Income Securities Fund?

The Republic US\$ Fixed Income Securities Fund (RUSFIS) is an open-ended mutual fund established for investors seeking the potential for higher returns on their US dollars over the medium to long term investment horizons.

2. What is the Fund's investment objective/strategy?

The fund's investment objective is to seek a high total investment return by investing primarily in a diversified portfolio of fixed income securities denominated in United States dollars.

3. Who should invest in this fund?

This Fund is ideal for investors with some tolerance of risk, a medium to long term investment horizon, and who are seeking an attractive alternative for obtaining competitive rates on their funds through a well-defined investment strategy.

4. What is the initial investment amount?

You can invest with a minimum initial investment amount of US\$3,000 with subsequent minimum investments of US\$500.

5. Can my investment be used as collateral?

Yes, a percentage of your Fund balance can be used as collateral.

6. How often would statements be issued?

Statements would be issued to unit holders semi-annually on the 15th June and 15th December

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7. Are there risks involved?

All mutual funds contain some element of risk. This fund will be invested primarily in fixed income securities such as government and corporate bonds. Some of the key risks that a fund of this type would be exposed to are:

Interest Rate Risk: the fund may invest in fixed interest bearing debt instruments such as a bond whose price is sensitive to changes in interest rates. As such, the portfolio can be affected by changes in interest rates.

Credit/ Default Risk: Credit risk is the risk that an issuer of a bond or other fixed income security may not be able to pay interest or repay principal. The Fund Manager carefully selects instruments with investment grade ratings, as awarded by International Credit Rating Agencies

Country/Political/Business Risks: Country risk refers to the economic, political and business risks that are unique to a specific country

Please see the prospectus in the Resource Centre for other risks.

8. Can the unit price move up or down?

Yes, the unit price can fluctuate.

9. How is the unit price determined?

The unit price is determined via calculation of the Net Asset Value (NAV). It is calculated by deducting all liabilities and expenses of the fund from the realizable value of all assets and dividing by number of units outstanding.

10. How often would income be distributed?

Income could be distributed semi-annually on the 15th of June and December each year or at the Trustee's discretion.

11. Is having a USD savings account with RBL a requirement to invest?

No, but you must fund your own US dollars.

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12. How can I invest in the Fund?

You can invest via Bank transfers which are preferred and subject to source of funds declaration. Cash is also accepted and subject to source of funds declaration.

13. Is the Fund open to foreign investors?

Yes, foreign investors are allowed to invest to the extent that they are not in conflict of, or in breach of any local, regional or international legislation.

14. Can commercial customers invest?

Yes, corporate and commercial clients are permitted to invest.

15. What happens if my balance falls below US\$3,000?

If your balance falls below US\$3,000 due to a redemption, the account will be closed and the balance of funds transferred. In the event that the client does not have a US\$ account, then a US\$ draft will be issued.

16. What happens if my balance falls below US\$3,000 because of capital depreciation?

In this instance, accounts will not be closed.

17. Where can I get more information on the fund?

To get more information, you can make an appointment with one of our Financial Advisors or click to view our [Resources](#) page.