

INSTRUCTIONS FOR COMPLETING THE APPLICATION FORM

1. Applications should be made only on the Application Form or photocopies or scanned copies of the Application Form.
2. Applications must be for not less than the minimum number of units stated on the Application Form. Applications for more than the minimum number of Units must be in the multiples stated on the Application Form. The number of Units for which applications are made and the amount of the cheque or bank draft attached should be entered in the boxes provided.
3. The Application Form when completed should be lodged with any of the Receiving Agents listed herein. Applications must be accompanied by cheque or bank draft made payable to the Receiving Agent with whom the application is submitted, for the full amount payable on application. The cheque or draft must be drawn on a bank in the same town or city in which the Receiving Agent is located and crossed "SKYE SHELTER FUND OFFER" with the name(s) and address(es) and daytime telephone number (where available) of the applicant(s) on the back. All cheques and drafts will be presented for payment on receipt and applications in respect of which cheques are returned unpaid for any reason will be rejected.
4. The applicant(s) should make only one application, whether in his own name or in the name of a nominee. Multiple or suspected multiple applications will be rejected.
5. Joint applicants must all sign the Application Form.
6. An application from a group of individuals should be made in the names of those individuals with no mention of the name of the group. An application by a firm, which is not registered under the Companies and Allied Matters Act Cap C20 LFN 2004 should be made either in the name of the proprietor or in the names of the individual partners. In neither case should the name of the firm be mentioned.
7. An application from a corporate body must bear the corporate body's seal and be completed under the hand of a duly authorized official.
8. An application by an illiterate should bear his right thumb print on the application form and be witnessed by an official of the bank or stock broking firm at which the application is lodged who must first have explained the meaning and effect of the Application Form to the illiterate in the illiterate's own language. Above the thumb print of the illiterate, the witness must record in writing that he has given this explanation to the illiterate in a language understandable to him and that the illiterate appeared to have understood the same before affixing his thumb impression.
9. The applicant should not print his signature. If he is unable to sign in the normal manner he should be treated for the purpose of this Offer as an illiterate and his right thumbprint should be clearly impressed on the Application Form.

APPLICATION FORM
SKYE SHELTER FUND



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1. DEFINITION OF TERMS

In this document, unless otherwise stated or clearly indicated by the context, the words in the first column have meanings stated opposite them in the second column:

"Alternative Investments"	Alternative investments are quoted equities of professionally managed entities in the Real Estate Sector, with a history of performance, which are chosen and invested in, to enhance total returns while offering additional diversification to unit holders.
"Bid Price"	The price an investor will receive for a Unit upon redemption
"CBN"	Central Bank of Nigeria
"Closed Ended Fund"	As a close-ended Fund, subscriptions can be made during this Offer at the Offer price through the Fund Manager or any other receiving agent duly approved by SEC. The Fund Manager may issue additional Units of the Fund to subscribers on demand after this Offer of Units has been fully subscribed, subject to the approval and registration of the additional Units by the Commission
"CSCS"	Central Securities Clearing System Limited
"Date of Payment"	Also stated as Payment date, which is the date at which distributable income from the Fund shall be paid to Unit holders and that being not less than five (5) working days after the Record Date.
"Date of Record"	Also stated as Record date, which is the date on which the Register of Unit holders and transfer books will be closed to facilitate the preparation of dividend warrants for distribution to qualifying unit holders.
"Date of Valuation"	Also stated as Valuation date, which is the last business day of each qtr or such date or dates when the valuation of the Units will be carried out as the Fund Manager shall in its discretion determine from time to time.
"Deposited Property"	The assets of the Fund including cash and investments held for the time being or deemed to be held in the Trust.
"FGN"	Federal Government of Nigeria
"ISA"	Investments and Securities Act Cap I 24 Laws of the Federation of Nigeria 2004.
"LFN"	Laws of the Federation of Nigeria
"NAV"	The Net Assets Value or the value of all Real Estate Investments (being professionally valued) and other assets in the Fund after all adjustments and /or deductions including liabilities, costs of offer and remuneration of the Fund Manager, Trustees and other professional parties have been effected.
"Operating Day"	Monday to Friday excluding any day designated by the Federal Government of Nigeria as a Public holiday.
"Opportunistic Investments"	Opportunistic investments denotes "one-off" transactions that will be done by the Fund, by acquiring assets that are temporarily under-priced relative to their replacement cost; or leveraging on business conditions (e.g. acquisition and subsequent disposal of convertible assets other than real estate) to increase returns. The tenor of opportunistic investments will usually be very short, and so the term "opportunistic". Opportunistic investments will exclude any form of trading activity.
"Period of Offer"	The period between the Opening and Closing dates of the Offer, as approved by the Commission.
"PFAs"	Pension Fund Administrator(s)
"PFCs"	Pension Fund Custodian(s)
"SEC" or "the Commission"	Securities and Exchange Commission
"SKYE"	Skye Bank Plc

Application List Opens 23rd July, 2007	APPLICATION FORM	Application List Closes 29th August, 2007
Issuing House:  Dominion Trust Limited <small>INC 125,328 A Member Of The Nigerian Stock Exchange</small>	SKYE SHELTER FUND Offer for Subscription 20,000,000 Units of N100.00 each at Par (being the 1 st Tranche of the N5bn SKYE SHELTER FUND) Payable In Full On Application	Sponsor/Fund Manager  Skye Bank <small>SKYE BANK PLC</small>
Applications must be made in accordance with the instructions set out on the back of this application form. Care must be taken to follow these instructions as applications that do not comply may be rejected. If you are in any doubt, please consult your Stockbroker, Accountant, Banker, Solicitor or any other professional adviser for guidance.		
DECLARATION <input type="checkbox"/> I/We am/are 18 years of age or over. <input type="checkbox"/> I/We authorize you to send a share certificate and/or cheque for any amount overpaid, by Registered post to the address given below and to procure registration in my/our name as the holder(s) of such number of shares or such smaller number, as aforesaid. <input type="checkbox"/> I/We attach the amount payable in full on application for the number of shares in SKYE SHELTER FUND at N100 each. <input type="checkbox"/> I/We agree to accept the same or any smaller number of shares in respect of which allotment may be made upon the terms of the Prospectus and subject to the Memorandum and Articles of Association of SKYE SHELTER FUND. <input type="checkbox"/> I/We declare that I/we have read a copy of the Prospectus for the Offer dated 19th June, 2007 by Skye Bank Plc and Dominion Trust Limited on behalf of SKYE SHELTER FUND.		
GUIDE TO APPLICATION Number of units applied for: Amount payable 1000 minimum N100,000.00 Subsequent multiples of 500 N50,000.00		CONTROL NO: (Registrar's use only)
Number of Units Applied for: <input type="text"/> / <input type="text"/> / <input type="text"/>		Value of units applied for / Amount Paid: N <input type="text"/>
PLEASE COMPLETE IN BLOCK LETTERS		
1. INDIVIDUAL / CORPORATE APPLICANT Surname / Company's Name: <input type="text"/> Title: <input type="checkbox"/> Mr. <input type="checkbox"/> Mrs. <input type="checkbox"/> Miss <input type="checkbox"/> Others		
Other Names (for individual applicant only): <input type="text"/>		
Full Postal Address: <input type="text"/>		
City: <input type="text"/> State: <input type="text"/>		
Land Phone Number: <input type="text"/> Mobile (GSM) Phone Number: <input type="text"/>		
Email Address: <input type="text"/>		
Next of Kin: <input type="text"/>		
CSCS NO (if you want shares allotted credited to your CSCS A/C): <input type="text"/> Name of your Stockbroker: <input type="text"/>		
2. JOINT APPLICANT Title: <input type="checkbox"/> Mr. <input type="checkbox"/> Mrs. <input type="checkbox"/> Miss Surname: <input type="text"/>		
Other Names: <input type="text"/>		
3. Bank details (for E-Dividend): Name of Bank: <input type="text"/>		
Branch: <input type="text"/> Account No: <input type="text"/>		
Signature or Thumbprint: <input type="text"/>		Company Seal & Incorporation Number (Corporate Applicant): <input type="text"/>
Sterling Registrars Ltd		Signature or Thumbprint: <input type="text"/> Stamp of Receiving Agent: <input type="text"/>

13 RECEIVING AGENTS

Application Forms may be obtained free of charge from, and submitted upon completion to, any of the under listed Receiving Agents duly registered as capital market operators by the SEC, to whom brokerage will be paid at the rate of 0.7% per N100 worth of Units allotted in respect of Application Forms bearing their official stamp.

The Issuing House cannot accept responsibility for the conduct of any of the institutions listed below. Investors are therefore advised to conduct their own enquiries before choosing an agent to act on their behalf. Evidence of lodgement of funds at any of the Receiving Agents listed below, in the absence of corresponding evidence of receipt by the Issuing Houses, cannot give rise to a liability on the part of the Issuing Houses under any circumstances.

BANKS

Access Bank Plc Afribank Nigeria Plc Diamond Bank Plc ECO Bank Nigeria Plc Equitorial Trust Bank Limited Fidelity Bank Plc First Bank of Nigeria Plc First City Monument Bank Plc First Inland Bank Plc Guaranty Trust Bank Plc Intercontinental Bank Plc IBTC Chartered Bank Plc Nigerian International Bank Ltd.	Oceanic Bank International Plc Platinum Habib Bank Plc Skye Bank Plc Stanbic Bank Nigeria Limited Standard Chartered Bank Plc Sterling Bank Plc Spring Bank Plc Union Bank of Nigeria Plc United Bank for Africa Plc Unity Bank Plc Wema Bank Plc Zenith Bank Plc
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STOCKBROKERS AND OTHERS

Adamawa Securities Ltd Adonal Stockbrokers Ltd AIL Securities Ltd Allbond Investments Ltd Alltrade Securities Ltd Alliance Capital Management Ltd AMYN Investments Ltd Anchoria Investment & Securities Ltd APT Securities & Fund Ltd Bacad Finance & Investment Co Ltd Bestworth Assets & Trust Ltd BFCL Assets & Investment Ltd BGL Securities Ltd BGL Limited BIC Securities Ltd BSD Securities Ltd Capital Assets Ltd Capital Trust Brokers Ltd Capital Express Securities Ltd Century Securities Ltd Calyx Securities Ltd Cash Craft Asset Management Ltd. Capital Bancorp Ltd Cashville Investments & Securities Ltd. Centre-Point Investment Ltd City Investment Management Ltd City Securities Ltd City-Code Trust & Investments Ltd Consolidated Investment Ltd Cooper Fleming Stockbrokers Ltd Core Trust & Investment Ltd Crane Securities Ltd Crossworld Securities Ltd Clearview Investment Co Ltd Counters Trust Securities Ltd CSL Stockbrokers Ltd Dakal Securities Ltd DBL Securities Ltd De-canon Investments Ltd De-Lords Securities Ltd Denham Management Ltd Dependable Securities Ltd Dominion Trust Ltd Dynamic Portfolios Ltd Empire Securities Ltd Euro Comm Securities Ltd Express Portfolio Services Ltd Falcon Securities Ltd F & C Securities Ltd Fidelity Union Securities Ltd Fidelity Finance Ltd Financial Derivatives Ltd Financial Equities Ltd Financial Trust Co Ltd	Finmal Finance Company Ltd First Equity Securities Ltd First Stockbrokers Ltd Folu Securities Ltd Foresight Securities & Investment Ltd Forte Asset Management Ltd Forthright Securities & Investments Ltd Fountain Securities Ltd Future View Securities Ltd Genesis Securities Ltd. Gidauniya Investment & Securities Ltd Global Capital Market Ltd Golden Securities Ltd Great Africa Trust Ltd Greenwich Trust Ltd GTI Capital Ltd Heritage Investment & Securities Ltd Horizon Stockbrokers Ltd IBTC Asset Management Ltd IBN Securities Ltd ICON Stockbroker Ltd IMB Morgan Plc Indemnity Finance Ltd Independent Securities Ltd Integrated Trust & Investments Ltd Intercontinental Securities Ltd International Capital Securities Ltd International Standard Securities Ltd Intercontinental Capital Markets Ltd Interstate Securities Ltd Investors & Trust Co Ltd Jamkol Investments Ltd Jenkins Investment Ltd Kinley Securities Ltd Kundila Finance Services Ltd Lakeworth Investments & Securities Ltd LB Securities Ltd Lead Securities & Investment Ltd Lighthouse Asset Management Ltd Lion Stockbrokers Ltd Lynac Securities Ltd Magnartis Fin & Inv Ltd Mainland Trust Ltd Maninvest Securities Ltd Marina Securities Ltd MBC Securities Ltd Mega Equities Ltd Mercov Securities Ltd M & F Investment Ltd Molten Trust Ltd Mutual Alliance Investment & Securities Ltd Midas Stockbrokers Ltd Midlands Investment & Trust Co. Ltd Mission Securities Ltd Morgan Trust & Asset Management Ltd Mountain Investment & Securities Ltd	Newdevco Finance Securities Ltd Niche Securities Ltd Nigerian Stockbrokers Ltd Networth Securities & Finance Ltd Nova Finance & Securities Ltd Options Securities Ltd OMF Securities & Finance Ltd Partnership Investment Co. Ltd Peninsula Assets Management and Investment Company Limited Pine Fields Investment Services Ltd PIPC Securities Ltd Peak Securities Ltd Perfection Securities & Investment Ltd PIPC Securities Ltd Platinum Capital Ltd Premium Securities Ltd Professional Stockbroker Ltd Profund Securities Ltd Prominent Securities Ltd PSL Limited P.S.I. Securities Ltd Rainbow Securities & Investment Co. Ltd Riverside Trust Limited Reward Investments & Services Ltd Royal Crest Finance Ltd Sanbros Trust & Securities Ltd Securities Solutions Ltd Securities Swaps Ltd Shallom Investment & Securities Ltd Sigma Securities Ltd Silver Financial Services Ltd Solid-Rock Securities & Investment Ltd Stanbic Equities Nigeria Ltd Summa Guaranty & Trust Co. Ltd Summit Finance Company Ltd Support Services Ltd Tiddo Universal Securities & Finance Ltd Tomil Trusts Ltd Topmost Finance & Investment s Ltd TRW Stockbrokers Ltd Transglobe Investment & Finance Co Ltd Trade Link Finance & Securities Ltd Tropics Securities Ltd Trust and Financial Services Ltd Trusthouse Investment Ltd Trust Yields Securities Ltd UBA Securities Ltd UNEX Securities & Investment Ltd Union Stockbrokers Ltd Valmon Securities Ltd Valueline Securities & Investment Ltd Vetiva Capital Management Limited Vision Trust & Investments Ltd WSTC Financial Services Ltd Yobe Investment Co. Ltd Zenith Securities Ltd Zuma Securities Ltd
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“SSF”	Skye Shelter Fund
“The Exchange” or “NSE”	The Nigerian Stock Exchange
“The Fund”	The Skye Shelter Fund, authorized and registered in Nigeria as a Real Estate Investment Trust scheme.
“Trustees”	PHB Capital & Trust Limited, the trustees of the Fund
“Trustee Act”	Trustee Investments Act, Cap T22 Laws of the Federation of Nigeria 2004.
“Trust Deed”	The Deed dated 19 June, 2007 between Skye Bank and the Trustees governing the Fund including any amendment or supplemental trust deed thereto.
“Unit(s)”	A unit created and issued, representing one un-divided share in the assets of the Skye Shelter Fund.
“Unitholder(s)”	Any person(s) (individual, joint or body corporate) registered in the register established and maintained for the purposes of the Skye Shelter Fund as a Unitholder of Units.
“Unit holdings”	All or any of a Unitholder's investments in the Skye Shelter Fund.

2 ABRIDGED TIMETABLE

	TASK	RESPONSIBILITY
23/07/07	Application List Opens	Dominion Trust Limited
29/08/07	Application List Closes	Dominion Trust Limited
12/09/07	Receiving Agents render returns	All Receiving Agents
19/09/07	Forward Allotment Proposal and draft newspaper advert to SEC	Dominion Trust Limited
03/10/07	Receive SEC clearance of Allotment Proposal	Dominion Trust Limited
04/10/07	Disburse net proceeds of Offer to the Fund Manager	Skye Bank Plc
08/10/07	Publish Allotment Announcement in at least 2 national newspapers	Dominion Trust Limited
15/10/07	Distribution of the Unit Certificates	Registrars
18/10/07	Forward Declaration of Compliance/General Undertaking to the NSE	PSL /Dominion
22/10/07	Listing of the Skye Shelter Fund	PSL /Dominion

Please note that these dates are indicative only and are subject to change without prior notice.

12. PROCEDURE FOR APPLICATION AND ALLOTMENT

12.1 APPLICATION

- 12.1.1 The general investing public is hereby invited to apply for the units through any of the Receiving Agents listed in this Prospectus.
- 12.1.2 Application for the units now being offered must be made in accordance with the instructions set out on the back of the Application Form. Care must be taken to follow these instructions, as applications, which do not comply, will be rejected.
- 12.1.3 The Application List for the units now being offered will open on 23rd July, 2007 and close on 29th August, 2007. Applications for the units must be for a minimum of 1,000 units and in multiples of 500 units thereafter. The number of units for which the application is made and the amount of the cash, cheque or bank draft attached should be entered in the boxes provided.
- 12.1.4 The subscription currency for the Offer is the Nigerian Naira (N).
- 12.1.5 The applicant should make only one application, whether in his own name or in the name of a nominee. Multiple or suspected multiple applications will be rejected.
- 12.1.6 Individual applicants should sign the declaration and write his/her name, address and occupation in the section marked (1a) on the Application Form for the Offer whilst Section (1a & b) should be completed in the case of joint applicants. A corporate applicant should affix its seal in item "3" in the box provided for this purpose and state its incorporation (RC) Number or in the case of a corporate foreign subscriber its appropriate identification number in the jurisdiction in which it is constituted.
- 12.1.7 Each Application should be forwarded ONLY to any of the Receiving Agents listed in this Prospectus, together with the cash, cheque or bank draft for the full amount of the purchase price, crossed "SKYE SHELTER FUND OFFER" and made payable to the Receiving Agents to which the application is addressed. All bank drafts will be presented upon receipt and all applications in respect of which cheques or bank drafts are returned unpaid will be rejected.

12.2 ALLOTMENT

Skye Bank Limited and the Directors of the Fund Manager reserve the right to accept or reject any application in whole or in part. The allotment proposal will be subject to the clearance of the SEC. All irregular or suspected multiple applications will be rejected.

12.3 APPLICATION MONIES

All application monies will be retained in a separate bank account with the Receiving Bank pending allotment. If any application is not accepted, or is accepted for fewer Units than the number applied for, a crossed cheque for the full amount or the balance of the amount paid (as the case may be) will be returned by registered post within 5 (five) working days of allotment. A unit certificate in respect of units allotted will be sent by registered post not later than 15 (fifteen) working days from the date of allotment.

11.5 CONSENTS

The following parties have given and not withdrawn their consents to act as parties to the Offer with their names included, in the form and context in which they appear:

Fund Manager:	Skye Bank Plc
Issuing House	Dominion Trust Limited
Directors of the Fund Manager:	
Alhaji Musillu Smith	Chairman
Mrs Moronkeji Onasanya	Vice Chairman
Mr. Akinsola Akinfemiwa	Managing Director
Mr. Kehinde Durosini-Etti	Deputy Managing Director
Mr. Olusegun Oloketuyi	Executive Director
Mr. Olugbenga Ademulegun	Executive Director
Brig. General Anthony Ukpo (rtd)	Director
Princess Adenike Adeniran	Director
Mr. Vinay Tuteja	Director
Dr Adebayo Adewusi	Director
Mr. Collins Chikeluba	Director
Dr Jason Fadeyi	Director
Mr. Ariyo Ajaja	Director
Mr Michael Tarfa	Director
Hon. Niran Sule-Akinsuyi	Director
Mr. Victor Adenigbagbe	Director
Mr. Kolawole Awodein	Director
Trustees to the Fund:	PHB Capital & Trust Limited
Stockbrokers to the Offer:	PSL Limited
Joint Solicitors to the Trustees:	Oluyomi Olawore & Co. & Kola Awodein & Co
Solicitors to the Fund:	Olumide Sofowora & Co.
Reporting Accountants:	Dele Olufon & Co Chartered Accountants
Registrars to the Offer:	Sterling Registrars Limited
Receiving Bank:	Skye Bank Plc

11.6 DOCUMENTS AVAILABLE FOR INSPECTION

The following documents relating to the Fund may be inspected at the offices of Dominion Trust Limited, 207, Igboere Street, Lagos, during any normal business hours of any week-day except public holidays, from 23 July, 2007 to 29 August 2007.

1. Certificate of Incorporation of the Fund Manager;
2. Certificate of Incorporation of the Trustees;
3. Memorandum & Articles of Association of the Fund Manager;
4. Memorandum & Articles of Association of the Trustees;
5. The Prospectus and the abridged prospectus issued in connection with the Offer, duly signed by the Fund Manager, Trustees and other parties to the Offer;
6. The Resolution of the Board of Directors of the Fund Manager authorizing the establishment of the Skye Shelter Fund and the issuance of 20,000,000 Units of the Fund;
7. The audited accounts of the Fund Manager for the year ended 30th September 2006 and the interim report for the 6 months ended 30th March 2007;
8. The Report of Dele Olufon & Co, Reporting Accountants, on the Financial Projections for the years ending 31st December 2006, 2007 and 2008;
9. The material contracts referred to above; and
10. The written consents referred to above.
11. Letter from SEC approving the Offer
12. Letter from The Nigeria Stock Exchange approving the offer and admitting the Units to its Daily Official list.

11.7 FEES, CHARGES AND OTHER EXPENSES

The Fund Manager's fees shall not exceed 1.5%pa of the Net Asset Value of the Fund, payable quarterly in arrears out of income of the Fund. This amount represents compensation for day-to-day management of the Fund and for financial planning and advice. In addition, the Fund Manager shall be entitled to an incentive fee of 30% of the total annual returns in excess of 10% of the Fund's Net Assets Value per annum.

The Trustee shall be paid an initial take-on-fee and an annual fee of 0.06 of the NAV of the Fund payable out of income of the Fund, semi-annually in arrears.

The Registrars shall be paid an initial take-on fee and an annual fee based on the fee structure payable quarterly as determined by the Association of Registrars.

11.8 OTHER OPERATING EXPENSES

Apart from the above expenses, other costs and expenses to be charged to income include annual audit, legal, and other fees and charges incidental to the running of similar Funds including the cost of acquiring, valuing and disposing of investments research and other related expenses. The initial costs of establishing the Fund, which is estimated at N89,574,700 representing 4.48% of the proceeds of the Offer, will be offset from the Offer proceeds.

3 CORPORATE DIRECTORY

The Bank is present in 7 regional locations with 163 branches across the major commercial cities in Nigeria. Our regional offices are listed below:

Head Office	Head Office Annex
3 Akin Adesola Street	Plot 708/709 Adeola Hopewell Street
Victoria Island Lagos	Victoria Island Lagos
Tel: (234) 01 262 7760-9	Tel: (234) 01 270 5868
Fax: (234) 01 262 7598	Fax: (234) 01 270 5853

Regional Offices

Lagos Regional Office	Abuja Regional Office
Skye House Alausa	Plot 557 Gimbiya Street
Ikeja, Lagos	Off Ahmadu Bello Way, Gariki Abuja
Tel: (234) 01 493 2563, 01 493 2584	Tel: (234) 09 314 0800-3

Northern Regional Office	South-South Regional Office
24 Bello Road	Olu Obasanjo Way
Olu Obasanjo Way	Port Harcourt
Kano	Rivers State
Tel: (234) 064 - 637 314, 064 - 637 974	Tel: (234) 084 232 849, 084 232 827

South-West Regional Office	South-East Regional Office
17 Lebanon Street	19, Ogui Road
Ibadan	Enugu
Oyo State	
Tel: (234) 02 241 4746, 02 241 5076	

Edo/Delta Regional Office
1, Forestry Road
Benin City
Edo State
Tel: 234 052 253 022, 052 234 1585

Our Branches Nationwide

S/N	Locations	Number of branches
1	Lagos branches	77
2	South-South branches	11
3	Abuja branches	8
4	South-West branches	63
5	Niger Delta branches	7
6	Northern branches	26
7	Southeast branches	11
	Total	200

DIRECTORS OF THE FUND MANAGER

Alhaji Musiliu Adeola Kunbi Smith OFR, CFR, Chairman
3 Akin Adesola Street
Victoria Island, Lagos

Mrs. Morenikeji Onasanya, Vice Chairman
3 Akin Adesola Street
Victoria Island, Lagos

Akinsola Akinfemiwa MD/CEO
3 Akin Adesola Street
Victoria Island, Lagos

Kehinde Durosinmi-Etti DMD
3 Akin Adesola Street
Victoria Island, Lagos

Olusegun Oloketuyi - ED
3 Akin Adesola Street
Victoria Island, Lagos

Olugbenga Ademulegun ED
3 Akin Adesola Street
Victoria Island, Lagos

Hon. Adeniran Sule-Akinsuyi
3 Akin Adesola Street
Victoria Island, Lagos

Mr. Michael Gashau Tarfa
3 Akin Adesola Street
Victoria Island Lagos

Brig. Gen. Anthony Ukpo (RTD)
3 Akin Adesola Street
Victoria Island Lagos

MANAGEMENT OF THE FUND MANAGER

Timothy Oguntayo
3 Akin Adesola Street
Victoria Island Lagos

Bolaji Elelu
3 Akin Adesola Street
Victoria Island, Lagos

Tunde Lawal
3 Akin Adesola Street
Victoria Island Lagos

Bunmi Ogunjumelo
3 Akin Adesola Street
Victoria Island

Mr. Collins Chikeluba
3 Akin Adesola Street
Victoria Island, Lagos

Dr. Adebayo Adewusi
3 Akin Adesola Street
Victoria Island, Lagos

Mr. Vinay Tuteja
3 Akin Adesola Street
Victoria Island, Lagos

Dr. Jason O Fadeyi
3 Akin Adesola Street
Victoria Island, Lagos

Mr. Victor Adenigbagbe
3 Akin Adesola Street
Victoria Island, Lagos

Princess Adenike Adeniran
3 Akin Adesola Street
Victoria Island, Lagos

Mr. Kola Awodein (SAN)
3 Akin Adesola Street
Victoria Island Lagos

Mr. Ariyo Ajaja
3 Akin Adesola Street
Victoria Island Lagos

Yemi Gbenro
3 Akin Adesola Street
Victoria Island Lagos

Ayo Banjoko
3 Akin Adesola Street
Victoria Island, Lagos

Tope Odugbesan
3 Akin Adesola Street
Victoria Island Lagos

44) (a) Any moneys payable by the Trustees or by the Fund Manager to a Unitholder or former Unitholder under the provisions of this Deed may be paid by crossed cheque or warrant made payable to the order of and sent through the post to the registered address of such Unitholder or in the case of Joint Unitholders made payable to the order of and sent to the registered address of the Joint Unitholder who is first named on the Register. Every cheque or warrant shall be sent at the risk of the Unitholder or former Unitholders or such Joint Unitholder and payment of every such cheque or warrant shall be a satisfaction of the moneys payable and shall be a good discharge to the Trustees and the Fund Manager. Where an authority in writing in that behalf shall have been received by the Trustees or the Fund Manager from the Unitholder or former Unitholder or in the case of Joint Unitholders from all of them in such form and signed or sealed in such manner as the Trustees or Fund Manager (as the case may be) shall think sufficient the Trustees or Fund Manager shall pay the moneys payable to the Unitholder or Joint Unitholders as the case may be to his or their banker or other agent or nominee in the same manner and with the same effect as hereinbefore provided as if such banker agent or nominee were the Unitholder or Joint Unitholders.

(b) Without prejudice to the application of sub-clause (a) a receipt signed or purporting to be signed by a Unitholder or former Unitholder for any moneys payable in respect of Units held or formerly held by him shall be a good discharge to the Trustees and the Fund Manager and if several persons are registered as Joint Unitholders or in consequence of the death or bankruptcy of a Unitholder are entitled so to be registered any one of them may give effectual receipts for any such moneys.

11.2 MATERIAL CONTRACTS

In connection with the establishment and issuance of 20,000,000 Units in the Skye Bank Plc and PHB Capital & Trust Limited have entered into the following contracts, which are considered material to the Offer.

- 1) A Trust Deed dated 19, June 2007 between Skye Bank Plc and PHB Capital & Trust Limited constituting the Skye Shelter Fund.
- 2) A Vending Agreement dated 19, June 2007 between Skye Bank Plc and Dominion Trust Limited under which DTL has agreed to offer for subscription of 20 Million units of Skye Shelter Fund at N100 per unit.
- 3) A Underwriting Agreement dated 19, June 2007 between Skye Bank Plc and PHB Capital & Trust Limited constituting the Skye Shelter Fund.

Save as disclosed, the Fund Manager has not entered into any material contract except in the ordinary course of business.

11.3 CLAIMS AND LITIGATION

The Fund Manager is not aware of any claims or litigations against it as at the date of this prospectus.

11.4 INDEBTEDNESS

As at the date of this Prospectus, the Fund Manager has no outstanding debentures, mortgages, loans, material indebtedness or obligations.

Voluntary Retirement Of Trustees

- 35) Subject to the provisions of clause 36, hereof, the Trustees shall have power to retire in favour of some other company approved by the Fund Manager and the Commission upon and subject to such company entering into such deed or deeds as mentioned in the preceding Clause. PROVIDED that the Trustees shall have given prior notification of such retirement to the Commission and reasons for such retirement.

Appointment of New Trustees.

- 36) The Trustees shall not be entitled to retire voluntarily except upon the appointment of new Trustees. In the event of the Trustees desiring to retire, the Fund Manager shall be entitled to appoint new Trustees by deed under the Seal of the Fund Manager. Any new Trustees so appointed shall be a company permitted by statute to act as a Trustee of an authorised unit trust scheme (as defined in Section 124 of the Investments and Securities Act Cap I 24 Laws of the Federation of Nigeria, 2004) and shall be registered as such Trustees with the Commission.

Appointment Of Auditors

- 37) (a) The Auditors shall be appointed by the Fund Manager with the consent of the Trustees. No Auditor shall be a company or person who is not qualified for appointment as an auditor of a company under Section 358 of the Companies and Allied Matters Act Cap C20 Laws of the Federation of Nigeria, 2004.
- (b) Notwithstanding the agreement between the Fund Manager and the Auditors, the Unitholders may by an ordinary resolution remove the Auditor appointed by the Fund Manager before the expiration of its term of appointment and where a resolution removing an Auditor is passed at a Meeting of Unitholders, the Fund Manager shall within fourteen days of such meeting give formal notice of that fact in the prescribed form to the Trustees, the Auditor and the Commission.

Removal of the Registrar

- 38) If the Fund Manager in consultation with the Trustees for good and sufficient reasons is of the opinion that a change of Registrar is desirable in the interest of the Unitholders it shall notify the Registrar accordingly and the Registrar shall within the period prescribed transfer all records, certificates, documents and Registers kept or maintained by it with regards to the Fund to the Fund Manager and the Fund Manager will thereafter take such steps as may be necessary to appoint a new Registrar of the Fund PROVIDED HOWEVER that any appointment of a new Registrar will be subject to the prior approval of the Commission and notice of such change or appointment shall be advised to the Unitholders in the manner provided by Clause 44 herein within five working days of the date such change or appointment takes effect.

Power Of the Commission, Trustees, Unitholders And Fund Manager to Terminate The Trust

- 39) The Trusts hereby created may be terminated on the happening of all or any of the following circumstances:
- (a) If the Fund Manager believes that the investment objective of the Fund is no longer achievable;
- (b) If six months after the date on which the Offer for the Units opened for subscription the Value of the Fund shall be less than N500,000,000 (Five Hundred Million Naira), the Fund Manager may with the consent of the Trustees (which shall not be unreasonably withheld) terminate the Trust on a date to be agreed between the Trustees and the Fund Manager. Upon the approaching termination pursuant to this sub-clause the provisions of Clause 41 hereof shall be complied with by the Trustees.
- (c) If any law is passed or regulations or decision of a court of competent jurisdiction or any international, national or local emergency, civil strife, war, introduction of prohibitive governmental regulations and policy or other events beyond the reasonable control of the parties to this Agreement which in the judgment of the Fund Manager and/or the Trustees render it illegal or impractical to continue the Fund.
- (d) If the Commission revokes the authorization of the Fund.
- (d) If a request for termination is made by Unitholders pursuant to an Extra-Ordinary Resolution duly passed at a meeting validly held in accordance with the terms of the First Schedule hereto.

Determination Of The Trust

- 40) If at any meeting held in accordance with the provisions of the First Schedule it should be resolved by an Extra-Ordinary Resolution to determine the Trust on a date specified in such Resolution (being a date not earlier than three months after the date of the Resolution) the Trust shall accordingly be determined and this Deed shall cease to be of effect.

Payments

DIRECTORS OF THE TRUSTEES TO THE FUND

Francis Atuche - Chairman
1st Flr. Old Niger House
163/165 Broad Street, Lagos

Mai Mustapha Muhammad - Managing Director
1st Flr. Old Niger House
163/165 Broad Street, Lagos

Oluwole Sodipe - Director
1st Flr. Old Niger House
163/165 Broad Street, Lagos

Kassim Gana Gaidam - Director
1st Flr. Old Niger House
163/165 Broad Street, Lagos

Charles Enaholo Ojo - Director
1st Flr. Old Niger House
163/165 Broad Street, Lagos

MANAGEMENT OF TRUSTEE TO THE FUND

Priscilla Ene-Ita - Company Secretary
1st Flr. Old Niger House
163/165 Broad Street, Lagos

Abdullahi Salisu - Legal Adviser / Chief Compliance Officer
1st Flr. Old Niger House
163/165 Broad Street, Lagos

Joy Edwin-Eyafe - Registrar
1st Flr. Old Niger House
163/165 Broad Street, Lagos

4. SUMMARY OF THE OFFER

The following definitions should be read in conjunction with the full text of the Prospectus, from which it is derived:

1. SPONSOR AND FUND MANAGER: Skye Bank Plc
2. ISSUING HOUSE: Dominion Trust Limited
3. TRUSTEES TO THE FUND: PHB Capital & Trust Limited
4. THE OFFER: 20,000,000 Units of N100.00 each (being the 1st tranche of the N5billion Skye Shelter Fund)
5. MODE OF OFFER: Offer for Subscription
6. UNITS OF SALE: 1,000 Units and in multiples of 500 Units thereafter
7. OFFER PRICE: N100.00 per Unit
8. OFFER SIZE: N2,000,000,000.00
9. PAYMENT TERMS: In full on application
10. OPENING DATE: 23 July, 2007
11. CLOSING DATE: 29 August, 2007
12. NATURE OF THE FUND:

The Skye Shelter Fund, which is constituted under a Trust Deed, is a close-ended REIT scheme designed as a platform to pool together resources from diverse investors interested primarily in exploring investment opportunities in real estate business but either lack sufficient capital to stand alone or lack the time and /or expertise to act on its own for a profitable management. The SSF would be dedicated to development and/or acquisition of high quality stock of properties (residential estates, commercial properties and other investment properties) in select locations across the federation. The SSF shall also make opportunistic investments in joint venture developments with reputable developers on a case by case basis as the Trustees and the Fund Managers deem fit.

As a close-ended Fund, subscriptions can be made during this Offer at the Offer price through the Fund Manager or any other receiving agent duly approved by SEC. The Fund Manager may issue additional Units of the Fund to subscribers on demand after this Offer of Units has been fully subscribed, subject to the approval and registration of the additional Units by the Commission.
13. INVESTMENT OBJECTIVES: The SSF is designed for investors seeking to maximize their returns from a well-diversified portfolio comprising high quality stock of middle income class and commercial properties developed for immediate sale or held as mortgage investment properties within the medium and upper-medium income sections of commercial centres in Nigeria; as well as in other securities approved by the SEC and the Trustees.
14. TARGET INVESTORS: The Fund is open to individuals, companies, societies, PFAs and their clients. The Fund also welcomes the participation of foreign and non-resident investors.
15. MANDATORY UNDERWRITING: The Fund Manager has agreed to underwrite the Offer by 35% in line with the Commission's Rules and regulations. A copy of the Underwriting Agreement has been submitted to the Commission.
16. INVESTMENT GUARANTEE: Unit holders will be guaranteed a minimum return on their investment calculated at the prevailing Average Savings Account Interest Rate of Skye Bank, provided that their unit holdings shall have been held for a minimum of one (1) calendar year.
17. MANDATORY SUBSCRIPTION: The Fund Manager intends to take up a minimum of 20% of the fund as stated in the Trust Deed.

All or any of such expenses shall be payable out of the Deposited Property and the Fund Manager shall where it deems it necessary make provision therefore by depositing and keeping deposited in the name and under the control of the Trustees in a fund (in this Deed referred to as "the Administration Fund") of such amount as shall in the opinion of the Trustees in consultation with the Fund Manager be from time to time adequate (having regard to any other provisions which may from time to time be made for securing the same) out of the capital and income thereof and to provide for all such expenses during the continuance of the Trust, and the Administration Fund shall be held by the Trustees upon trust out of the capital and income thereof to pay all such expenses if and so far as the same are not duly paid or provided by the Fund Manager. If at any time owing to the growth of the Trust or for any other reason the Trustees shall form the opinion and shall notify the Fund Manager that the Administration Fund for the time being is not adequate as aforesaid, then the Fund Manager shall forthwith deposit with the Trustees by way of addition to the Administration Fund such amount as shall in the opinion of the Trustees and the Fund Manager be required to render the same adequate. Subject as aforesaid the Administration Fund shall be held by the Trustees upon and subject to such trusts and provisions (including provisions as to the manner of investment thereof and for periodical and other payments to be made therefrom to the Fund Manager) as may be agreed between the Trustees and the Fund Manager, being trusts and provisions not inconsistent with the maintenance of the Administration Fund at an amount adequate as aforesaid.

(d) In consideration of the foregoing, neither the Trustees nor the Fund Manager shall except with the approval of the Commission make any further charge against the Unitholders or against the Deposited Property or against any distribution for their services or for their normal expenses hereunder with the exception of the charges or fees expressly authorised by this Deed.

Removal and or Retirement of Fund Manager

33) The Fund Manager shall retire from the management of the Trust on the happening of any of the following events:-

- (a) If the Fund Manager goes into liquidation (except a voluntary liquidation for the purpose of amalgamation or reconstruction on terms previously approved in writing by the Trustees) or if a Receiver shall be appointed of the undertaking of the Fund Manager or any part thereof then, the Fund Manager shall be subject to removal by 90 days notice in writing given by the Trustee PROVIDED THAT in every case the Trustee has sought the approval of the Commission by notice and the Commission has approved or one month has passed since notice was served on the commission;
- (b) If the Fund Manager upon providing good and sufficient reason, giving six months notice to the Trustee, desires to retire from the management of the Fund;
- (c) If Unitholders pass an Extra-Ordinary Resolution approving the removal of the Fund Manager at a Meeting convened in accordance with the provisions of the First Schedule hereto.
- (d) If for any valid reason whatsoever the Commission signifies that the Fund Manager is no longer eligible to act as Fund Manager for the Fund.

In the event of a proposed change of the Fund Manager, the Trustee shall be entitled by writing under its Seal to notify the Commission about any such proposed change and secure the prior approval of a new Fund Manager of the Fund from the Commission. Such new Fund Manager shall enter such Deed or Deeds as the Trustee may be advised are necessary or desirable to be entered by such new Fund Manager in order to secure the due performance of its duties as Fund Manager which Deed or Deeds shall if so required by the retiring Fund Manager provide that the Fund shall as soon as practicable cease to use the word "SKYE" in its name.

Removal of Trustees

34) The Trustees shall retire from the management of the Trust on the happening of any of the following events:-

- (a) If the Trustees go into liquidation (except a voluntary liquidation for the purpose of amalgamation or reconstruction on terms previously approved in writing by the Fund Manager) or if a Receiver shall be appointed for the undertaking of the Trustees or any part thereof.
- (b) If the Fund Manager for good and sufficient reason, be of the opinion that a change of Trustees is desirable in the interests of the Unitholders and notifies the Trustees in writing accordingly, PROVIDED always that if the Trustees shall be dissatisfied with the opinion of the Fund Manager under this sub-clause the matter shall be referred to the Commission.
- (c) If Unitholders pass an Extra-Ordinary Resolution approving the removal of the Trustees at a Meeting convened in accordance with the provisions of the First Schedule hereto.
- (d) If for any valid reason whatsoever the Commission signifies that the Trustees is no longer eligible to act as Trustees for the Fund.

On the happening of any of the events specified in this Clause, the Fund Manager shall be entitled by writing under its Seal to notify the Commission of such removal, the reasons thereof and the suitability of the proposed Trustees. Subject to the approval of the proposed Trustee by the Commission the proposed Trustees shall enter into such deed or deeds as the Fund Manager may be advised is necessary or desirable to be entered into by them in order to ensure that they shall effectively perform the duties of such Trustees during the remainder of the Trust Period.

- (d) No notice requiring the Fund Manager to purchase Units shall be valid unless the Unitholder shall first deliver to the Fund Manager or their authorised agent the Certificate or Certificates of the Units for redemption or at the option of the Fund Manager produce such evidence of his title to the Units for sale as the Fund Manager shall think sufficient. Such redemption notice shall not be revocable without the consent of the Fund Manager.
- (e) The amount received on the redemption of Units may be subject to capital gains tax and shall not be payable to the Holder of the Units for redemption until delivery of the Certificate or Certificates representing the Units being redeemed for sale duly renounced by the Unitholder or (in the case of Joint Unitholders) by each of them (or the production of such evidence of title to the Units for redemption as the Manager shall think sufficient) nor until the expiration of the statutory clearing period (if any) authorised by the Commission. If the Certificate so delivered comprises a greater number of Units than those stated in such redemption notice to the Fund Manager, a balance Certificate shall be issued on payment of such amount as will cover the cost of issuing such Certificate to the Unitholder by the Registrar.
- (f) The Trustees shall be under no obligation, but shall have the right, to verify the identity of any Unitholder seeking to redeem the whole or part of his Units or to verify or check or take any steps concerning the price at which the Fund Manager purchases Units pursuant to the provisions of this Clause.
- (g) Any moratorium which may at any time be applied to payments in respect of banking transactions shall apply equally to payments due from the Fund Manager pursuant to this Clause.
- (h) No Unitholder or Joint Unitholder shall be allowed to partially redeem her unitholding where such redemption will result in his holding being reduced to less than the Minimum Number of Units at any point in time.

Remuneration of the Fund Manager, Trustees And The Administration Fund

- 29) (a) (i) The Fund Manager shall with effect from inception of the Fund be entitled for its own account until termination of the Trust to an annual Management Fee payable by quarterly instalments in arrears. The annual Management Fee shall subject to any regulations of the Commission that may be in force as at the time of payment be an amount equivalent to 1.5% of the Net Asset Value of the Fund and shall be paid quarterly in arrears, solely out of the income generated on the Fund assets. The Management Fee may subject to any subsisting regulations relating to Real Estate Investment Trusts Schemes be reviewed with the consent of the Trustees and the approval of the Commission.
- (ii) In addition to the annual Management Fee mentioned in sub-clause (i) above the Fund Manager shall also be entitled to receive an incentive fee of 30% of total annual returns in excess of 10% of the funds Net Asset Value per annum.
- (iii) The Incentive Fee which is payable in arrears shall be a maximum of 30% of total return, in excess of 10% of the amount by which the total returns on the Fund for the trading year concerned exceed the minimum return for such year subject however to any limitations on the amount payable that may be specified by the Commission which said fee shall be deducted from the income accruing to the Deposited Property.
- (b) (i) The remuneration of the Trustees shall be payable by the Fund Manager. The Trustees shall on executing the Trust Deed be entitled to an initial take on fee of N250,000.00 (Two Hundred and Fifty Thousand Naira). Thereafter the Trustees shall during the subsistence of the Trusts hereby created be entitled to an annual fee payable in arrears by two instalments on the 30th of June and on the 31st of December in each year. Each instalment shall initially represent 0.05% of the value of the Net Asset Value of the Fund and shall be paid solely from the income generated by the Funds during the year to which such payment relates. The Trustees' fees may be reviewed in accordance with any agreement subsequently reached between the Trustees and the Fund Manager, which revised remuneration will however be subject to the prior approval of the Commission.
- (ii) The Trustees shall also be entitled to the reimbursement of any traveling expenses and other costs, charges and expenses which may be or are reasonably incurred in connection with the execution of the Trusts hereof and in exercise of the powers and discretions hereby vested in them and all such expenses including the remuneration of the Trustees shall when due be payable upon demand.
- (c) The Fund Manager shall be responsible for the payment out of the Fund of all expenses incurred or to be met from time to time in connection with the management or trusteeship of the Trust including but not limited to:-
- 1) the Sales Commission;
 - 2) the Management Fee;
 - 3) the Initial Subscription Expenses;
 - 4) the Trustees' Fee and Expenses;
 - 5) the Registrar's Fees and Expenses;
 - 6) the Auditor's Fees and Expenses;
 - 7) the Incentive Fee; and
 - 8) all such other reasonable expenses as are incurred or to be incurred by or on behalf of the Fund.

18. FORECAST OFFER STATISTICS:

(Extracts from the Reporting Accountant's Report)

	Year 1 N' m	Year 2 N' m	Year 3 N' m
Net Assets Value (Beginning of the year)*	1,885.11	1,976.04	2,084.84
Gross Income	554.22	656.54	770.87
Less: Operating Expenses	61.29	61.86	63.80
Net Income	492.92	594.67	707.06
Undistributed Income	98.58	118.93	141.41
Fund Manager's Incentive	7.65	10.12	12.83
Net Assets Value (End of the year)	1,976.04	2,084.84	2,213.42
Return on Investment (%)	26	30	33
Number of Units	20	20	20

*Net Assets Value at the beginning of Year 1 is derived after deducting estimated issue expenses and fixed assets cost of N89.5m and N6.5m respectively from the N2billion to be raised from the Offer. For subsequent years NAV is derived by adding the net income of the fund plus new units sold in the preceding year (if any), less the issue costs, to the NAV at End of Year.

19. QUOTATION:

An application has been made to The Council of The Nigerian Stock Exchange for the admission of the 20,000,000 Units being offered for subscription, to its Daily Official List. The Units shall be freely tradable therefore providing liquidity for the investors.

20. STATUS:

The Units qualify as securities in which Trustees may invest under the Trustees Investment Act.

Investors are advised to seek information on the fees and charges before investing in the Scheme.

5. THE OFFER

A copy of this Prospectus together with the documents specified herein, having been approved by the Trustees, have been delivered to the Securities and Exchange Commission for clearance and registration.

This Prospectus is issued in compliance with the provisions of the ISA 1999, the SEC Rules & Regulations made pursuant thereto and the listing requirements of The Exchange and contains particulars in compliance with the requirements of the Commission and The Exchange for the purpose of giving information to the public with regard to the Offer for Subscription of 20,000,000 Units of N100.00 each in the Skye Shelter Fund by Skye Bank Plc. The Fund has been authorized and registered by the Commission as a Real Estate Investment Trust Scheme. An application has been made to the Council of the Exchange for the listing of the 20,000,000 units now being offered.

The Directors of the Issuer collectively and individually accept full responsibility for the accuracy of the information contained in this Prospectus and confirm, having made reasonable enquiries, which to the best of their knowledge and belief, there are no material facts, the omission of which would make any material statement herein misleading or untrue.

The SEC has approved the issue, Offer or invitation in respect of the public offering and the approval shall not be taken to indicate that the Commission recommends the public offering. The Commission shall not be liable for any non-disclosure on the part of the Company and takes no responsibility for the contents of the document, makes no representation as to its accuracy or completeness, and expressly disclaims any liability whatsoever arising from reliance upon the whole or any part of the contents of the prospectus.

The valuation approved or accepted by the Commission shall only be utilized for the purpose of the proposal submitted to and approved by it and shall not be construed as an endorsement by the Commission on the value of the subject assets for any other purpose.



On behalf of



Offers for Subscription

and is authorized to receive applications for
20,000,000 Units of N100.00 each at Par
(being the 1st tranche of the N5billion Skye Shelter Fund)

Payable in Full on Application

In The

**SKYE
SHELTER
FUND**

(Authorized and Registered in Nigeria as a Real Estate Investment Trust Fund)

The Application List for the Units now being offered will open on Monday, 23 July, 2007 and close on Wednesday, 29 August, 2007.

- (c) Where a portion of the Units represented by any Certificate are transferred, the transferor shall be entitled, (on payment of such amount as will cover the cost of issuing such a Certificate) to a new Certificate in respect of the balance.
- (d) The Trustees shall be at liberty to retain all instruments of transfer so lodged with or transmitted to it provided the transfers to which such instruments relate have been previously noted by the Registrar.
- (e) No transfer or purported transfer of a Unit other than a transfer made in accordance with this Clause shall entitle the transferee to be registered in respect thereof neither shall any notice of such transfer or purported transfer (other than as aforesaid) be entered upon the Register.

Reports and Returns

21) The Fund Manager shall provide specified information on the Fund on an annual basis to all Unitholders which information shall be included in the copy of the Annual Accounts of the Fund sent to Unitholders not later than four months (or such extended period not exceeding a further period of three months as the Commission may in exceptional circumstances allow) after the end of the period to which they relate

(a) Such specified information shall include:

- (i) the gross income per Unit for the year in respect of which such information relates;
- (ii) the amount payable per Unit in respect of expenses retained by the Trustees for the year in question stating that the same has been provided or raised under the provisions of Clause 29 hereof;
- (iii) the amount payable per Unit in respect of expenses retained by the Trustees out of the Deposited Property during the year in question pursuant to Clause 29(c) hereof; and deducted in computing the amount available for distribution;
- (iv) the amount payable per Unit in respect of any withholding tax deductions;
- (v) where relevant the amount payable per Unit in respect of any start-up expenses and other general expenses incurred in connection with the initial offer of Units.

(b) Such information shall also include a statement specifying the major investments in percentage form which on the last day of the year in question constituted the Fund and shall bring into account the deduction for Companies Income Tax on chargeable gains.

(c) Such information shall be filed with the Trustees and the Trustees shall be absolutely protected in relying upon it.

(d) The Fund Manager shall file monthly, quarterly and annual returns to the Commission as required of all unit trust scheme fund managers.

(e) The Trustee is expected to file specific quarterly return on the Scheme to the Commission, for the attention of Collective Investment Department, in addition to the general quarterly returns of the Trustee filed with the Commission, for the attention of Investigation and Enforcement Department.

Unitholders Right of Sale And Redemption

24) (a) Redemption of Direct Investment Units may commence immediately after the date of allotment of the Units. Any Unitholder shall until one month prior to the date fixed for the termination of the Trusts herein created pursuant to the happening of any of the events specified in Clause 39 hereof, be entitled by notice in writing ("redemption notice"), as in the form shown in the Fourth Schedule hereto, delivered to the Fund Manager or in such other form as the Fund Manager may agree, to require the Fund Manager to redeem all or any of his Units at the current Bid Price at the expiration of a redemption period approved by the Commission from time to time (currently not later than five working days) and the Fund Manager will effect such redemption from the liquidation of investments or the depletion of cash holdings.

PROVIDED that no person shall be entitled to require the Fund Manager to purchase part only of the Units comprised in a Certificate if such purchase would result in his being the Holder of less than the minimum number of Units as may for the time being generally or otherwise be prescribed in writing by the Fund Manager with the approval of the Trustees pursuant to Clause 14 hereof.

(b) Units redeemed by the Fund Manager may be resold.

(c) The applicable Bid price payable by the Fund Manager shall subject as hereinafter provided be not less than the Realisable Value of the Units for redemption as displayed at the Fund Manager's office on the day of lodgment of the redemption notice net of all expenses. The Bid price will at all times be in a sum that represents a discount to the Offer price, which discount will be of such percentage as the Fund Manager may from time to time determine in accordance with guidelines specified by the Commission.

11. STATUTORY & GENERAL INFORMATION

11.1 EXTRACTS FROM THE TRUST DEED

The following are relevant extracts from the Trust Deed of THE SKYE SHELTER FUND.

Trusts of the Deposited Property

- 6) The Trustees shall stand possessed of the Deposited Property upon trust for the Unitholders. The Deposited Property shall be held as a single common fund and no Unit shall confer any interest or share in any particular part of the Deposited Property until and upon the determination of the Fund.

Investment Policy

- 7)
- (a) The investment will be 75% in real estate and 25% in real estate related assets provided that not more than 10% shall be in liquid assets as enshrined in 261[1] of SEC's Rules and Regulations on REITs.
 - (b) The Fund Manager shall not alter the Investment Policy of the Fund without the sanction of the Commission and approval of the Trustee or a Special Resolution of a Meeting of Unit-Holders duly convened and held in accordance with the provisions contained in the First Schedule hereto and subject to the approval of the Commission.
 - (c) The Fund shall have an Investment Committee to be constituted by the Fund Manager for the purpose of ensuring compliance with the Investment Policy of the Fund.

Custody of Investments and Cash

- 9) The Trustees shall at all times retain in their own possession (or in the possession of such third parties as they may with the consent of the Fund Manager appoint to act as their agent in this behalf) in safe custody all the Investments and all documents of title or value connected therewith actually received by the Trustees or its nominees or such agents and shall be responsible for the safe custody and so far as practicable the realisation of Income Proceeds in respect of such part of the Investments as may be within their or their nominees or agent's control.

Dealing in Investments

- 10) Neither the Trustees nor the Fund Manager nor any subsidiary company of either shall as principal sell or deal in the sale of Investments to the Trustees for account of the Trustees or vest Authorised Investments in the Trustees upon the issue of Units and the Trustees and the Fund Manager shall (without incurring any liability for failure to do so) use their best endeavors to procure that no such sale or dealing or vesting shall be made by any Directors of the Trustees or the Fund Manager or of any such subsidiary company or companies. PROVIDED that the restriction imposed by this clause shall not apply to any sale or dealing or vesting in connection with the provision of the initial portfolio of Investments by the Fund Manager.

Realisation of Investments

- 12) Any investment comprised in the Deposited Property may at any time be realized at the discretion of the Fund Manager, subject to the consent of the Trustees, either in order to invest the proceeds of such realisation in other Authorised Investments or to provide the cash required for the purpose of any provision of this Deed or in order to retain the proceeds of sale in cash or on deposit as aforesaid or partly one and partly another. Without prejudice to the foregoing provision, Investments comprised in the Deposited Property and which at anytime or for any reason cease to be Authorised Investments shall be realized by the Fund Manager and the net proceeds of realisation shall be applied in accordance with the provisions of this Deed but the Fund Manager may postpone the realisation of any such Investment for such period as they may determine to be in the interest of the Unitholders unless the Trustees shall require the same to be immediately realized.

Issue of Certificates

- 14)
- (a) Every Unitholder shall be entitled to receive from the Trustees and the Fund Manager a Certificate for the number of Units purchased by such Unitholder at no cost.
 - (b) Certificates may be issued by the Trustees and the Fund Manager in any denomination PROVIDED that a person shall not be registered in respect of less than the minimum number of Units as may for the time being generally or otherwise be prescribed in writing by the Fund Manager with the approval of the Commission.

Transfer Of Units

- 19)
- (a) Units shall only be transferred in blocks of such number of Units as may for the time being be generally or otherwise be prescribed in writing by the Fund Manager with the approval of the Trustees.
 - (b) The instrument of transfer duly stamped and completed and executed by the transferor (together with any necessary declarations or other like documents duly completed and if necessary duly stamped to the satisfaction of the Registrar that may be required in consequence of any legislation now or hereafter from time to time in force) shall be lodged with the Fund Manager for transmission to the Registrar accompanied by the Certificate or Certificates in respect of the Units represented thereby and such other evidence as the Registrar may require to prove the title of the transferor or his right to transfer the Units and thereupon the Registrar shall register the transferee as holder of the Units referred to in such instrument of transfer and shall issue to such transferee a new Certificate representing the Units so transferred. The transferor shall be deemed to be entitled to the Units intended to be transferred by any such transfer as aforesaid until such time as the name of the transferee is entered in the Register in respect thereof.

6. FUND MANAGER, TRUSTEES AND OTHER PARTIES TO THE OFFER

SPONSOR AND FUND MANAGER:

Skye Bank Plc
3, Akin Adesola Street
Victoria Island, Lagos

ISSUING HOUSE:

Dominion Trust Limited
Dominion House
207 Igbosere Road
Lagos

DIRECTORS OF THE FUND MANAGER:

Alhaji Musiliu Smith
3 Akin Adesola Street
Victoria Island, Lagos

Moronkeji Onasanya (Mrs.)
3 Akin Adesola Street
Victoria Island, Lagos

Akinsola Akinfemiwa
3 Akin Adesola Street
Victoria Island, Lagos

Kehinde Durosinmi Etti
3 Akin Adesola Street
Victoria Island, Lagos

Brigadier General Anthony Ukpo
3 Akin Adesola Street
Victoria Island, Lagos

Princess Adenike Adeniran
3 Akin Adesola Street
Victoria Island, Lagos

Vinay Tuteja
3 Akin Adesola Street
Victoria Island, Lagos

Dr Bayo Adewusi
3 Akin Adesola Street
Victoria Island, Lagos

Collins Chikeluba
3 Akin Adesola Street
Victoria Island, Lagos

Dr Jason Fadeyi
3 Akin Adesola Street
Victoria Island, Lagos

Ariyo Ajaja
3 Akin Adesola Street
Victoria Island, Lagos

Michael Tarfa
3 Akin Adesola Street
Victoria Island, Lagos

Hon. Niran Sule-Akisuyi
3 Akin Adesola Street
Victoria Island, Lagos

Victor Adenigbagbe
3 Akin Adesola Street
Victoria Island, Lagos

	Dr Kola Awodein 3 Akin Adesola Street Victoria Island, Lagos
	Olugbenga Ademulegun Plot 5 Commercial Scheme Alausa Ikeja, Lagos
	Segun Oloketuyi 3 Akin Adesola Street Victoria Island, Lagos
COMPANY SECRETARY:	Abimbola Izu 3 Akin Adesola Street Victoria Island, Lagos
TRUSTEES:	PHB Capital & Trust Limited 1 st Flr. Old Niger House 163/165 Broad Street, Lagos
ESTATE VALUER:	Ubosi Eleh & Co Estate Surveyors & Valuers 3/5 Adeyemo Alakija, Victoria Island
JOINT SOLICITORS TO THE TRUSTEES:	Oluyomi Olawore & Co Elephant House 214 Broad Street, Lagos
	Kola Awodein & Co UBA Building, 57 Marina, Lagos
STOCKBROKERS:	PSL Limited 3 rd Flr. Cathedral House 2, Odunlami Street Lagos
SOLICITORS TO THE FUND:	Olumide Sofowora's Chambers 5 th Flr., 27/29 King George V Road Onikan, Lagos
REPORTING ACCOUNTANTS:	Dele Olufon & Co 11, Obafemi Awolowo Way Ikeja, Lagos.
REGISTRARS:	Sterling Registrars Ltd Knight Frank Building 8th Floor 24, Campbell Street Lagos
RECEIVING BANK:	Skye Bank Plc 3 Akin Adesola Street Victoria Island, Lagos

10.4 PROFILE OF PHB CAPITAL & TRUST LIMITED - TRUSTEES TO THE FUND

PHB Capital & Trust Limited is a subsidiary of PlatinumHabib Bank Plc (Bank PHB), one of the most liquid, profitable and professionally run commercial banks in Nigeria, with 95% of the equity owned by Bank PHB Capital & Trust and 5% owned by staff of the company. PHB Capital & Trust Limited was incorporated in 1992 to and licensed by the Securities and Exchange Commission to carry out the business of Trusteeship, Fund/Portfolio Management and Registrars. The company presently has an authorized and paid up capital of N110m.

PHB Capital & Trust Limited enjoys and embraces an independent, dynamic and result-oriented culture by adopting a flexible and innovative approach that compliments traditional core banking business. It is also committed to building long-term relationships by developing creative solutions to clients' business problems and actively partnering them all the way to business excellence.

The board of the company is constituted as follows

Francis Atuche - Chairman

Mr. Francis Atuche is the Chairman of the Board of PHB Capital & Trust Ltd as well as the Managing Director of PlatinumHabib Bank Plc (Bank PHB). He holds an MSc. in Banking and Finance from the University of Ibadan. His professional experience spans various organizations including Finacorp Building Society (as the founding Managing Director), Ecobank Nigeria Plc, Chartered Bank Plc and United Bank for Africa.

Mai Mustapha Muhammad Managing Director

Mr. Mai Moustapha Muhammad is currently the acting Managing Director of HTL. He holds a Bachelor of Science degree in Business Administration/Actuarial Science, and a Masters degree in Business Administration from the Ahmadu Bello University. An Authorised Dealing Clerk of the Nigeria Stock Exchange, he is also an Associate of the Chartered Institute of stockbrokers. Between 1988 and 1995, he worked with various banks and capital market operators prior to his joining HTL in 1995.

Kassim Gana Gaidam - Director

Mr. Kassim Gaidam is the Regional Director in charge of the Regional Office North East, PlatinumHabib Bank Plc, Maiduguri Branch. He holds a B.L and LL.B (Hons) from the University of Maiduguri. His professional experience spans various organizations including Borno State Housing Corporation, Yobe Transport Service, Ministry of Agriculture and Natural Resources, Damaturu etc. Between 1997 and 1999, he served as the Attorney General and Commissioner for Justice, Yobe State.

Oluwole Sodipe- Director

Mr. Wole Sodipe is currently the Senior Vice President, Divisional Director, Risk Management & Compliance, PlatinumHabib Bank Plc. He holds a Higher National Diploma in Accountancy and is a fellow of the Institute of Chartered Accountants of Nigeria and an Associate of the Chartered Institute of Taxation of Nigeria. He has diverse experience spanning professional practice and banking.

Charles Enaholo Ojo- Director

Mr. Charles Ojo is the Senior Vice President & Divisional Director, Investment Banking, PlatinumHabib Bank Plc. He holds a B.Sc in Political Science from the University of Ibadan and an MBA from the University of Benin. He has over 15 years of banking experience with strong background in Corporate and Project finance and credit and Marketing. Over 8 years of these have been in leadership and management capacity.

Management

Priscilla Ene-Ita Company Secretary

Priscilla is also the Head of Trust Services. She holds a bachelors degree in law from the University of Jos. She was called to the Nigerian Bar in 1998, and before joining PHB Capital & Trust Trustees, she was in active legal practice with a bias for corporate practice. She is a member of the Institute of Chartered Secretaries and Administrators.

Abdullahi Salisu- Legal Adviser/ Chief Compliance Officer

Mr. Abdullahi Salisu is currently the Legal Adviser/Chief Compliance Officer, PlatinumHabib Bank Plc. He holds a B.L and LL.B (Hons) from the Ahmadu Bello University, Zaria. He has over 20 years working experience most of which he spent as the Company Secretary/Legal Adviser of the former Habib Nigerian Bank Plc.

Joy Edwin-Eyafe Registrar

Joy holds a Bachelors degree in Botany from University of Lagos and a Masters degree in Agronomy from University of Ilorin. She is a member of the Institute of Capital Market Registrars, Institute of Chartered Secretaries and Administrators, Associate member of the Nigerian Institute of Management and Certified Pension Institute of Nigeria. She worked with New Frontier Mortgage Bank and Afribank Nigeria Plc (Registrars Department) before joining PHB Capital & Trust Limited in 1997.

	31 DECEMBER 2007 YTD N'000
ASSETS	
Cash & Short Term Funds	31,079,733
Short Term Invests	31,834,899
Loans & Advances	95,777,007
Advances under finance leases	1,462,337
Other Assets	21,469,773
Long Term Invests	11,254,296
Fixed Assets	9,147,975
TOTAL ASSETS	202,026,020
LIABILITIES	
Deposits & Other Accounts	134,912,242
Other Liabilities	32,457,943
Taxation Payable	92,475
Deferred taxation	590,275
Proposed Dividend	-
TOTAL LIABILITIES	168,052,935
NET ASSETS	33,973,085
CAPITAL AND RESERVES	
Share Capital	14,149,501
General Reserve	19,823,584
SHAREHOLDERS' FUNDS	33,973,085
Accepts, Bonds, Guarantees and other obligations:	46,159,381
TOTAL ASSETS + CONTINGENTS	248,185,401

7. INFORMATION ON THE SKYE SHELTER FUND

7.1 PARTICULARS OF THE FUND

The Fund is established by a Trust Deed in favour of PHB Capital & Trust Limited as Trustees and duly authorized and registered in Nigeria as an Investment Trust Scheme, was created by a resolution of the Board of Directors of the Fund Manager passed on 10th, August 2006. Units of the Fund are offered for subscription in registered lots of 1,000 each and in multiples of 500 thereafter.

The Fund is a close-ended Real Estate Investment Trust scheme intended as a platform for pooling resources together from various classes of investors interested in exploring investment opportunities in real estate business but either lack sufficient capital to stand alone or lack the time and /or expertise to act on its own for a profitable management. The SSF would be dedicated to development and/or acquisition of high quality stock of properties (residential estate for the low and middle income class, commercial properties and other investment properties) in select locations across the federation. The SSF shall also make opportunistic investments in joint venture developments with reputable developers on a case by case basis as the Trustees and the Fund Managers deem fit.

7.2 PROFILE OF INVESTORS

The Fund invites the participation all Nigerian citizens, resident and non-resident investors, companies, associations, banks and other financial institutions, insurance companies, Pension Fund Administrators (PFAs), Quasi government agencies and investment companies.

7.3 INVESTMENT DECISIONS

Investment decisions of the Fund shall be made in accordance with the provisions of the Trust Deed and SEC guide lines governing REITs. All Decisions in respect to the fund, are subject to the approval of the Trustee.

A minimum 2 years holding period will be applicable on properties that are developed by the REIT in line with SEC REITs regulations. The overriding interest of the investors should inform all decision taken in respect of the fund.

7.3.1 INVESTMENT OBJECTIVES

It has been noted in the developed economics that REIT's on average, provide a higher return on investment for investors than investment in quoted securities.

The Fund will be invested in a variety of medium and upper-medium income, top quality properties in good locations in the major commercial and industrial centres in Nigeria primarily in Lagos, but also in Abuja and Port-Harcourt. Target properties shall be those that offer strong fundamentals as well as the potential for accelerated earnings and growth generated through a combination of proven property development and management skills. Ultimately, the Fund's assets will be distributed across a diversified landscape of investment properties aimed at maximizing wealth creation.

The fund manager, with the support of the Estate/ Valuation adviser seek out land with the highest potential earning, add value, consequently sell, lease on hold as the case may be.

7.4 INVESTMENT POLICY

The fund will invest in the following classes of assets:

- Estate Development and Investment properties
The Fund will invest a substantial portion of its assets in the real estate sector. Specifically, the investments will aim to acquire and develop acreages of land in select locations and/or buy and re-design existing properties to maximize revenue/income generating potentials of such properties. The Fund will seek to achieve this aim by targeting the medium and upper-medium income spectrum of the Nigerian real estate market, which continues to be the best asset class with high potentials for income generation and capital growth.
- Equities
The Fund may also invest in the equities of selected real estate property development companies that offers significant dividend and capital growth. These would be entities considered as niche-leaders and which utilizes tested investment strategies, aggressive marketing and innovativeness to achieve superior returns.
- Alternative Investments
This will primary be transactions that are carried out in the money market for liquidity purposes.

7.5 INVESTMENT STRATEGIES

Property investment will at all times command a higher allocation of resources within the Fund, which essentially necessitates the use of professional estate valuers to offer professional support to the Fund Managers on areas of special interest.

The Fund aims for high potentials of income generation and capital growth by investing in the Nigerian real estate, the following income areas would be targeted

Investment Property
Outright Sales
Mortgage Property
Lease Arrangement

Investment Property

This involves direct investments in the development of properties primarily for holding as investment property. The owner of the property (in this case the Fund) could sell off a portion of the property outright for immediate revenue, while a large proportion of the property is held for rent/lease to third party lessees.

Outright Sales

Under this approach, the Fund would seek to buy existing properties or develop new ones, with the express purpose of selling immediately upon completion. This method could represent the fastest way by which revenue can be generated both in the short run and in the long run by the Fund.

Mortgage Property

This is an arrangement by the mortgagor and mortgagee (usually the bank) whereby appropriate financing is arranged for the benefit of the mortgagor in exchange and for the sole aim of developing and/or acquiring a desired property. Financing in this instance could be in the form of completed housing units, which could then be mortgaged to qualifying mortgagors under a mortgage arrangement. It is a long term source of raising finance

In addition, the following specific strategies would be employed in administering the fund

- **Financing**
The Fund Manager would seek to take a unique approach to financing real estate. It aims to finance as much as possible from its equity capital. The low cost of equity coupled with a conservative management and growth oriented investment policies would help the Fund avoid the need for the use of debt capital, thereby enabling it to undertake, maintain and control the investment mix.
- **Investment**
The Fund would actively pursue an investment strategy that has two key components: long-term growth potential and niche selection. This is in recognition of the fact that the key to a sustained growth policy in dividend payout is to create increasing cash flows derived from growth in operating income.
- **Long term Growth Potential**
The management of the Fund would select properties with growth in earning potential. Typically, new acquisitions will be where SSF management already has expertise and some high market expectation on location and use of the new properties. Growth therefore, would be more from understanding the market niche than from the general market growth already priced by analysts in existing property investments.
- **Niche Concentration**
The Fund Manager would apply the axiom of 'staying with what you know'. This philosophy is to invest in what it understands, invest with a purpose in mind, invest with targeted revenue growth and square foot expansions as well as to manage within focus. The nucleus of the Fund's niche will thus be those markets that will generate earnings and growth, where the Fund proposes to own and manage what are known in the industry as prime properties. These properties will offer strong fundamentals as well as the potential for accelerated earning and growth generated through a combination of proven property development and management skills.

7.6 ASSET ALLOCATION

These Assets allocation will be as follows:

Asset Type	Target (%)
Real Estate	75
Real Estate related Assets	25
Provided that not more than 10% shall be in liquid assets	

PROFIT & LOSS ACCOUNT FOR SKYE BANK PLC

THE QUARTER ENDED DECEMBER 31 , 2006

	31 DECEMBER 2007 YTD N'000
INCOME STATEMENT	
GROSS EARNINGS	17,209,651
INTEREST INCOME	13,010,097
INTEREST EXPENSE	(6,715,397)
LOAN LOSS EXPENSE	(446,504)
NET REVENUE FROM FUNDS	5,848,196
EXCHANGE EARNINGS	378,674
COMMISSION & FEES	3,820,880
NET EARNINGS	10,047,750
STAFF COST	(4,157,725)
DEPRECIATION EXPENSES	(585,273)
OTHER OPERATING EXPENSES	(2,800,649)
TOTAL OPERATING EXPENSES	(7,543,647)
PROFIT BEFORE TAXATION	2,504,103
TAX (EXPENSE)/BENEFIT	(751,231)
PROFIT/LOSS AFTER TAXATION	1,752,872

10.3 PROFILE OF THE FUND'S MANAGEMENT TEAM

Timothy Oguntayo

Tim Oguntayo, a Deputy General Manager is the Team Leader and Head of the Investment Banking Group. He has over 25 years of banking experience, starting banking profession in 1981 with UBA. He joined the then Prudent Merchant Bank in 1990, and has worked in various departments within the bank. He is the Group Head of the Fund Management team.

Yemi Gbenro

Yemi is an Assistant General Manager. He attended the University of Lagos where he obtained a Bachelors Degree in Business Administration in 1981 and subsequently a Masters Degree in Marketing from the same University. He has over 16 years of banking experience. He worked with NAL Bank Plc between 1990 and 2002, where he acquired varied experience in investment and corporate banking; he subsequently joined EIB International Bank where he headed the Corporate Finance Division of the Bank.

Bolaji Elelu

Bolaji Elelu is an Assistant General Manager. He attended Ahmadu Bello University, Zaria where he obtained a Bachelors degree in Economics in 1987 and a Master degree in Business Administration from the University of Ilorin in 1990. He further bagged a Masters in Finance and Management from Cranfield School of Management, UK in 2005. He is a skilled banker with over 13 years experience spanning Credit and Business development, Real estate and Property financing / development, at various times with Chartered Bank, Prudent Bank and Fortune Bank.

Ayodele Banjoko

Ayo Banjoko holds a National Diploma in Food Technology from Yaba College of Technology, Lagos and BSc. (Hons.) Banking & Finance from Olabisi Onabanjo University, Ago-Iwoye. He is also an Associate of the Chartered Institute of Bankers of Nigeria. Ayo started his banking career with the then Co-operative Bank Plc in 1991 and has garnered experiences spanning Financial Control, Credit Administration, Corporate Banking and Investment Banking. He is currently an Assistant Manager at the Project & Structured Finance Unit of the Investment Banking Group, Skye Bank Plc.

Tope Odugbesan

Tope obtained M.Sc. Finance and Management with a Distinction from the University of Central England, Birmingham in 2003. He worked previously with United Bank for Africa and Prudent Bank plc. He is a qualified accountant with both the Institute of Chartered Accountants of Nigeria (1999) and the Association of Chartered Certified Accountants (2005). His experience spans financial services, banking and construction industries in Nigeria and the United Kingdom. He currently coordinates the multilateral agencies collaboration desk in Skye Bank's Investment Banking Group. Prior to that he was Regional Finance Manager with ROK Plc, UK, a social-housing construction giant where he supervised management accounting reporting functions of four ROK businesses within the West Midlands.

Tunde Lawal

Tunde is an associate member of the Institute of Chartered Accountants of Nigeria, the Institute of Credit Administration and the Chartered Institute of Taxation. He started his career with Olusola Adekanola & Co in 1999 before joining Liberty Bank Plc in 2001. He also worked with NAL Bank before joining Prudent Bank Plc (now Skye Bank). He works with the Structured/Project Finance Unit of the Investment Banking Group.

Bunmi Ogunjumelo

Bunmi holds a Bachelor's degree in Accounting and Finance from Manchester Metropolitan University, UK and a Master's degree in Real Estate Finance. Bunmi has prior experience in the Retail Banking and Project Finance. She is presently working with the Capital Market Unit of the Investment Banking Group.

7.7 INVESTMENT COVENANTS

The Fund shall invest in such instruments as are permissible under the Trust Deed and as approved by the SEC. The following restrictions will however apply

- The Fund may not make loans except that it may buy and hold qualifying debt/fixed income instruments in accordance with its mandate;
- The Fund Manager shall neither deal in nor retain any underlying securities of any company in which any of its individual officers or directors are the beneficial owners of more than 5% collectively or more than 0.5% of the securities of such companies;
- The Fund Manager shall not invest more than 10% of the NAV in privately placed debentures, securities, debts and other unquoted instruments;
- No part of the Fund shall be invested in any units or securities or instruments of another collective investment scheme being managed by the Fund Manager;
- The Fund Manager shall not invest in any securities that are not transferable.

7.8 COST OF THE FUND

The initial costs of establishing the Fund which is estimated at 4.48% (N89.5M) of the Offer proceeds will be charged against the expected proceeds. This charge includes the expenses of this Offer, which comprises regulatory and professional fees, printing, advertising and publicity and brokerage commission. All future costs and expenses of maintaining the Fund shall be deducted from the income generated by the Fund.

7.9 SUBSCRIPTION TO THE FUND

The investment capital of the Fund shall be made up of subscriptions by investors to the units of the Fund during the Offer period. Any Unsubscribed units will be warehoused by the Fund manager for sale on the floor of the Nigerian Stock Exchange.

Subscriptions from foreign based subscribers and in foreign currency are also permissible. Such subscription monies shall be converted to Naira, determined at the auction of the CBN as conducted from time to time. The Fund Manager's bankers shall issue a Certificate of Capital Importation to this category of subscribers within 48 hours of confirmation of receipt of the subscription amount. Certificates of capital importation are required to facilitate subsequent repatriation, in a freely convertible currency, of proceeds arising from the sale of Units or from any distribution of the Fund's income that the Fund may undertake.

7.10 VALUATION OF THE FUND'S ASSETS

For the purpose of its quarterly returns, the valuation of the Assets shall be done at the close of each quarter of a financial year or such other period which the Fund Manager shall advise from time to time, based on professional valuation as well as on bases approved by the SEC from time to time. The Fund Manager shall advise the value of the Fund after the valuation to unit holders, SEC and the NSE. The following formula shall be adopted:

1. Total market value of Real Estate Assets in the Fund based on a professional valuation of the Properties;
- Add:
2. Market value of investments in quoted stocks;
 3. Un-invested cash;
 4. Undistributed income to date (less expenses);
 5. Total value of money market instruments;

Net Asset Value per Unit = summation of 1 plus (2-5) divided by number of Units outstanding.

7.11 INCOME DISTRIBUTION

A minimum of 80% of the income will be distributed to unit holders at the end of every financial year subject to the minimum guaranteed return as under "summary of Offer" (item 15).

7.12 CERTIFICATE OF UNITHOLDING

Investors will be issued certificates for their units of holding, as evidence of their ownership and title to the number of units specified on the certificates. Joint unit holders shall be entitled to one certificate in respect of the units held jointly by them. Certificate of joint holdings shall be delivered to the joint holder whose name first appears on the Register. Certificates will be jointly signed by the representatives of the Trustees and the Fund Manager and shall bear their respective seals.

The Registrar shall dispatch certificates of unit holding to the unit holder. Each new Unit holder shall be assigned one reference number. Unit holders are requested to quote the reference number in any correspondence with the Registrar, Trustees or Fund Manager.

7.13 TAX CONSIDERATION

Income from the Fund shall not be subject to income tax. Withholding tax paid at source on dividends and interest income shall be treated as final tax. Foreign investors should contact their respective tax authorities for the tax treatment of capital gains income earned in Nigeria.

7.14 POTENTIAL RISKS

As with mutual fund investments, there is a risk that investors in the Fund could incur losses on their investments. The Fund is therefore subject to, among other risks:

Market Risk

This is the risk of a downturn in the market which may lead to losses.

Share prices, including unit prices of real estate investment trusts, may decline over short or extended periods. In a declining stock market, unit prices for all real estate investment trusts may decline, regardless of any one company's prospects. As a result, the Fund may also decline in a declining stock market.

However, properties prices generally fluctuate more than those of other securities, however in the long-term, they have been known to generate the highest returns in all asset class categories.

Real Estate Industry Risk

This relates to the degree of variability between actual and projected revenues as a result of the nature of the real estate industry. When the revenues or the value of real estate property owned by a real estate investment trusts decline or fail to meet market expectations, its unit prices may decline as well. Therefore, the Fund is subject to the risks associated with investing in real estate (any of which could cause the value of a real estate investment trust unit price to decline). These could include

- possible decline in the value of real estate
- adverse general and local economic conditions
- possible lack of availability of mortgage funds
- overbuilding in a specific market
- changes in interest rates
- Environmental problems

However, the value of investments generally fluctuates in response to market movements, as every type of investment involves an element of risk. This is a normal aspect of investing. While there are many factors that may affect the performances of every class of asset: equity, fixed income or cash investments, there are enough countervailing factors offering opportunities for good returns and capital growth.

Business Risk:

This is the risk of a reduction in asset values as a result of unexpected changes in the operating dynamics of the property market or the immediate business environment. The Fund Manager will ensure to invest only in assets that guarantee the best returns. The fund manager track record in the property and real estate sector will come fully to play in this regard.

Interest Rate Risk:

Most of the investments of the Skye Shelter Fund in this class shall be on a short/medium-term basis. The Fund Manager will ensure prompt termination of investments that witness a sharp deterioration in value, and move to assets with a higher yield.

Liquidity Risk:

There may be liquidity risk where some assets are difficult to sell. Investments in real estates (properties) with low market turnover as well as those with poor locational benefit may be difficult to sell. However, the Skye Shelter Fund will carefully select the location and nature of properties in which the funds resources will be committed based on the experience of the Fund Manager and the Property Adviser in this line of business.

7.15 ANNUAL GENERAL MEETINGS

The Fund shall hold an annual general meeting ("AGM") of all Unit holders. All Unit holders will, in accordance with the relevant provisions of the Trust Deed, be entitled to receive notice of, attend and vote at any AGM of the Fund. Each unit entitles the Unit holder to one vote.

7.16 RETURN ON THE SHELTER FUND

From the profit forecasts, the Fund Manager expects a return of 26% in Year 1, 30% in Year 2 and 33% in Year 3, giving an average expected rate of return of 29.6%. The value per share of the Fund is projected at 118.5% in Year 1, 128% in Year 2 and 138.9% in Year 3 against a projected inflation rate of 9% in Year 1, 7% in Year 2 and 5% in Year 3 against a projected inflation rate of 9% in Year 1, 7% in Year 2 and 5% in Year 3.

Mr. Vinay Tuteja

Mr Tuteja is a Chartered Accountant and an associate Member of the Institute of Chartered Accountant of India (ICAI) and Institute of Cost Accountant (ICWA), India. He has over eleven years experience in Banking and Finance, including Treasury Management, Project Capital Management, Audit and Taxation. He also worked with the Core Emballage Limited in India where he was the Finance Manager. He joined the Stallion Group of Companies as the General Manager, overseeing Finance & Account for the Car Division, before he became the Finance Director for the Group in 2000.

Princess Adenike Adeniran

Princess Adeniran is a Fellow of the Chartered Association of Certified Accountants (ACCA). She is also a qualified Professional Dealing Clerk & Stockbroker of the Nigerian Stock Exchange. Princess has held several positions and assignments such as Chairman, Ogun State Investment Corporation, President, Association of Accountancy Bodies in West Africa (ABWA), First and Incumbent President, International Federation of Women Accountants (IFWA) Africa Region, and President, Institute of Chartered Accountants of Nigeria. A seasoned banker, she was Chief Accountant of Cooperative Bank PLC, and General Manager, Nigbel Merchant Bank Limited amongst others. She is a member of the National Economic Intelligence Group, and is also currently the Chairman Chief Executive of Dominion Trust Limited.

Mr. Kola Awodein (SAN)

Mr. Kola Awodein is a graduate of Law from Obafemi Awolowo University. He is a Senior Advocate of Nigeria as well as a Fellow and Scholar, Centre for International Legal Studies (CILS). He is also an alumnus of Harvard Business School. Mr. Awodein started his law career with Olajide Oyewole and Co. in 1979 and is currently the Principal Partner Kola Awodein & Co. He has held various appointments in the Nigerian Bar Association and has been Editor of various legal journals.

Brig. Gen. Anthony Ukpo (RTD)

Brig. Gen. Anthony Ukpo, an Industrialist with various interests in Manufacturing, Property Development, Oil and Gas Development and Hotel Development, served in the Nigerian Army before retiring in 1993. He has a Diploma in Instructional Technology from the US Marine Corp Instructional Technology School (USA) and a Masters Degree in Military Arts and Sciences (MMAS) from the Command and General Staff College (U.S.A).

General Ukpo held various political appointments, which included Federal Minister, Information and Culture, Military Governor, Rivers State, and Principal Staff Officer to the President. He is currently the Chairman, Board of Directors Megastar Construction & Technical Co. Limited, and QBC Builders Merchant Limited.

Dr. Jason O Fadeyi

Dr. Fadeyi graduated with a B.S.c in Biology from Yale University, Connecticut, USA. He holds an MBA, (Health Care Mgt) from The Wharton School, University of Pennsylvania, and M.D, (Medicine) University of Pennsylvania School of Medicine, Philadelphia. He is a Fellow of the American Academy of Pediatrics, and member of the American Academy of Medicine and American Management Association. Dr. Fadeyi acquired business experiences from world known consulting firms; Booz Allen and Hamilton Inc and McKinsey & Company Inc, in New York. He is currently the General Partner of CSS Petroleum Services, LLC of New York and the Managing Partner of Mayfair Properties, a division of JATSCO Mayfair International Property Management, LLC, New York.

Mr Victor Adenigbagbe

Mr Adenigbagbe holds a Bachelors degree in History and Sociology, and a Masters degree in International Relations, both from Obafemi Awolowo University, Ile Ife. He has attended several local and foreign courses on Financial and Co-operative Management and held academic positions in Obafemi Awolowo University, Ile Ife and Osun State College of Education, Ilesa. Mr Adenigbagbe has served on the Board of several companies and he is the current Chairman of Cooperative Savings and Loans Limited.

Mr. Michael Gashau Tarfa

Mr. Tarfa is an alumnus of the Ahmadu Bello University, Zaria. He holds B.Sc and M.Sc degrees in Agric Economics and an MBA from Kensington Glendale, USA. He started his career with Gongola State and later moved into the banking sector. He has over 10 years banking experience with expertise in Credit and Branch Operations. He joined the Nigerian Ports Authority in 1996 and is currently an Assistant General Manager.

Mr Ariyo Ajaja

Mr Ajaja is an astute Accountant with over 26 years of experience in Banking. He started his career with Z. O Ososanya & Co (Chartered Accountants) and moved to Co-operative Bank as a Senior Inspector. He worked in different capacities in Co-operative Bank and rose to the position of Managing Director, a position he held until his retirement in February 2006. Mr Ajaja served on the Board of several professional bodies, and was the Chairman, Ibadan branch of the Institute of Chartered Bankers of Nigeria from 2000 to 2004. He also served on the Board of several companies, including Express Discount House Ltd. He is currently the Chairman of Worldwide Insurance Company Ltd.

He had earlier worked in African Petroleum [formerly British Petroleum Nigeria] and Peat Marwick, Casselton Elliot and Co. Nigeria, and International Merchant Bank. He has attended several training programs including:

- International Banking Course at the Manchester Business School, University of Manchester, U.K. An attachment program at the First Chicago Leasing Corporation [a 100% owned subsidiary of The First National Bank of Chicago].
- Senior Executive Internship program at the American Express Bank N.Y.
- He has also attended the Strategic Management in Banking program and the Advanced Management Program of the European Institute of Business Administration [INSEAD], France.

Special areas of expertise include Corporate Banking, Project Financing and Advisory Services.

Kehinde Durosinmi-Etti Deputy Managing Director

Mr. Durosinmi-Etti is the Bank's Deputy Managing Director. He holds a Bachelors degree in Economics from the University of Ibadan and is also a Fellow of the Chartered Association of Certified Accountants (FCCA).

He commenced his banking career in 1987 with Nigeria-American Merchant Bank Limited (affiliate of Bank of Boston), where he was, at various times the head (Accounts and Information Technology division) as well as the head of the bank's Management Internal Control section.

He left in 1990 to join Midas Merchant Bank where he worked in several capacities including Head of Treasury, Assistant General Manager in charge of the Money Market Division, Executive Director and eventually the Chief Executive Officer.

He subsequently joined the Lagos Building Investment Company Limited as Managing Director in 2001, a position he held until 2002, when he assumed the position of Managing Director / Chief Executive Officer of EIB International Bank. After the consolidation of the bank into Skye Bank Plc, he has been the Deputy Managing Director of Skye Bank Plc.

Olusegun Oloketuyi - Executive Director

Mr. Oloketuyi is a Chartered Accountant and a Fellow of the Institute of Chartered Accountants of Nigeria [ICAN]. He holds a Bachelors degree in Chemistry and a Post Graduate Diploma in Chemical Engineering both from the University of Lagos.

Between 1985 and 1990, he worked with Messrs. Akintola Williams & Co. (now Akintola Williams Deloitte & Touche), a firm of Chartered Accountants and left as an Audit Senior in March 1990 to join Chartered Bank Plc. Until he joined Prudent Merchant Bank in January 2000, he was an AGM in the Corporate Banking and Risk Management Group of Chartered Bank Plc, where he acquired extensive experience in Corporate Banking. While also in Chartered Bank, he had a 2-year stint in branch banking as a Branch Manager. Segun also holds an MBA degree from the Lagos Business School of Pan-African University.

Olugbenga Ademulegun - Executive Director

Mr. Ademulegun holds a Bachelors degree in Economics from Ahmadu Bello University, Zaria and a Master's degree in Economics from the University of Jos. He is an associate member of the Nigerian Institute of Management and he also holds a Treasury Dealership Certificate. Prior to joining EIB, Mr. Ademulegun worked with Coopers & Lybrand as well as Inland Bank Plc, Equitorial Trust Bank Plc and Gulf Bank. He has attended various courses, including the Advanced Management Programmes at the Lagos Business School as well as the Financial Management of Agriculture and Industrial Resources.

Mr. Collins Chikeluba

Mr. Chikeluba is a lawyer by profession. He holds a B.Sc from Fontbone College, St. Louis, USA and an MBA from Webster University, USA. He started his career as an Associate Lawyer in the firm of Ayanlaja, Adesanya & Co. He founded the firm of Chikeluba and Associates, Legal Practitioners, in 1990 and became the Managing Director of GMO Group of Companies in 1991.

Dr. Adebayo Adewusi

Dr Adewusi holds B.Sc, M.Sc and Doctorate degrees in Economics, and an LL.B degree. He is also a Director in several companies, including Ibile Holdings Limited, United Nigerian Textiles Plc and Lasaco Insurance Plc. His career cuts across Banking and academics. He has written several articles on Economics and Finance, both in Nigeria and abroad. He is a member of the Institute of Directors, Nigerian Economic Summit Group, and Nigerian Economic Society.

Hon. Adeniran Sule-Akinsuyi

Hon. Sule-Akinsuyi is an alumnus of the University of Lagos and Nigerian Law School. He also holds an LL.M degree from Obafemi Awolowo University, Ife. A legal practitioner, his work experience cuts across academics and public service. He was at various times lecturer at Ondo State Polytechnic, an honourable member of Ondo State House of Assembly and Special Assistant and Adviser to Ondo State Governor on legislative and Judiciary Matters. He is the Principal Partner, HAT Akinsuyi & Co.

8. PROFIT FORECAST

8.1 LETTER FROM REPORTING ACCOUNTANTS ON PROFIT FORECAST OF SKYE SHELTER FUND

The Directors,
Skye Bank Plc,
3, Akin Adesola Street,
Victoria Island,
Lagos.

Gentlemen,

SKYE SHELTER FUND

OFFER FOR SUBSCRIPTION OF 20,000,000 UNITS OF N100 EACH

We have reviewed the accounting policies and calculations for the financial forecast of the Skye Shelter Fund (for which the Fund manager is solely responsible) for the three years period beginning January 1, 2007.

In our opinion, the financial forecast, so far as the accounting policies and calculations are concerned, has been properly compiled on the basis of the assumptions made by the managers set out on page 2 and 3 and are presented in accordance with generally accepted accounting principles in Nigeria.

However, there will usually be differences between forecast and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

We have no responsibility to update this report for events and circumstances occurring after the date of this report.

Yours faithfully,

DELE OLUFON & CO.
Chartered Accountants

March 21, 2007

SKYE SHELTER FUND

8.2 Bases and Assumptions

1. ASSUMPTIONS UNDERLYING THE FORECAST OFFER STATISTICS

The basis and principal assumptions adopted by the Managers in the preparation of the projected offer statistics are set out below:

- a. **Basis of Preparation**
The projected financial statements have been prepared under the historical cost convention.
- b. **Political and Economic Factors**
It is projected that there will be no significant changes in the political, economic and government Monetary and Fiscal Policies within the first few years of operations of the Fund that will severely/adversely affect the operations of the Fund and its performance.
- c. **Subscription to the Offer**
The 2,000,000,000 units of the Fund will be fully subscribed within the initial subscription period under the terms and conditions of the offer.
- d. **Initial Cost of the Offer**
Total costs associated with the Offer are estimated at 4.48% (N89.5 million) of the gross proceeds, all of which will be payable at the end of the initial subscription period. Accordingly, net offer proceeds will amount to N1,885 million.
- e. **Investment of Fund and Limitations**
A minimum of 75% of the net offer proceeds will be invested in property investment, 15% of the net proceeds will be invested in the capital market (in the ratio of 50% in bonds and 50% in equities) and 10% in money market.

2. INFORMATION ON THE OPERATIONS OF THE FUND

- i. Property trading income will be at an average of 35%, 40% and 45% for year 2007, 2008 and 2009 respectively.
- ii. Dividend income will be 13%, 16% and 18% of the market value of securities in The Fund's portfolio in 2007, 2008 and 2009 respectively.
- iii. Fixed Interest income will be 13%, 11% and 9% of the value of the bond in the Fund's portfolio in 2007, 2008 and 2009 respectively.
- iv. Investment in money market will attract an average interest rate of 12% per annum.
- v. Operating expenses including the remuneration of the Trustees and all other agents of the Fund will not exceed 3.5% of the Net Asset Value per annum.
- vi. The quality of the Fund Manager, Trustees and Registrars will be sustained during the forecast period.

3. FEES, CHARGES AND OPERATING EXPENSE

- i. **Offer Expenses**
All charges and fees for establishing The Fund, including the fees payable to receiving agents, the Securities & Exchange Commission and The Nigerian Stock Exchange, professional fees and all other related expenses, estimated at 4.48% of the Offer proceeds and amounting to N89.5 million, are payable by The Fund are to be amortized over five years.
- ii. **Management Fee**
The Managers will receive a fee payable annually at a rate of 1.5% of the Net Asset Value per annum. In addition, the Manager will be entitled to an incentive fee of 30% of the total annual returns in excess of 10% of the Fund's Net Assets Value per annum.
- iii. **Operating Expenses**
Operating expenses including the remuneration of the Trustees and all other agents of the Fund should not exceed 3.5% of the Net Assets Value per annum.

HOSPITALITY STRUCTURES/BULDINGS

OGEYI PLACE, PORT HARCOURT

Le Meridien Ogeyi Place, Port Harcourt is strategically located at the heart of Port Harcourt in the highbrow semi residential semi business area of GRA Phase 2. Ogeyi place is a safe environment with functional facilities. It is tastefully and exquisitely finished, the hotel's décor matches an International standard of a five-star hotel. Le Meridien Ogeyi Place offers 86 rooms comprising of 80 deluxe spacious rooms and a Penthouse floor with 6 suites, including a Presidential suite, Diplomatic suite and Executives suites. All the rooms include an interactive TV, Modem Port, DDI telephone with two lines, fax modem, in room safety deposit box.

INTERCONTINENTAL HOTEL, LAGOS

This will be the first intercontinental hotel in Nigeria. The project is an 85 metres (24 floor) building with curtain wall facade located at Kofo Abayomi Street on Victoria Island Lagos. The vision is to make the hotel the finest luxury hotel in Lagos, appease the international traveller's utmost business and leisure needs. The features include;

- 361 beautifully appointed and equipped bedrooms and suites
- Stunning views of the Atlantic Ocean and Lagoon
- 6 trendy F& B outlets offering international cuisines
- Best Banqueting Facilities (8 Venues largest 1,200 guest)
- State of the art Health Club & Spa
- Modern energy saving device
- International Safety and Accessibility standards
- Full captive power back-up

EDUCATIONAL STRUCTURES/BULDINGS

GREEN SPRINGS SCHOOL

Greenspring School is building a new campus with world class facilities at Lekki.

The school is providing five student segments, Pre-School Montessori, Elementary School, High School, Sixth Form Program and Special school for physically/mentally challenged children. The school intends to serve the needs of the emerging middle-class and upscale customer segments in the Ikoyi/Victoria Island/Lekki (IVL) axis with a new campus at Lekki while the old Anthony campus shall actively grow markets in Lagos mainland customer segments

The bank has also successfully financed, expansion and start up projects in school. Prominent among the schools are Stella Marris Nursery and Primary School Abuja, Premiere Academy, Abuja, Robarto International School Abuja, Atlantic Hall Lagos, to mention a few.

10.2 DIRECTORS OF THE FUND MANAGER

Alhaji Musiliu Adeola Kunbi Smith OFR, CFR, Chairman

Alhaji Smith is a retired Police Officer, and was the Inspector General of Police of Nigeria from May 1999 to March 2002. Prior to his appointment as the Inspector General of Police, he served in different capacities with the Nigerian Police Force between 1971 and 1999. He was also a member of the Provisional Ruling Council of Nigeria between 1998 and 1999. Alhaji Smith is a distinguished scholar, holding a Masters degree in Strategic Studies from the University of Ibadan. He has attended several training courses both at home and abroad.

Mrs. Morenikeji Onasanya, Vice Chairman

Mrs. Onasanya is an accomplished accountant. A Fellow and Council Member of the Institute of Chartered Accountants of Nigeria, she had her professional accountancy training at Waltham Forest Technical College, Waltham stow, London. Mrs. Onasanya had a rewarding career with UAC Group of companies where she rose to become the Group Head of Finance before proceeding on voluntary retirement in December 2000. She has attended several management development programmes locally and abroad. She is on the board of several companies, including Pera Beam Limited and W.T Systems Limited. She is also a council member of the Bank Directors Association of Nigeria (BDAN).

Akinsola Akinfemiwa Managing Director/Chief Executive Officer

Sola Akinfemiwa holds a B.Sc. degree in Agricultural Economics from the University of Nigeria, Nsukka and an M.B.A. degree from the University of Ife. He was the Deputy Managing Director in charge of Corporate Banking and Risk Management Group, as the Chief Credit Officer [CCO] at Chartered Bank Plc before joining Prudent as the Managing Director/CEO. Skye Bank Plc.

WUSE II TERRACE, ABUJA

The estate consists of 34 units of luxurious terrace duplexes located along the highbrow Olusegun Obasanjo Crescent, Wuse II, Abuja. The houses are well finished for the comfort of the upper middle class. The product offering include; private garden, swimming pool, boy's quarter, POP ceiling, estate security, good roads and drainage.

SOLID HOMES, ABUJA

Solid Homes estate is located at Kabusa Abuja. The project comprising low, medium and upper income cost houses. The phase 1 of the project comprising of 504 units (2-Bedroom flat), 200units (3-Bedroom flat), 80 units of 3 Bedroom Terraces, 162units of 4 Bedroom Semi-Detached, 55 units of 4 Bedroom Detached units totaling 1001 units.

GOSHEN BEACH ESTATE, LAGOS

Located along an exclusive beach in Lekki, Lagos. The estate comprises 86 units of houses (4-bedroom and 5-bedroom (ensuite) fully detached houses) Each of the houses is with a 2-bedroom boys quarters. Each of the houses occupies about 1200 square meters of land space and finished with high-class materials.

FEMI OKUNNU ESTATE, PHASE 2, LEKKI LAGOS

Femi Okunnu Estate is an initiative of Lagos State Department and Property Corporation (LSDPC) and Skye Bank. The estate consists of 104 prototype units of terrace houses uniquely designed and exquisitely finished. It is a 4 Bedroom (ensuite) terrace Duplex with 2 Bedroom Boys' quarters.

FEMI OKUNNU ESTATE, PHASE 3, LEKKI LSDPC

The estate consists of 21 blocks of 6 nos. 3-bedroom flats making 126 flats altogether. The product offering include; Private garden, POP ceiling, Electricity and water connection to the mains, Drainage, good road network, Well secured environment and enlarged spaces, entrance lobby door is bulletproof. All windows are bronze and anodized aluminum.

The project is targeted at the middle class desiring decent accommodations in a serene environment.

THE VICTORY PARK ESTATE

Victory Park Estate is an on-going development occupying a land area of about 50 hectares in Lekki, Lagos. It is designed for mixed development i.e. provisions of laid-out plots with basic infrastructure as well as built up housing units for sale to perspective homeowners.

SAPPHIRE HOMES ESTATE

The proposed estate is a mixed development comprising of 1,547 units of houses to be built on a land measuring 50 hectares at Awoyaya village, on Lekki Epe Express way. The house types proposed for this project include the following - Detached house, Semi Detached, Town Houses, Bungalow, 3 Bedroom Flats. The houses on completion will be well finished and serviced with adequate parking spaces and secure with gate and perimeter fencing.

GREEN ACRES ESTATE

The project is a 2,151 units of houses on a plot of land measuring 100 hectares at Awoyaya village, on Lekki Epe Express way. The proposed estate is a mixed development comprising of different house types which include the followings; Detached 4 Bedroom Duplex, Semi Detached, Town Houses, Bungalows, 3 Bedroom, 2 Bedroom Flats.

ZION GOLDEN CITY, AKURE

The Properties are on 48.853 Hectares of Land along Akure /Ilesha Express way for provision of serviced plots, and estate development. Comprising 33 infra-structured plots of land and 20 units of 4 bedrooms ensuite duplexes on 540m2 with extra land for the development of boys' quarters.

Each plot is serviced with portable drinking water, armoured electrical cable, Telephone, intercom, internet & DSTV line through optical fibre cable. Drainage and tarred road, Street lights, well equipped police post.

APICO SHELTER AFRIQUE, UYO

This project comprises of the following house types:-

- 2 bedrooms semi-detached house
- 3 bedrooms semi-detached house
- 2 bedrooms detached bungalow
- 3 bedrooms detached bungalow
- 3 bedrooms semi-detached maisonette
- 4 bedrooms semi-detached maisonette
- 4 bedrooms detached duplex

4. TAXATION

Since 80% of the fund will be distributed to the unit-holders, the fund will not be liable to pay tax, but tax will be withheld from the dividend paid.

5. DIVIDEND

A dividend of 80% amounting to N394.3 million, N475.7 million and N565.6 million is projected for years 2007, 2008 and 2009 respectively.

6. ANNUAL AUDIT

The Fund's accounts will be subject to annual audit by auditors as the Trustees shall approve from time to time.



8.3 PROFIT FORECASTS FOR YEARS ENDING 31ST DECEMBER...

	2007 N'	2008 N'	2009 N'
Income			
Property Trading Income	494,841,638	592,812,774	703,636,489
Fixed Interest Income	18,379,832	16,302,351	14,072,730
Dividend Income	18,379,832	23,712,511	28,145,460
Money Market Income	22,621,332	23,712,511	25,018,186
Gross Income	554,222,634	656,540,147	770,872,865
Less: Total Operating Expenses	61,296,359	61,868,761	63,807,073
Net Income before Distribution	492,926,275	594,671,386	707,065,791
Less: Dividend Payable	394,341,020	475,737,109	565,652,633
Undistributed Income	98,585,255	118,934,277	141,413,158
Dividend Payout Rate	0.80	0.80	0.80

Risks unbundling and management is at the centre of real estate investment. Institutions must be able to manage all the risks associated with real estate investment products, including default and credit risks. They must also maintain a high level of credibility and public confidence to attract investors.

The existence of a credible, efficient and responsive legal system is critical to the emergence of a viable housing finance system.

Tedious and cumbersome systems of land administration, land tilting and validation typically slow down housing production and delivery. In many African countries, there are legal hindrances to the ability of property owners to pledge residential property as collateral while registration of interests and foreclosures could be a nightmare to lenders.

Lack of serviced land, appropriate building codes, materials and technology tends to hinder smooth real estate investment. Some institutions that have been directly involved in property development has had unmanageable risks introduced into their balance sheet.

OPPORTUNITIES

In spite of the challenges enumerated above, housing is a tool for economic development and growth through the many employment opportunities it creates and its linkages to other sectors of the economy. Real estate investment makes important contributions to the economic and social well being of the nation and serves as an instrument for wealth creation.

The following tremendous opportunities exist for real estate investment institutions to play important roles in economic development

Local and international awareness about the housing problems confronted by developing countries has led to greater commitment to promoting resource mobilization for development, for instance the Habitat II Conference, the Monterrey Consensus for Financing Development, the World Urban Forum and recently, President Bush's Mortgage Initiative for Africa, amongst others. These developments allow the housing investment and finance sector to build partnerships across institutions and nations in order to fully benefit from some of these initiatives.

There are greater opportunities for resource mobilization with improving macroeconomic stability and economic performance. Sources of funds are also expanding as the capital markets are developed and the management of social security / pension funds and similar institutions becomes streamlined and made more transparent. Financing institutions can therefore standardize underwriting procedures, strengthen systems and develop competencies that would help them tap into these new sources of funds.

The banking sector controls a significant proportion of national financial assets, yet only a small portion of these is held in mortgage assets. Many banks have however identified the strong demand for housing amongst their customers and have started to offer mortgage loans to them. This will increase competition in the market, but will conversely make more resources available to homebuyers and force housing financing institutions to rethink their strategies.

10. INFORMATION ON THE SPONSOR/FUND MANAGER AND THE TRUSTEES

10.1 SKYE BANK PLC SPONSOR AND FUND MANAGER

In furtherance of the Central Bank of Nigeria's directive on re-capitalization and increase in the minimum Shareholders' Funds of banks within the Nigerian banking industry, Skye Bank Plc emerged from the amalgamation of five banks, namely Prudent Bank, EIB International Bank, Cooperative Bank, Bond Bank and Reliance Bank.

Presently, Skye Bank Plc has Total Shareholders' Funds of N34.6 billion, Asset Base in excess of N200 billion about than 200 branches, spread all over the federation. The bank has rapidly strengthened its position by harnessing its operating and management capabilities; deploy its comparative advantage in information technology and e-portals as well as aggressively expanding its share of the market.

However, to further strengthen its position in the rapidly evolving Nigerian banking landscape, Skye Bank is poised to offer unparalleled banking services to all the sectors of the economy. The bank has been in the forefront of providing real estate services to improve the housing needs in Lagos, Abuja, Cross River and Rivers State, through the provision of real estate financing support. Some of the housing projects financed by the Bank include the following:

NOTABLE PROJECTS FINANCED BY SKYE BANK PLC Assets in which the company has had involvement

ADKANESTATE, ABUJA

This is a mixed development of 351 units of houses in Gwarinpa, Abuja. The estate consists of fully detached and semi-detached duplexes as well as apartments. The estate is supplied with infrastructure, consisting of good road network, electricity transformers, perimeter fence and portable drinking water.

9. OVERVIEW OF THE NIGERIAN CAPITAL MARKET

9.1 REGULATORY STRUCTURE

SEC and the Nigerian stock exchange are the two bodies that have an oversight on the Nigerian capital market, with the SEC being the principal regulator, while the NSE is a self regulatory body which provides a trading platform for the listing of new issuers and trading in already quoted securities.

The Skye Shelter fund will be listed on the NSE's Daily official list.

9.2 OUTLOOK ON THE REAL ESTATE SECTOR

Housing issues continue to be one of the key factors in national development and economic stability. The Nigerian private sector, both formal and informal, has yet to show that it has all it takes to take up the challenge of producing houses for the majority of the population within the medium to upper income classes. In fact, the private sector currently produces the bulk of the houses in most Nigerian cities and most importantly quite efficiently.

However, developers, especially those interested in entering into the low and medium income housing market, have been hampered in fully deploying their resources due to major bottlenecks including - high cost of funds, lack of access to land and security of tenure amongst others.

Similarly, rental housing has also suffered from inadequate investments. Resource mobilization remains a critical component of housing development. Unfortunately, there continues to be a dearth of long term investible funds, which is essential to meaningful institutional real estate development in Nigeria. This is thus an area where initiative action is most urgently needed.

The shortfall in housing supply to demand in both developed and developing countries is worsening, in spite of all the motions and rhetoric of governments and the public sector. Old paradigms are unworkable, formal supply hopelessly inadequate and most conventional approaches largely irrelevant given the magnitude of the demand.

Africa has the world's largest urbanization rates with an average urban growth rate in excess of 4% annually. Nigeria, being the most populous country in Africa has, by extension, one of the highest urban growth rates on the continent. Currently, about 40% of the total population lives in cities and by 2030, the urban population is expected to rise to 55% of the total population. These urbanization trends have led to an increase in the number and proportion of city residents living in informal settlements, or more appropriately, slums.

Estimates indicate that, in many cities in the developing countries, 40% to 80% of the inhabitants have been living in slums and informal settlements characterized by inadequate basic services for more than two decades.

In the Nigerian real estate sector, properties in Lagos generally command higher values. Specifically, areas like Ikoyi, Apapa, Victoria Island and Lekki remain the choice investment areas, primarily because of the demand for properties situated in these areas, the ease with which they change hands and the consequent fluidity of transactions deriving there from. Closely following Lagos are Abuja and Port Harcourt.

INFORMAL HOUSING FINANCE SYSTEMS

Perhaps one response to the above scenario is the development of institutional mortgage. However, institutional mortgage is not widely available or often fails; and so non-institutional and informal sources including family, friends, cooperatives and employers take over. Employers' housing is quite significant and fills the gap left by lack of formal finance.

Research shows that about 70% of houses in Nigeria are financed using informal sources (Okpala 1994). In some cases, cooperative societies, especially savings and credit societies provide small, medium-term loans to assist cooperators to extend, complete and renovate their houses.

Families also resort to building on an incremental, never-ending, unproductive basis, over periods of between 5 to 10 years. These unproductive investments remain a big drain on the economy and often delay the development of a viable system of real estate investment.

CHALLENGES

Real Estate finance faces many challenges in practice, due to the following factors amongst others

Resource mobilization is at the core of real estate investment business. The unfortunate reality is that there is still a dearth of long term funding in Nigeria, even as other sectors compete with the real estate sector for the available financial resources.

Real estate delivery is hampered by demand driven variables, particularly low income levels and employment. A critical mass of homebuyers with reasonable disposal incomes to acquire housing is necessary for the real estate sector to thrive. But with very high unemployment rates and low incomes, real estate investments face the serious challenge of designing and offering products that meet the needs and conditions of a typical homebuyer as against the vanilla-type products that some existing institutions offer. Innovation is thus essential for survival in this sector.

STATEMENT OF CHANGE IN NET ASSET VALUE YEARS ENDING 31ST DECEMBER...

	2007 N'	2008 N'	2009 N'
Changes in Net Assets Value			
Assets Value, Beginning of Year	1,885,111,000	1,976,042,579	2,084,848,856
Add: Net Income before Distribution	492,926,275	594,671,386	707,065,791
Net Assets Value (before deducting Fund Manager's Incentive)	2,378,037,275	2,570,713,964	2,791,914,647
Fund Manager's Incentive	7,653,676	10,128,000	12,836,230
Net Assets Value before Dividend	2,370,383,598	2,560,585,965	2,779,078,417
Less: Dividend Payable	394,341,020	475,737,109	565,652,633
Net Assets Value, End of Year	1,976,042,579	2,084,848,856	2,213,425,784
Total Returns from Investing Activities	492,926,275	594,671,386	707,065,791
10% of Scheme's NAV	237,803,727	257,071,396	279,191,465
Excess of Returns over 10% of NAV	255,122,547	337,599,989	427,874,326
Return on Investment	0.26	0.30	0.33
Number of New Units in Issue	20,000,000	20,000,000	20,000,000
Value Per Unit (₦)	118.52	128.03	138.95
Dividend Per Share (N)	19.72	23.79	28.28
*Projected Inflation Rate (%)	0.09	0.07	0.05

THE SKYE SHELTER FUND
ACTIVITY (INVESTMENTS) LEVELS FOR YEARS ENDING ...

		2007 N'	2008 N'	2009 N'
Total Investments	%	1,885,111,000	1,976,042,579	2,084,848,856
Property Investment	75	1,413,833,250	1,482,031,934	1,563,636,642
Capital Market - Bonds, Equities	15	282,766,650	296,406,387	312,727,328
Currencies etc	10	188,511,100	197,604,258	208,484,886
		1,885,111,000	1,976,042,579	2,084,848,856

Total Investments - This is arrived at after deducting Issue Costs of N89.5m and cost of Fixed Assets for the operations of the Fund, amounting to N6.5m

Property Investment
It is projected that 75% of the fund will be invested in properties.

Capital Market - Bonds, Equities
In order to provide some revenue assurance to the fund, 20% of gross funds under management will be invested capital market investments with fixed income potentials- in the ratio of 50% in bonds and of 50% in equities etc

Money Market Investments etc
To provide liquidity and take advantage of arbitrage opportunities existing in the money market, the fund will also invest approximately 5% of its volume in this market.

Operational Assets - The fund will procure operational assets in the first year of operations as follows -

Asset Type	Cost N	Depreciation Rate %	Annual Depreciation N
Motor Vehicles (2)	5,000,000	25	1,250,000
Office Equipment	1,500,000	10	150,000
	6,500,000		1,400,000

8.4 LETTER FROM THE ISSUING HOUSE



Dominion House
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June 19, 2007

The Directors
Skye Bank Plc
3 Akin Adesola Street
Victoria Island
Lagos

Gentlemen,

OFFER OF TWENTY MILLION UNITS OF THE SKYE SHELTER FUND

We write further to the Prospectus issued in respect of the Skye Shelter Fund 20million Units of N100.00 each by Skye Bank Plc, the draft of which we have had the privilege of reviewing. The prospectus contains forecasts of the profits of the Fund for the years ending 31st August 2007, 2008 and 2008.

We have discussed the basis and assumptions upon which the forecasts were made with the Reporting Accountants Messrs Dele Olufon & Co. Chartered Accountants. We have also considered the letter dated March 21, 2007 from the Reporting Accountants regarding the accounting bases and calculations upon which the forecasts were compiled.

Having considered the assumptions made as well as the accounting bases and calculations reviewed by the Reporting Accountants, we consider that the forecasts have been made after due consideration.

Yours faithfully,

DOMINION TRUST LIMITED