

	QUESTION	ANSWER
1.	P & L and Balance sheet is million is 1000s and millions as ready or there is slip of the tongue e. g P & L 140 something thousands net profit? Please clarify.	The numbers presented are as they are indicated. They are not in millions or 1000s
2.	Most MMF have majority of their investments in government securities mostly for assured returns and safety - why is Cytonn's only at 24%? And fixed and demand at 58%?	A Money Market Fund's primary objective is to serve a safe parking bay for investor funds whilst affording the client a competitive return and provide liquidity on demand. CAML strategy to hold sizeable investments in fixed and demand deposits is grounded on the fact that they are short term in nature and easy to liquidate unlike government securities and as such enables us maintain adequate liquidity for the fund at all times. This serves to ensure that our CMMF investors can instantly access their funds any time they request to withdraw.
3.	When can we expect Regulator to respond to CAML's request for change of Trustee from current to Non-Banking Trustee?	We confirm having submitted our request for a new trustee, and this is under CMA approval. Unfortunately, we are not able to provide a definite timeline as to when to expect closure of the same but we shall provide an update once we receive any new information on the same. Additionally, we continue to have engagements with CMA on the issue of licensing qualified non-bank Trustees.
4.	What percentage of the CMMF portfolio is currently under real estate investments?	CMMF has no direct investments Real Estate as brick and mortar. However, the unitholders of CMMF through resolutions passed in the EGM held on 15 th November 2018 approved to allow the fund to have exposure in the high yielding real estate asset class upto a maximum of 25% of AUM through regulated or unregulated securities as approved by the trustee from time to time. To-date the fund has approximately 8% exposure in real estate asset class via investments in fixed income securities offered by issuers within the real estate market. The balance is in invests in short term deposit such as Call and Fixed deposits offered by licensed banks in Kenya, government securities and investments in other collective investment schemes.

5.	What is CAM's view point w.r.t CMA's new guidelines for CIS with effect from 01.01.2021? Touches on standardization of Performance metrics & reporting?	CAML appreciates that the guidelines are as a result of positive engagement between market participants and CMA and recognizes the need for standardization across the various funds to enable investors make informed decision on their partner of choice. As CAML, we delighted that we already in compliance with most of the proposed guidelines. We intend to address whatever deficiencies and comply fully with the new guidelines issued by CMA on performance measurement and reporting by 01/01/2021 as instructed by the Authority.
6.	CEO has mentioned a strategic shift towards Regulated funds. What does this mean for the Private Placement segment? Does it mean Regulated segment takes a larger pie?	We reiterate that we are not exiting the private market space which has been the cornerstone of our core business. Our entry into the regulated markets was to enable Cytonn as a Group continue to execute its strategy of raising funds and deploying them into high yielding asset classes by way of accessing funds from the large pool of investors within regulated space. Previously it has done this through the private markets and it hopes to be able to participate the regulated markets too. Our focus therefore is to accelerate our presence within the regulated space as we continue to leverage on our experience within the private placement space to deliver our projects.
7.	How does the housing saving plan work?	The Cytonn Affordable Housing Investment Plan (CAHIP) is an investment platform structured by Cytonn Investments, in collaboration with its regulated affiliate, Cytonn Asset Managers. CAHIP aims to provide those saving towards home purchase with an attractive investment proposition, compared to those currently available in the market, with the target yield of 11.0% per annum. Savings to the account are tax exempt to a max. of 8k per month. For more information please send an email to sales@cytonn.com
8.	Would be nice because you talk of 10.5% on average however I am looking at my investments and I struggle to comprehend how this is computed?	<p>The formula is $P+(1+(R/365))^n$</p> <p>If $P=5,000$, n is the no. of days and $R=10.5\%$. The interest for just one day will be:</p> $= 5000+(1+(10.5\%/365))^1=5,001.44$

9.	What new investment products or solutions should we expect in the year 2020-21?	We expect to continue actively participating in the regulated products space through new innovative products. At this stage, we are considering pursuing the registration of a Real Estate Investments Trust that provide superior returns to investors. We are also reviewing the suitability of Shariah compliant products.
10.	What impact does the freeze of the investments in CHYS impact us personally as investors? Does it mean we can't liquidate our holdings in full?	Cytonn High Yield Solutions (CHYS) as a privately offered solution is an independent offering from the regulated Unit Trust Funds offered by the regulated Fund manager, Cytonn Asset Managers Limited (CAML). Investors in CMMF are free to withdraw partially or in full 24/7 through our *809# USSD or Cytonn App
11.	You've said that we should know the risks involved in the Cytonn money market fund. Which risks can we encounter us as unit holders?	The risks affecting money markets currently are mostly market risk due to fluctuations in interest rates, liquidity risk that the fund manager may be unable to pay upon request and technological risk due to increased cybercrime. However, unit holders continue to earn interest depending on the current CMMF yield and the fund manager has put in place measures to mitigate the risks faced
12.	The freeze on the high yield has been ongoing for almost three months if I am correct, how long should investors wait? And how do you plan on allaying our fears on "the collapse of the fund?"	CHYF has an initial lock in period of 3 months for new investors as per the constitutive documents thereafter an investor is free to deposit and withdraw any time including your interest earned. Your withdrawal request can be made through our USSD *809# or the Cytonn Mobile App
13.	What were the concerns of the Trustee that led to their resignation?	Their resignation was by mutual consent and is within their right in line with Regulation 29 (1) of the CMA Collective Investment Schemes Regulations of 2001. This aside, they continue to discharge their fiduciary responsibilities to the Fund until such a time that a successor trustee is in place. As such, there is no vacuum in the Fund with respect to the corporate governance structure and we continue to work closely together for the benefit of all unitholders.
14.	Why is it so expensive to withdraw funds from the CMMF account and also deposit via M-Pesa?	We take note of your concern. Unfortunately, to enable the fund allow for INSTANT payments we had to collaborate with various partners to be able to offer the same since we are not a payment operator licensed by the Central Bank of Kenya.

		We are however working on getting a license to enable us offer the same at very reduced charges.
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