KCB MONEY MARKET FUND FAQ

KCB Investment Bank

Kencom House, Moi Avenue, P.O. Box 48400-00100,
Nairobi, Kenya. Tel: +254 (020) 3270000

What Is KCB Money Market Fund

KCB Money market fund is low risk collective investment fund that invest in highly liquid interest earning securities. Each investor is allotted units in the fund based on the value of their investment. The fund is managed by KCB asset management ltd and distributed by KCB investment bank.

The fund is regulated by the Capital Markets Authority of Kenya.

Benefits of Investing in KCB Money Market Fund

There are a number of advantages of investing in a Money Market Fund:

- Professional Fund Management- as the fund is administered and managed by highly talented team of qualified professionals.
- Diversification- With a relatively small investment, investment in a money market fund provides access to a diversified pool of securities thus minimizing risk
- Potential for Higher returns- through pooling of funds and professional investment management, money market funds potentially provide superior returns than comparable products in the longer term
- Accessibility- the money market fund in liquid and easily accessible, meaning you can withdraw funds at short notice i.e. 2 working days
- Safety- the fund is regulated by the Capital Markets Authority and is also overseen by a dedicated trustee and custodian whose role is to ensure that the fund manager acts in the investors' best interest and conforms to best practice

What is the tax charged on Interest?

Withholding tax of 15% for both residents and non-residents is paid on the interest earned, the tax is final since KCB MMF is a Collective Investment Scheme

Where are the funds invested in?

The funds are invested in high-quality interest-bearing assets such as the Fixed Income instruments and other short term money market instruments such as the fixed deposits.

These allocations are strictly in compliance with both the CMA Regulations and the Trust Deed.

What currency option is available?

There are two-currency options in KCB Money Market fund:

1. Kenya Shillings – KCB Money Market fund (KSh)
2. US dollars – KCB Money Market Fund (USD)

What are the fund management fees/costs

The management fee for KCB MMF is currently at 2.0% Per Annum. Returns are reported net of the management fees but gross of withholding tax.

Money market funds are low risk and geared towards capital preservation while still providing for flexibility on liquidation.

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Where can one see the fund performance?

The daily and annual yields of the Fund are published in the KCB investment bank website and newspaper. We also send a monthly statement showing the fund performance for the month

Is interest in KCB MMF negotiable?

No, the interest is not negotiable. It is based on the performance of the underlying assets where the Funds have been invested. The funds are invested in high-quality interest-bearing assets such as Fixed Income instruments and other short-term money market instruments such as fixed deposits.

What's the minimum amount one can invest in KCB MMF?

Minimum investment Ksh5,000.00 for the Shilling fund and 100 USD for the dollar fund.

What is the investment process?

To invest in either KCB MMF (Ksh) or KCB MMF (USD);

Investors can create and manage the account online by visiting our website investment.kcbgroup.com

Alternatively, investors can open the account manually through the following process:

- Fill in the KCB investment account application form and submit with the following requirements:
    1. Copy of ID
    2. Copy of KRA PIN
    3. Passport size photo.

  You can access and submit the form in any KCB Bank branch or via email; wealthmanagement@kcbgroup.com.

- For KCB Bank account holders, you will indicate the amount to invest and the account to be debited. For funds in other banks, you will transfer to the following bank account.

Investment	Bank Account Name	Bank Account Number
KCB Money Market fund (KES)	KCB Money Market Fund KES	1310078157
KCB Money Market fund (USD)	KCB Money Market Fund USD	1310078351

NB. You will receive an email acknowledging account creation and investment within 24 hours

How does one redeem their funds from KCB MMF

Clients can withdraw their KCB MMF funds to their Bank account by sending instructions to wealthmanagement@kcbgroup.com and the same will be executed in 2 working days.

Who is the custodian and Trustee of KCB MMF

Co-operative Bank of Kenya (Coop Bank) is the funds' Trustee while Kenya Commercial Bank of Kenya (KCB) is the funds' custodian

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Can one open an account for a Minor

Clients who wish to open a KCB MMF account for a minor will fill the application form with the details of the minor. The parent / legal guardian will sign all the documents. Upon attaining the age of 18, the minor will be entitled to the investment.

What are the risks of Investing in KCB MMF

Although KCB MMF is a low-risk investment, it is prone to risks such as interest rate risks. Returns on the fund are pegged on the performance of the interest-bearing assets. When the yields decline, the interest rate for the fund also declines and vice versa.

Is the principal invested protected from devaluation?

Yes, since KCB MMF is a low-risk investment your principal invested is safe

Is the interest offered by KCB MMF fixed

No. The overall returns for the fund fluctuate depending on the performance of the interest-bearing assets the fund has invested in

How do I change my Personal details (bank, email, address)?

You can amend your details by filling the details change form and sending it to:
wealthmanagement@kcbgroup.com