

**NOTICE OF ANNUAL
GENERAL MEETING
& CIRCULAR TO
UNITHOLDERS**

May 30, 2018 | Osu Presby Church Hall, Accra



Republic Investments

NOTICE OF MEETING

NOTICE IS HEREBY GIVEN THAT the 22nd Annual General Meeting of HFC Real Estate Investment Trust (the "Trust") will be held at Osu Presby Church Hall, Accra at Eleven O'clock in the forenoon (11:00am) on Wednesday, May 30, 2018 to transact the following business:

AGENDA

1. To notify Unitholders of the change of Company name of the Fund Manager
2. To notify Unitholders of the Amendments to Trust Deed
3. To notify Unitholders of the appointment of John Kay & Associates as new Auditors for the Trust.

ORDINARY BUSINESS

1. To receive the Report of the Manager for the Year 2017.
2. To receive the Audited Statement of Income and Expenditure of HFC Real Estate Investment Trust for the financial year ended December 31, 2017 together with the Trustees report and Auditors report thereon.
3. To authorize the Fund Manager to fix the remuneration of the Auditors.

NOTE:

A Unitholder who is unable to attend a General Meeting is entitled to appoint a proxy to attend and vote on his/her behalf. A proxy need not also be a Unitholder.

A proxy form is attached herewith to enable you exercise your vote if you cannot attend. The form should be completed and deposited at the registered office at No. 48A, Sixth Avenue, North Ridge, Accra or via email to investments@republicghana.com at any time prior to the commencement of the meeting in accordance with the Unit Trusts and Mutual Funds Regulations, 2001 (LI 1695).

All relevant documents in connection with the meeting are available to Unitholders from the date of this notice on the Company's website (www.republicinvestmentsgh.com) and at the Company's registered office aforesaid.

Dated this 9th day of May, 2018.

BY ORDER OF THE MANAGER

REPUBLIC INVESTMENTS

DRAFT RESOLUTIONS

I. AS ORDINARY RESOLUTIONS

1. That the Fund Manager's Report for the year ended December 31, 2017 be received and adopted.
2. That the Audited Financial Statement of Income and Expenditure of HFC Real Estate Investment Trust for the financial year ended December 31, 2017 together with the Trustee's Report and the Auditor's Report be received and adopted.
3. That the Fund Manager be and is hereby authorized to fix the remuneration of the Company's Auditors for the Financial Year 2018

APPOINTMENT OF JOHN KAY & CO. AS NEW AUDITORS

BACKGROUND

Regulation 48(1) of the Unit Trusts and Mutual Funds Regulations, 2001 (LI 1695) provides that the Trustee of a unit trust shall, in consultation with the Manager appoint a person qualified to hold office as an auditor under the Companies Code, 1963 (Act 179) to audit the accounts of the scheme.

The external auditors, PKF Chartered Accountants have been auditing the Fund for the past 20 years. It was recommended at the last meeting that there was a need to change auditors to reflect good governance. Hence, the Trustee in consultation with the Manager appointed John Kay & Co. as the new auditors of the Funds.

PROFILE OF JOHN KAY & CO.

John Kay and Co. (Chartered Accountants) is a Ghanaian registered firm incorporated under the laws of the Republic of Ghana, on 30th September 2000, with its registered office situate at Trust Towers, 7th Floor, Adabraka, Accra.

The firm is led by a team of three Partners/Directors with immense experience in assurance and business advisory services, management consultancy, financial reviews, private and public sector financial management, among others. Currently, the firm has nine professionally qualified accountants and six support staff. The Managing Partner was a former country Senior Partner of PricewaterhouseCoopers in Ghana. The firm was ranked as a B+ firm by the Institute of Chartered Accountants (ICA), Ghana in the 2018 ranking of qualifying Accountancy bodies in good standing.

The current client base of John Kay & Co. includes banks, financial services companies, insurance companies, unit trusts and mutual funds, pension funds and provident funds. They also audit donor funded projects.

AMENDMENT TO TRUST DEED

INTRODUCTION

Regulation 8(1) of the Unit Trusts and Mutual Funds Regulations, 2001 (LI 1695) provides that the trust deed of a unit trust shall be in the form prescribed in Schedule 1 and contain the particulars specified in Schedule 2.

CURRENT PROVISION ON AMENDMENT OF TRUST DEED

Clause 21 of Schedule 1 of LI 1695 provides that:

The Trustee and the Manager may modify, alter or add to the provisions of this Deed but no modification, alteration, or addition may be made except on the authority of a special resolution at a meeting of investors called for that purpose in accordance with the Regulations **AND NO RESOLUTION SHALL BE REQUIRED IN RELATION TO ANY MODIFICATION THE PURPOSE OF WHICH IS**

- (a) To implement any change that arises due to an amendment of the Law;
- (b) To change the name of the scheme;
- (c) To change the dates on which the annual accounting period begins and ends or to change the annual income allocation date;
- (d) To make an amendment which the manager reasonably believes is for the benefit of investors and potential investors or does not involve any of them in any material disadvantage;
- (e) To remove from the trust deed obsolete provisions; or
- (f) To replace the manager or the trustee when the manager or the trustee has been removed or wishes to retire or has retired.

The Trustee and the Manager undertook a review of the Trust Deed of the Fund specifically with the view of implementing changes that have arisen due to the amendment of the law, change of name of the scheme and to remove obsolete provisions from the Trust Deed.

AMENDMENT

1. Change of name of the scheme
2. Changes arising due to amendments of the law
3. Removal of obsolete provisions

The above amendments do not require approval by special resolution aforesaid.

MANAGER'S RECOMMENDATION

The Manager is of the opinion and reasonably believes that these amendments are for the benefit of the existing Unitholders and potential Unitholders and does not in any way materially disadvantage them.