

Clico Investment Fund (CIF) Termination January 02 2023

Frequently Asked Questions

First Citizens Brokerage and Advisory Services Limited (FCBAS) was appointed lead broker by the Clico Trust Corporation to assist in the transfer of assets of CIF pursuant to the announced termination of the Fund on January 02 2023. In this regard we have prepared this document to provide unitholders with further information on this significant event.

Key Dates to the Transaction

Final trading/transfer date for CIF units	30 December 2022
Record Date	05 January 2023
Redemption Date	02 January 2023
Closing date for Conversion of 12 to 20 bonds	28 December 2022

What is happening to CIF?

Pursuant to the terms of the Trust Deed which governs CIF, as a closed end mutual fund with a ten year life span, CIF is required to be terminated on January 2, 2023 (the “Redemption Date”). Clause 19.2 says that after CIF is terminated, the Trustee shall distribute the Republic Financial Holdings Limited shares, any other assets comprising the deposited property and the fund income *in specie* (a Latin term meaning in actual form), to the unitholders. CIF consists of a mix of 40,072,299 Republic Financial Holdings Limited shares (the “RFHL Shares”) and government bonds with a face value of \$702,867,000 with a coupon of 4.25 per cent and a term of 25 years (the “Government Bonds”) and cash. As of September 30 2022, CIF has 6,227 unitholders.

What can I expect to receive on the termination of CIF?

Unitholders will receive 0.1964 RFHL Shares for each unit held, calculated as 40,072,299 shares divided by 204,000,000 CIF units. Clause 19.2.1 states where the distribution in specie of the RFHL Shares would result in fractional shares being distributed to any unitholder, the number of RFHL Shares shall be rounded down to avoid any absurd result. The Government Bonds will be similarly pro-rated and distributed in specie and unitholders will be entitled to 3.445 bonds per unit held. Any residual amount due to unitholders resulting from the above distribution will be paid in cash at the closing market value of RFHL Shares at the redemption date, and the value of the Bond at December 31 2022.

Will there be any transfer costs payable by unitholders?

No, the Trustee of CIF will pay all costs related to the transfer of the RFHL Shares, Government Bonds and Cash to qualifying unitholders.

How and when will I be paid the residual cash amount due to me?

Eligible unitholders will receive cash via electronic bank transfer to the bank account registered on their brokerage account with the Trinidad & Tobago Central Depository. Unitholders are urged to contact

their Broker to confirm the accuracy and validity of their banking information in advance of the final cash pay-out.

Will CIF be de-listed?

Yes. The units of CIF which are traded on the Trinidad and Stock Exchange (the “TTSE”) will be suspended from trading after December 30 2022. Once the transfer of CIF’s assets is completed, CIF will be deregistered with the Trinidad and Tobago Securities and Exchange Commission and delisted from the TTSE.

Can I sell my units before the redemption date?

Yes, you may continue to sell/trade your units on the TTSE until 30 December 2022, the last day that the units will be traded on the TTSE.

Can I convert my Government Bonds before the record date?

Kindly contact your broker to initiate the Bond Conversion request, but note that the deadline date for receipt by the TTSE of approved conversion requests on December 28 2022 as stated above.

Will dividends still be paid?

It is not expected that a final dividend payment will be made to unitholders before the Redemption Date. Any residual cash of CIF, after completion of the deregistration and delisting and payment of any other termination costs, will be distributed to the qualifying unitholders on a pro rata basis on a date to be advised by the Trustees.

What do I do next?

At this time, you are not required to do anything. Your Broker already has all your information and will be in contact with you. If however, you have not been receiving dividends on your CIF investment, please contact your Broker immediately to confirm that your bank mandate information is correct.

What impact does a change in the price of RFHL Shares have on the number of shares that I will receive?

Given that that the Trust Deed provides for the transfer of the underlying assets of CIF, the calculations being made are for the quantity of shares to be transferred rather than a monetary value. As such the price of the RFHL Shares is not a determining factor in this calculation.

What is the impact of the CIF termination on units pledged as security with financial institutions?

Any unitholder who has pledged their CIF units, must urgently contact their lenders and advise that the units will be redeemed in January 2023. They will then be required to execute a release of pledge on the CIF units and submit to the Trinidad and Tobago Central Depository through their broker, and then make alternate security arrangements to secure their indebtedness. The RFHL Shares transferred to your brokerage account can be used as collateral (please liaise with your bank, as banks may have differing requirements), but the process is not automatic. There will also be pledge release fees payable as well

as a new pledge fee for any other securities pledged as part of their collateral arrangements with your lenders. These costs are for your account.

For further information, please contact your stockbroker or First Citizens Brokerage and Advisory Services Limited at brokerage@firstcitizenstt.com.