

## INDUSTRY/REGULATORY UPDATE

The Central Bank of Nigeria (‘CBN’) commenced its Annual Headcount Exercise for all its pensioners in the month of January, 2007 in all CBN locations nationwide. The objective of the Head Count is to determine the status of the existing pensioners of CBN.

The Federal Government in 2007 commenced payments of entitlements of former Biafran police officers thirty seven years after the end of the civil war ending a long period of agitation by the affected officers for the settlement of their benefits.

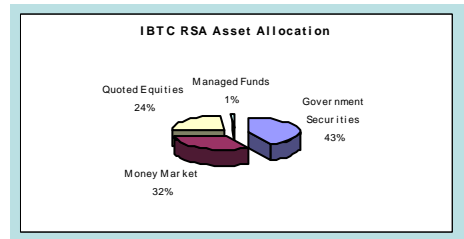
It was also disclosed during the month that the verification of pensioners carried out by PenCom last year in collaboration with the Military, Police, Federal Universities, Customs, Immigrations and Prisons Pension Office (‘CIPPO’), Office of the Head of the Civil Service of the Federation (‘OHCSF’) and Federal Capital Territory Administration may have started yielding fruit with the discovery of a large number of fake pensioners in the country. The verification exercise will allow the relevant authorities to authenticate claims for retirement benefits, and improve the payment process.

During the month, the Federal Government also announced an increase in the emoluments of Federal public servants. With this increase the corresponding contributions into employees’ RSAs will increase, potentially increasing their retirement benefits into the future. In line with prevailing public service rules, the retirement benefits of existing pensioners will increase accordingly with the current remuneration of serving public servants.

## IBTC RSA FUND

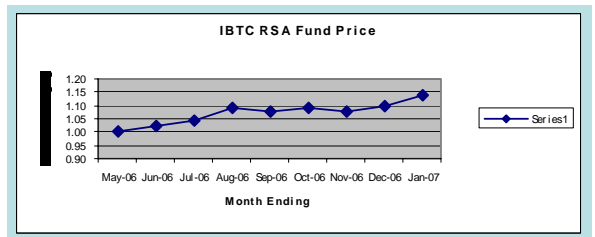
The IBTC RSA Fund (‘The Fund’) opened on 02 May 2006 at N1.0000 and closed at N1.1439 as at 31 January 2007. In line with investment guidelines by PenCom, the Fund’s portfolio allocation was as follows on 31 January 2007: Government Securities (42.98%), Money Market (32.21%), Quoted Equities (23.84%), Managed Funds (0.97%).

The chart below shows the Fund’s portfolio allocation as at 31 January 2007:



In line with our objective to deliver competitive returns over the long-term, The Fund has continued to achieve steady growth since inception.

The chart below shows the performance of The Fund from inception to date.



**Breaking News**

## PRODUCT INFORMATION

### IBTC RSA Fee Reduction!!!

**Breaking News**

Effective 01 February 2007, IBTC RSA holders will enjoy a further discount on the management fee charged to their accounts as follows:

- oPFA – 2.0% p.a.
- oPFC – 0.40% p.a. (a discount of 33.33%)
- oPenCom – 0.30% p.a. (a discount of 25%)

***Our total management fees are therefore 2.70%, which is a discount of 10% from the maximum of 3.00%***

**Think IBTC**

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#### Board of Directors

A N A Peterside, OON (Chairman). Yinka Sanni (Chief Executive Officer). Sola David-Borha. Mallam Ahmed Dasuki. Austin Dresmann. Okey Nwuke, Francis Okumagba.



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**Regulation Of The Pension Industry**

The Pension industry in Nigeria is regulated by a government institution known as the National Pension Commission (PenCom), under the Pension Reform Act 2004. As part of its activities, PenCom licenses and supervises the activities of PFAs, PFCs and other parties involved in the management of Pension funds. PenCom also issues guidelines from time to time on the operations of the Contributory Pension Scheme (“CPS”), and carries out public awareness and sensitization on the CPS.

The highest decision-making body of PenCom is its 13 member Board, comprising of a non-executive Chairman, a Director-General/Chief Executive, four full-time Commissioners and seven part-time Commissioners representing government, civil society and other stakeholders.

There are 4 specialized Divisions in PenCom. These are the Technical, Administration, Inspectorate and Finance/Investment Division, each headed by a Commissioner. It also has a Commission Secretary/Legal Adviser, Internal Audit, and a Communications and Public Education Unit that report directly to the Director General.

**UNDERSTANDING INVESTMENTS**

**Managed Funds**

A Managed Fund, also referred to as a Collective Investment Scheme is an investment fund that pools together the funds of various investors, and invests the funds in other securities and assets based on the objectives and management style of the Fund and its Manager

Managed funds may be open-end or closed-end funds. These funds may be equity funds, fixed income funds, or real estate investment trusts, specializing in those respective asset classes, or may be hybrid funds, investing in a combination of these asset classes.

The attractiveness of managed funds can be attributed to the fact that investors gain access to professional management of their money, portfolio diversification, liquidity, increased investment opportunities and easy entry and exit barriers, irrespective of the value of the contribution to the fund.

**FREQUENTLY ASKED QUESTIONS**

**Q How can I make additional Voluntary Contributions?**

A. Voluntary Contributions (“VCs”) into your RSA are encouraged to augment your pension contributions, and improve your retirement benefits. VCs also enjoy a tax exemption.

Based on current PenCom regulations, VCs can only be made by your employer on your behalf, and not by direct lodgment by the RSA holder. To make additional contributions to your RSA, simply request your Personnel/Salaries Department to deduct a nominal amount of money (e.g. N5,000.00) or a specific percentage of your monthly emolument (e.g. 10%) and remit alongside your usual monthly pension contribution.

Your employer is not expected to match your VCs and there are no fixed rates/amount of contribution. You can choose to voluntarily contribute any amount, and choose to stop making the VC anytime you wish.

VCs may be withdrawn by the RSA holder anytime he wishes, however, where such contribution is withdrawn in less than five years from when it was made, any tax benefits enjoyed at the time of contributing will have to be deducted at the point of withdrawal.

**Offices Nationwide:**

Abia (08077914201) Adamawa (08082047120) Akwa Ibom (08082047121) Anambra (08077914203) Bauchi (08068792464) Bayelsa (08077914221) Benue (08077914172) Borno (08082047122) Cross River (08077914223) Delta (08068792467) Ebonyi (08077914222) Edo (08077914174) Ekiti (08034797861) Enugu (08077914202) FCT Abuja (08022901000 , 08042901000 , 08052901000) Gombe (08068792468) Imo (08068792462) Jigawa (08034797693) Kaduna (08082047123 , 08082047126) Kano (08068792460) Katsina (0806872466) Kebbi (08034797641) Kogi (08068792465) Kwara (08068792469) Lagos (01-2716000) Nassarawa (08077914224) Niger (08077914173) Ogun (08077914171) Ondo (08034797687) Osun (08077914204) Oyo (08082047125 , 02-2412445 , 02-8109040) Plateau (08068792463) Rivers (084-750950 , 084-463460) Sokoto (08082047124) Taraba (08034797639) Yobe (08034797640) Zamfara (08068792461)  
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