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# HOW TO RETRIEVE UNCLAIMED DIVIDENDS

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*A Presentation by:*



*In partnership with*



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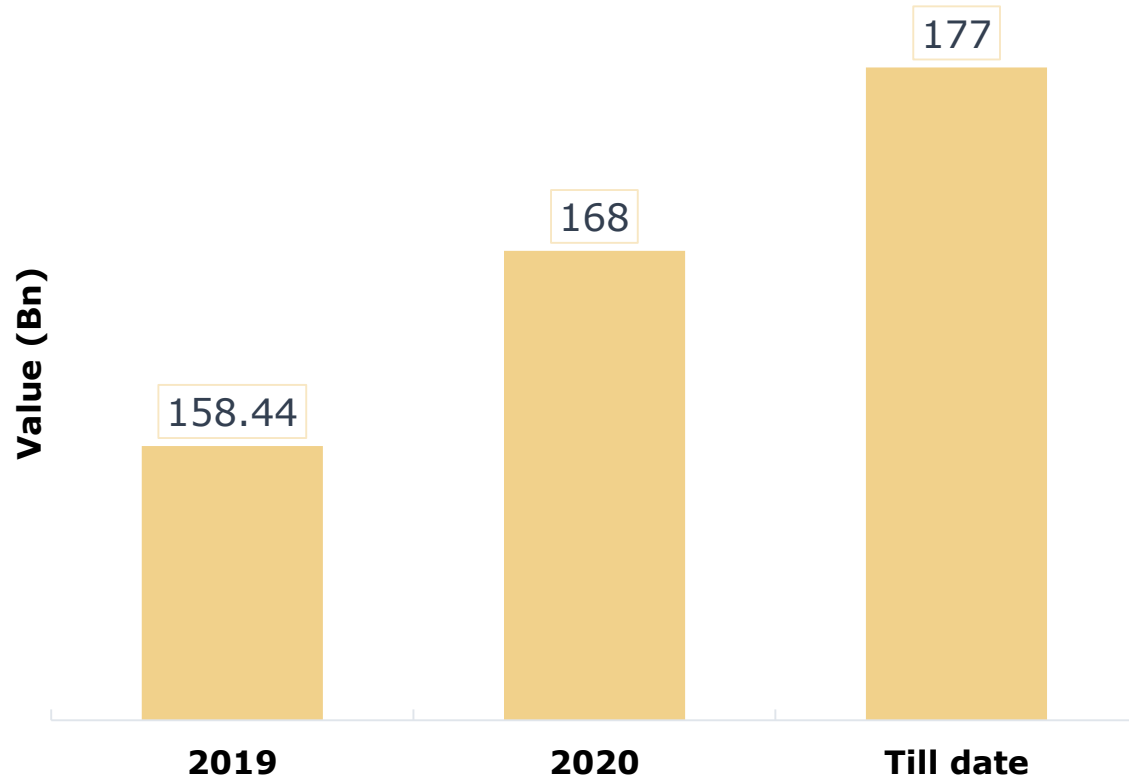


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# Introduction: Overview & Facts

### Unclaimed Dividends in Nigeria's Capital Market



The Securities and Exchange Commission (SEC) data shows that the unclaimed dividends at Nigeria's capital market so far computed increased from 158.44bn in 2019 to N168bn in 2020 and currently stands at about N177bn.



The issuance of physical dividend warrant ended on 28th February 2018 in order to mitigate the risks associated with physical dividend warrants and to improve investors experience.



The Securities and Exchange Commission (SEC) has created an e-dividend portal to curb the growth of unclaimed dividends and improve the overall efficiency of Nigerian equities markets.



## What are dividends?

**Dividends are shares of profits and/ retained earnings that a company distributes to its shareholders and owners. This is usually done when profits are declared at the end of a financial year**



## What are unclaimed dividends?

**When dividends are paid by a company to their shareholders, but the shareholder/ investor fails to claim it, it becomes an unclaimed dividend.**



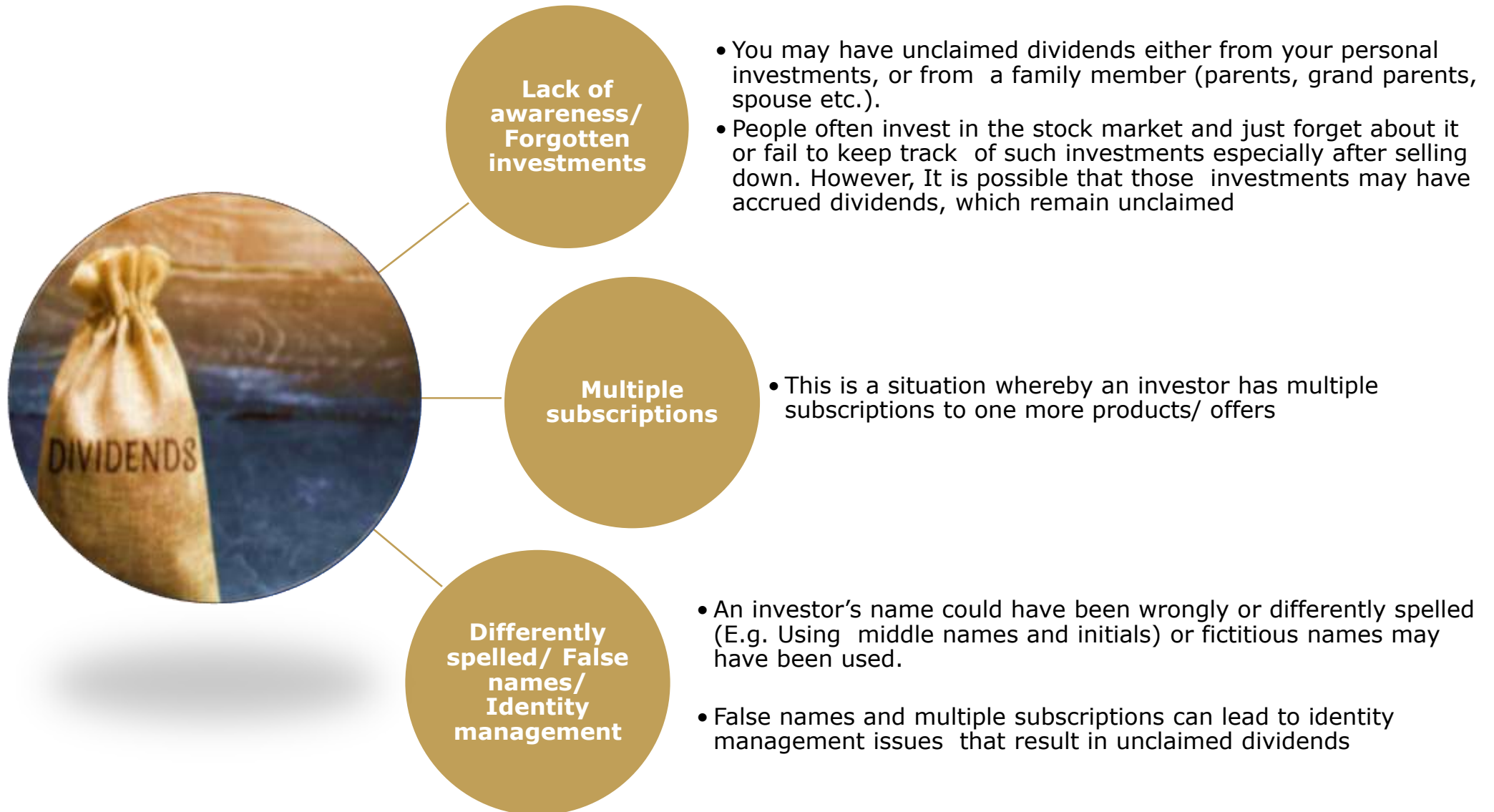
## What is the difference between unclaimed dividends & unpaid Dividends?

**When a company declares profit and dividends but it's yet to distribute the dividends to its shareholders, this is described as unpaid dividends. However, when the shareholder abandons or fails to claim the dividends accrued to them it becomes unclaimed dividends**

# REASONS FOR UNCLAIMED DIVIDENDS



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# Steps to take to recover unclaimed dividends

# STEPS TO TAKE TO RECOVER UNCLAIMED DIVIDENDS



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## CALCULATING DIVIDENDS

### Case Study:

- Assuming Mr X bought 1,000 units of XYZ bank shares in 2012 which declared dividends every year from 2012 to 2021. Note that tax is payable
- He has 10 years of unclaimed dividends



### Calculation

- To know how much dividend Mr X should receive from 2012 to 2021, multiply the number of shares held (1,000) by the dividend per share declared by XYZ Bank
- Assuming the company paid dividend of N2.00 per unit in 2012, that is  $1,000 \times \text{N}2.00$ . Repeat for each year then sum it up
- 10% withholding tax should be deducted from the summed up value to give the amount payable ( $2000 - 200 = 1,800$  for the above example).



N/B: You may consult your Stockbroker to fill an e-dividend mandate form and submit to the Registrar



# CALCULATING DIVIDENDS



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S/N	Year	Number of Units	Dividend Declared (NGN)	Amount Payable (NGN)
1	2012	1,000	2	2,000
2	2013	1,000	2.50	2,500
3	2014	1,000	3	3,000
4	2015	1,000	3.50	3,500
5	2016	1,000	4	4,000
6	2017	1,000	4.50	4,500
7	2018	1,000	5	5,000
8	2019	1,000	5.50	5,500
9	2020	1,000	6	6,000
10	2021	1,000	6.50	6,500
	<b>TOTAL</b>			<b>42,500</b>
	<b>10% Withholding Tax</b>			<b>4,250</b>
	<b>Amount Payable</b>			<b>38,250</b>

# HOW TO REDEEM UNCLAIMED DIVIDENDS

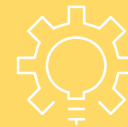


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## How To Redeem Unclaimed Dividends

- The Securities and Exchange Commission (SEC) has a designated portal called U-eDIV Search Portal



## What is U-eDIV Search Portal?

This is a portal designed and managed by the SEC to enable Investors to register for the collection of their unclaimed dividends and subsequent payment of dividends electronically to their preferred Bank Account

# HOW TO REDEEM UNCLAIMED DIVIDENDS



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1

Log on to the SEC U-eDIV Search Portal at:  
<http://sec.gov.ng/non-mandated/>



2

Do a search using the combination of your first name and last name as required on the portal



3

The portal will display a table showing where you bought the shares and the name of the registrars, with a link to download the e-Mandate form  
\*\*\*Download and fill out Your Registrars e-Mandate Form



4

Complete the form and send it to your local Bank or your Registrar's office with a copy of your passport photo or submit through your Stockbroker

## Note:

You will be guided on how to obtain your CSCS account and Clearing House Number (CHN) by your Stockbroker  
Once verified and processed, you will receive all your unclaimed dividends into your chosen bank account.



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# **Simplifying/ Eliminating the stress of dividend recovery**

# HOW TO SIMPLIFY/ ELIMINATE THE STRESS OF DIVIDEND RECOVERY



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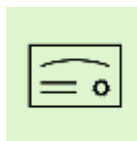
**Using a Stockbroker:** Your Stockbroker can guide you on what to do to navigate the challenges of



dividend recovery by helping you to:

- Get your CSCS account number.
- Send your sample signature to the Registrar if not available.
- Help track the process and provide investment advice (E.g. Futureview Securities Ltd).

## Engaging a professional Asset/ Fund Manager for your portfolio:



- A professional Fund Manager will manage your funds by building a profitable and diversified portfolio for you while ensuring the tracking of all your dividends for reinvestment into your portfolio for a small fee.
- They will also provide quarterly reports and use their discretion/expertise to trade for you. (E.g. Futureview Asset Management Ltd).



## Subscribing to Equity Mutual Funds (E.g. Futureview Equity Fund):

Subscribing to an equity mutual fund will enable investor to enjoy the following benefits:

- Diversification – Equity funds allow investors to invest in a diversified portfolio
- which is exposed to different sectors of the economy
- Convenience – The Fund Manager and Custodian will do the tracking of the dividends and reinvest on your behalf while you reap the benefits without stress.
- Better inflation adjusted returns
- Expert/ professional management
- Economics of scale
- Starting small but playing in the big league.
- Tax benefits





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# **Futureview's Role: How we can help through our Product Offerings**

# FUTUREVIEW'S ROLE: HOW WE CAN HELP THROUGH OUR PRODUCT OFFERINGS



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## Who we are:

### Futureview Group (“Futureview”) comprises of:

- Futureview Financial Services Limited (Issuing House).
- Futureview Asset Management Limited (Fund Manager): Managing 2 Mutual Funds (Futureview Equity Fund & Futureview Dollar Fund)
- Futureview Securities Limited (NGX Trading License Holder);
- Futureview Bureau De Change



For further information please visit our website at: [www.futureviewgroup.com](http://www.futureviewgroup.com)



Fashioned along the lines of the world's most prominent investment banking institutions, Futureview is managed by a team of time-tested professionals in the industry. Our esteemed clientele include Blue Chip Corporations, Government agencies and parastatals, High Net- Worth Individuals, Institutional Investors and Small/Medium Enterprises



The Group has been in operation for over 25 years, registered by the Nigerian Exchange Group (NGX) and licensed by the Securities and Exchange Commission (SEC) to provide a bouquet of investment Banking Services including; Securities Trading, Fund Management, Issuing House/ Advisory Services & BDC Licensed by CBN. Through our Mutual Fund products we are able to serve smaller investors thereby creating wealth for them



**THANK  
YOU**