



## FAQ – FEDERAL GOVERNMENT OF NIGERIA SAVINGS BONDS

### 1. What is Federal Government Savings Bond (FGNSB)?

**Ans:** An FGN Savings Bond is a bond issued by the Debt Management Office (DMO) on behalf of the Federal Government of Nigeria. The bond is targeted at retail investors and it guarantees quarterly interest payments and repayment of the principal at maturity.

### 2. What are the requirements for participating in FGNSB?

**Ans:** First, the prospective investor needs to open a CSCS account through a stockbroker. (This is necessary but not a prerequisite).

### 3. What is the role of CSCS to the FGNSB?

**Ans:** CSCS is the Custodian and Transfer Agent which performs Depository, Clearing and Settlement functions while CBN is the Registrar to the FGNS bond.

### 4. Can I use my existing Equity Account to warehouse my FGNSB?

**Ans:** Yes.

### 5. Can an investor hold FGNSB in more than one stockbroking firm?

**Ans:** Yes, investors can have FGNSB with more than one firm as it is with Equity but it is advisable to maintain same CHN across board

### 6. Does CSCS get involved in paying of coupon?

**Ans:** Yes, CSCS collates the bank account details of investors and update clients' records with same on the CBN S4 platform for seamless corporate actions which include payment of coupons and others.

### 7. At maturity, where do I get my total amount due (value at maturity)?

**Ans:** Principal and other amount due at maturity are paid directly into the bank account number provided by investors.

### 8. Can an investor pay for FGNSB through CSCS Plc?

**Ans:** CSCS is not a collection or distribution agent. Therefore, CSCS does not receive payment for investment in FGNSB.

**9. How would investor confirm that FGNSB has been purchased or sold as requested?**

**Ans:** CSCS alerts investors when a sale or purchase is done on their accounts through their mobile phones.

**10. Can investors walk into CSCS directly to get statement of their FGNSB Accounts?**

**Ans:** CSCS expects clients to be represented by their Brokers. However, in a situation where an investor can prove ownership, statement of account can be made available to him or her.

**11. Can my FGNSB be used as collateral for borrowing for financial transactions?**

**Ans:** Yes, but for short facility.

**12. Would my FGNSB holdings reflects in my CSCS Equity statement of account?**

**Ans:** Yes. All your FGNSB holdings will automatically reflect in your CSCS Equity account statement if they maintain the same CHN.

**13. Can I transfer my FGNSB to my children without trading on the Exchange?**

**Ans:** Yes through nominal transfer.