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the editor- in-chief's note

I welcome you to the 4th edition of Tokunbo Orimobi's annual economic outlook publication - Gnosis.

Gnosis is an intellectual pack that x-rays various economic issues of our contemporary time. This edition is the first of its kind to focus on an admixture of interviews and articles from distinguished experts in the Banking, Capital Markets, Fashion, Housing and Tax Havens. As an international legal practice with a track record of over 40 years, we have continued in our tradition of making Gnosis an international publication that addresses issues in Nigeria and the global economy.

Gnosis would be distributed globally. We thank our contributors immensely for their efforts and support towards actualising this edition. Tokunbo Orimobi, as an international legal practice, is committed to contributing to discussions and debates on the global economy.

We hope that you will enjoy every interview and article contained in this edition.

Thank you!

 Gnosis is an intellectual pack that x-rays various economic issues of our contemporary time. This edition is the first of its kind... 

MICHAEL ORIMOB
GLOBAL CHAIRMAN,
TOKUNBO ORIMOBIL LEGAL GROUP

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Michael is an ingenious and astute commercial lawyer with years of experience in capital markets, M&A and finance. He holds a Bachelors degree in Law (LLB) from the University of Lagos and has been called to the Nigerian Bar. Furthermore, he has a Masters degree in Commercial Law (with emphasis on Corporate Finance law, International Commercial Tax, International Intellectual Property Law and Corporate Governance) from the University of Cambridge.

He started his career as an investment banker and was involved in structuring several Nigerian and Cross-border commercial transactions, such as Financial Analysis and Valuation of Companies, Mergers & Acquisitions, Listing of Companies on the Nigerian Stock Exchange, Core Investor Sale, Privatization & Commercialization, Balance Sheet Restructuring, Corporate Restructuring, Issuance of Equity, Debt and Hybrid Instruments (Private Placements, Special Placings, Public Offers) and Foreign Direct Investments.

He is currently the Global Chairman of the Tokunbo Orimobi Legal Group – a network of international law firms with 10 offices in 7 countries. Michael doubles as the Managing Partner of the Group's Nigerian Practice – Tokunbo Orimobi LP. Michael, in the course of his legal career, has been able to perfectly combine his legal background with his investment banking experience in proffering highest quality legal advisory services to clients.

Michael is ranked as a Leading Lawyer for Capital Markets Deals in Nigeria by the IFLR1000, emerged as Lawyer of the Year, Nigeria & Leading Adviser, Nigeria in the ACQ Global Awards and was awarded Marketing Law with Accolades Award in the 2016 DealMakers Country Awards. Under his tenure as Managing Partner of Tokunbo Orimobi LP, the law firm has won several awards such as Recommended Firm for Financial and Corporate Deals 2019 – IFLR 1000; Capital Markets Law Firm of the Year, Nigeria – 2018 Corporate Int'l Magazine Global Awards; Corporate Finance Law Firm of the Year, Nigeria – 2018 Corporate Int'l Magazine Global Awards; Banking & Finance Law Firm of the Year, Nigeria – 2017 Corporate Livewire Finance Awards; Most Innovative Law Firm, Nigeria – 2016 Acquisition International Magazine Awards; Corporate Finance Law Firm of the Year, Nigeria – 2015 DealMakers Country Awards; Regulatory Compliance Practice of the Year, Nigeria, Dispute Resolution Law Firm of the Year, Nigeria & Best Commercial Law Firm of the Year, Nigeria – 2015 Acquisition International M&A Awards; Full Service Law Firm of the Year, Nigeria, Project Finance Firm of the Year, Nigeria & Litigation Law Firm of the Year, Nigeria – 2014 ACQ Global Awards etc.

He is a member of the Nigerian Bar Association and the International Bar Association.



**MICHAEL
ORIMOB**



AYO BABATUNDE

Ayo is a 1998 graduate of Management and Accounting from Obafemi Awolowo University, Ile-Ife, Osun State, Nigeria. He is a consummate Banker and Fellow of Institute of Chartered Accountant of Nigeria with over 19 years of financial services experience, including a brief stint at Financial Datanet House Limited (a consulting firm). He is an Alumni of the prestigious Stanford University Graduate School of Business. He started his career in 1998 with MBC Securities Limited as an accountant and later pursued a career in banking with MBC International Bank Limited (which merged with FirstBank after banking consolidation in 2005). His MBC banking experience covered various aspects of back office operations (domestic banking, international trade services, treasury operations, cash management and business process improvement). Ayo joined Citibank Nigeria in 2002 as a Financial Analyst in the Financial Control Department responsible for strategic & business planning, expense management & cost control, regulatory, management and institutional reporting. He later moved to the bank's Risk Treasury business under fixed income, currencies and commodities (FICC) group in 2004. He was responsible for managing the bank's assets and liabilities- minimising the liquidity and price risks inherent in the balance sheet, whilst also in charge of the bank's accrual portfolio and the associated interest rate exposure.

Ayo learnt the dynamics of emerging markets' balance sheets, inherent key risk factors and performance indicators. He helped create and design business solutions to enhance the regional profitability and efficiency. His Citibank group experience cut across countries: This varied geographical experience provided the cut edge skills for his major assignments in the legacy Oceanic International Bank, PLC. While in legacy Oceanic International Bank, PLC, he managed over N1.7trillion (USD5.5billion) balance sheet of the bank in a profitable, efficient and effective way. He was the Head of the team that successfully integrated the legacy Oceanic bank treasury business and operations with Ecobank Nigeria business. He led and provided leadership for Ecobank Nigeria Limited Treasury and Global Markets Business, in a combined role as the country treasurer and regional treasurer for Nigeria. He grew the Ecobank treasury business from a loss position in 2012 to a PBT of \$206million in 2017. He has served as the Chairman of the Money Market Dealers Workgroup of the Financial Markets Dealer Association (FMDA), and was on the Board of FMDA as an ex-officio.

Ayo joined SunTrust Bank on August 1st 2018 as the Chief Executive Officer.

Egie has over 18 years of international experience in Banking, Real estate and Energy.

Prior to joining UCML, Egie worked at UBA Capital as Head, Capital Markets where he was responsible for all aspects of origination, execution and sales of over N150 billion in debt and equity offerings.

Prior to UBA Capital, he was at BGL Plc where he was pioneer Chief Investment Officer of BGL Private Equity before heading the Structured Finance Division.

Prior to relocating to Nigeria in 2008, Egie was Assistant Vice President in the Global Markets Division of Deutsche Bank AG in New York. He worked on mandates for origination, structuring and execution of financial advisory and structured finance transactions including mergers, acquisitions, buyouts, recapitalizations and securitizations for middle market companies.

Before moving to New York, Egie had held middle management roles at Bank of Montreal, Enbridge Pipelines and Ernst & Young in Canada. Egie holds a BA (Hons) in Accounting and Finance from the Nottingham Trent University, UK and a M.Sc. in Accounting from The University of Saskatchewan, Canada. He is a qualified accountant and holds the CPA, ACA and ACCA designations.



EGIE AKPATA



OHIMAI ATAFO

Ohimai Atafu is a fashion entrepreneur, he is the founder and creative director of fashion label Mai Atafu, a brand that specializes in bespoke men's suit and traditional outfits, alongside its sister brand Weddings by Mai Atafu which specialises in Wedding and evening dresses.

Mai Atafu though a fashion guru whose sartorial elegance is an extension of his true essence as a gentleman. He also has his hands in a few other non-fashion jars, which makes him the quintessential male loved by men and women alike and inspires the younger generation. He worked in Market Research, Sales and distribution, Innovation, Projects and Brand management with British American Tobacco and Guinness Nigeria Plc where he exited as Senior Brand Manager for Guinness Foreign Extra Stout to pursue fashion where he is undoubtable the number one man in fashion on the continent. He was also Head of Spice TV for 6 months, Strategy director for advertising agency The Fire House for a year, Fashion Editor Genevieve Magazine for 2 years and Chairman of the Central Working Committee of The Future Award for 6 years before taking up the role leadership role in the Advisory Council.

For the love of the craft Mai Atafu finds time to be an incredible MC/Compere and voiceover artiste having done shows like 2010 Miss Nigeria Pageant alongside Agbani Darego, City People Fashion and Style Award, Face of Sleek Model Competition, Etisalat Masterbrand Re-launch, FCMB Employees Award Night and voiced a Glo advert and Soundcity Video Music Awards live-show.

In his not so spare time, he still manages to inspire with is free fashion mentorship initiative called Fashion Conversations.

He has worked with various brands either as an ambassador, spokesperson Judge or influencer; Samsung, Intel, HP, Etisalat, Baileys, Chivas, Amstel Malta, Fayrouz, Heineken, Lux, Ebonylife to mention a few.

Contributors

Sonnie Ayere has amassed years of solid corporate and structured finance, corporate banking and asset management experience working with the following institutions in London – HSBC Bank, NatWest Bank, the Sumitomo Mitsui Bank, Bank of Montreal (**BMO**)-Nesbitt Burns (the investment banking arm of the Bank of Montreal), the International Finance Corporation (**IFC**) – World Bank Group – based in Washington D.C. and Johannesburg South Africa; then United Bank of Africa Group (**UBA**) Plc in seekmedicine.com Lagos, Nigeria. He finally founded Dunn Loren Merrifield in 2009.

Following a successful career in corporate banking and later corporate seekmedicine.com finance at HSBC, Natwest and the Sumitomo Mitsui Bank, Mr. Ayere joined BMO Nesbitt Burns and worked as part of the team responsible for setting up a US\$20bn Fixed Income Structured Investment Vehicle (**SIV**) and worked as an analyst / investment manager in charge of investing in complex asset backed securities, mortgage backed securities, corporate bonds, bank subordinated debt to include asset and other types of swaps etc.

He then joined the IFC in Washington and held the position of senior investment officer responsible for structured finance for Africa with country manager responsibilities for Mauritius, Seychelles, Ethiopia and Eritrea. Following this, he became Co-Head – Financial Markets Business Development – Sub Saharan Africa (Anglophone and Lusophone Countries) until leaving in 2005. Thereafter, he joined UBA Group as the Pioneer Managing Director/CEO of UBA Global Markets (**UBAGM**), the investment banking subsidiary of United Bank for Africa from August 2005 to January 2009.

Mr. Ayere then went on to establish Dunn Loren Merrifield early 2009. He possesses extensive cognate experience in fixed income capital markets; as such has played a pivotal role in originating and executing several notable transactions in securitisations, and other various structured finance related transactions internationally and in Nigeria.

Under his stewardship, Dunn Loren Merrifield won the award for the best debt house 2011 and best investment bank 2012. Mr. Ayere is a member of the Nigerian Bond Steering Committee, SEC committee on Market structure & reforms, the Steering Committee for the review of the Foreclosure and Securitization Law of Nigeria, the Central Bank of Nigeria (**CBN**) FSS2020 Technical Steering Committee. He holds an MA (Hons.) in Financial Economics from the University of Dundee, Scotland.

He is an Alumni of Cass Business School London (MBA) and London Business School. Mr. Ayere is also FSA registered and was conferred with an Honorary Doctorate Degree in Science (DSc) from the European-American University.



SONNIE AYERE




MALIKA JIVAN

Malika is an international tax and accounting professional with over 16 years of experience in legal and financial due diligence, investment advisory, tax planning and company law.

She is a qualified Chartered Accountant and has worked for over 3 years at one of the big 4 global consulting firms. With experience in many offshore jurisdictions, Malika has authored white papers and articles that have been published in several forums, in books on international taxation and the ITPA publications.

She was an independent director for the Barclays Bank, Seychelles, and has also started the Subsidiary Audit Committee of Barclays Bank, Seychelles and currently chairs it.

She is a Director in the Tokunbo Orimobi Legal Group and heads the firm's Seychelles Office.



When you do what you love, you are most likely to succeed in it. Most successful people are happy doing what they do.

Specialization in Legal Practice

- Prospects and Challenges

MICHAEL ORIMOBİ

Lawyers are deemed to be learned and others merely educated. Unfortunately, this creates some pressure on the lawyer to desire to be a jack of all trade and master of all. Ultimately, this is impossible and the consequences are disastrous for the lawyer, his clients and the legal services; ecosystem.

Before delving into the issue of Specialization, certain general matters need to be addressed –

- Your ability to succeed as a lawyer starts with whether or not you took the right decision to become a lawyer and not because you know everything in the “law”. Not everyone should be a lawyer! Not everyone is wired to succeed in law! Not everyone who is wired to be a lawyer would succeed as a lawyer! There are, however, some elements of fate and luck in these things.
- One of the critical fuels for success in the legal profession is that you need to love the law. You need love what the law can do. You need to love being a lawyer. If you are here today and you don't feel this way, you are in the wrong profession. You have made the wrong choice. When you do what you love, you are most likely to succeed in it. Most successful people are happy doing what they do. However, please note that success isn't the same as wealth/money. Success is fulfillment.

Contrary to what most people think, the concept/mindset of Specialization for a lawyer starts from school. It starts from the courses you enjoy, the courses you excel in and the experience you get from internships. Internships are very key to determining your suitability for the legal profession and the area of law you would most likely succeed in. You need to experience the law while still in school. You need to see the law work as a student. The easiest way to know if you are destined to be a lawyer or your probable area of specialization is taking stock of how you feel in the course of an internship. Every student should attempt to intern at least twice in the course of their 5 years sojourn in the University. In my early days in school, I enjoyed Constitutional and Administrative law. In fact I put together some course materials on these two courses and sold them to students to aid preparation for exams. I thought I would be a great Constitutional and Administrative lawyer in the future. Little did I know that fate had a different plan for me. I did my first internship when I was in 400 level. I worked in one of Nigeria's foremost commercial law firms. I worked on transactions covering diverse areas of law. It was during this brief internship period that I knew that I was made for Capital Markets, M&A and Finance Law.

Once you determine, however vaguely, your areas of passion, you then start to map out the best strategy to becoming adept in that area. Don't be fooled, you can start mapping it out from school. You need not wait till you are called to the bar. When I realized I had a passion for Capital Markets, M&A and Finance Law, I interned in my 500 level in an investment bank and even when I was called to the bar, I started my career in an investment bank and not a law firm.

It is a fallacy to believe that you must pursue other areas of law in your initial career years before you specialize in your preferred area of practice. There is no harm in carving out a niche for yourself at an early stage of your career. The most important thing is the definitiveness and fastidiousness of your career plan for your life. Once that is gotten right, the rest is quite easy.

My theory has always been that one of the best ways to be a great lawyer is to specialize. Specialization allows you garner experience and expertise quickly and efficiently. Rather than keeping up-to-date with 100 areas of practice, you basically have to focus on your 2 - 3 contiguous areas of specialization. In this way, you are able to provide better value to your clients and thus, not put them into trouble with bad advice and legal opinions.

One of the best ways to be a great specialist in certain areas of law is to work in that industry. The best specialist lawyers are the lawyers that understand the industry or sector they are specialists in. E.g. an investment banker turned lawyer, other things being equal, would be a great capital markets or finance lawyer; a transactional banker turned lawyer, other things being equal, would be a great banking lawyer; a staff of an energy company that is involved in the deals, transactions or operations of the energy company and becomes a full time practicing lawyer, would be a great energy lawyer, other things being equal. Nothing supersedes actual industry

knowledge or experience when it comes to being adept in your area of specialization. I am a testimony of this. I see and experience this every day. I see the difference between a capital markets lawyer and an investment banker turned capital markets lawyer. With all humility, we are miles apart.

Once you get into the job market, the first thing you realize is that there is a huge disparity between what you are taught in school and the real world. This leads to what I term "career shock". Your probability of success as a lawyer in the real world is more guaranteed when you can reduce the effect of this career shock. One of the ways to reduce that career shock is specialization. Employers value people who have figured out to a certain extent, their proper and definite career path. This enables their employer channel their verve, strength and resolve towards their preferred areas of practice.

There is a huge market for specialized lawyers. Clients have caught on to the fact that lawyers need to be adept in certain contiguous areas of practice before they engage them for tasks and assignments. Clients do not gamble with their

legal future anymore. It is fallacy to believe that you can only make real money when you are an expert in several practice areas. In fact, you command more professional fees when people know you are a specialist.

Whatever decisions you take as you grow in your career, you must be loyal to that decision. If you decide to start your own law firm or business or become a partner in a law firm, you must be loyal to that decision. You must be loyal to your personal vision and the organization's vision. Distractions will come, you will want to throw in the towel, you will get frustrated, but what keeps you going is the vision. Thus, define your personal vision in life early; otherwise you might miss the critical decisions you ought to have taken to define your path. Before you start a business or become a part owner of a business, define the vision, mission, core values and culture of the business, otherwise when troubles come and certainly they will), you will not have the requisite foundation to withstand those issues. I defined my personal vision in life while I was in the university and till date, that is what guides me. As a business owner, it is the vision of my business that keeps me going. I have experienced the good, the bad and the ugly in business, but my loyalty to the vision of the business is unwavering and firm.

In deciding what your personal vision should be or what the vision of your business should be, ensure that it is very ambitious. Do not underestimate yourself. Don't think small! Think big but smartly! At Tokunbo Orimobi, our vision is amazingly huge and that is what has guided us to become Nigeria's first truly international legal practice. As at today, we have 10 offices in 7 countries and are billed to open a few more globally before the end of year. Could I have put the funds/capital that we use for global expansions into my pocket as extra income, yes, I could have, but my vision for Tokunbo Orimobi, would not let me do that. I am loyal to that vision. You must be loyal to something! Decide that thing today!

Nigeria is ready for a new brand of legal minds.



It is a fallacy to believe that you must pursue other areas of law in your initial career years before you specialize in your preferred area of practice.



Lawratta Okereafor of Tokunbo Orimobi LP had an exciting afternoon over tea and coffee discussing the Banking sector with Mr. Ayo Babatunde



Ayo Babatunde is the Managing Director/Chief Executive Officer of SunTrust Bank Nigeria Limited, a bank which provides a broad range of unique financial services and products to create value for its customers.

Discussing the Banking Sector & Policies

What effect does the current economy have on banking?

After just coming out of a depression, little by little we are rebuilding back the economic blocks. Yes, we see inflation at double digits, bank lending rates at double digits, a little bit above inflation, money supply not going as fast as it used to go, these are all due to the lack of infrastructure. So, you see the new Government in power has taken building the infrastructure and creating new infrastructure as the bedrock which will help economic activities. Banking is at the center of it all and the more the economy is vibrant, the solutions the bankers bring to the table then the better the economy. However, you cannot fix the economy only on monetary policies, fiscal policies from the political side is also very important. It's a combination of the two and the mindset of the people. We need to go back to being creative, we need to go back to being a developmental nation so that we can provide jobs. It's not just about underemployment but to also solve the real unemployment issues that we have.

In terms of the economy itself, the Banks have done quite great in ensuring that the economy can stand back again. You can see intervention funds coming directly from the Central Bank of Nigeria (CBN) to support the agric sector and creative arts sector like the Nollywood. Banks also support fashion and music. All these are part of how the banking sector is having an effect on the current economy and how the current economy is having an effect on the banks. The real sector is not growing as expected. The real return on money is almost negative now. Those are issues that need to be sorted out.

▮ The only takeover bank that we have, which is of recent, is Skye bank becoming Polaris and then we have to actually acknowledge what the CBN has done to ensure that depositors funds are protected in that takeover.



With the rate at which most banks are collapsing, what is the one thing that banks should keep in mind when acquiring other banks?

I don't think I agree with the question. We have not seen banks collapsing. If we are talking about the merger of Access bank and Diamond bank, I don't think that is a collapse of Diamond. It's an active merger. It has been a while since we had mergers; 12 years since we had the merger between Oceanic and Intercontinental. The only takeover bank that we have, which is of recent, is Skye bank becoming Polaris and then we have to actually acknowledge what the CBN has done to ensure that depositors funds are protected in that takeover. So, I don't call that a collapse. But I get the question here is what should banks keep in mind when acquiring other banks?

Acquisition is different from merger and you have to acquire with intent. So, if you are acquiring a bank or any business, there has to be a purpose why you are acquiring it. A forced merger is different from an acquisition; a forced merger is what we had in 2004/2005 where there was a new capital hurdle and some banks had to merge together because they could not make it on their own. So, I go back to the point to say what do you put in mind. In doing businesses, first, what are the problems you need to solve? Second, who owns the problem we are solving? At what price are we solving that problem? What products are we using to solve the problems, and what is the convenience, what is the customer experience in solving those problems? I think those are the major questions a bank needs to ask or any business whatsoever needs to ask before going into a merger or acquisition.

What challenges in your opinion are facing the banking sector and how can these be eradicated?

I don't think the banking industry is an orphan. The banking industry is in the Nigerian society. So, the challenges facing the Nigerian society



Ayo Babatunde

definitely face the banks. I know many people talk about the huge bank profits, but how many people have considered the huge capital investments put into the banking sector. I think to start a bank today, minimum you need is about 5 billion naira. How many businesses have capitalization of 5 billion? To start a law firm, I am not sure you need almost 100million naira. So, when you have such a barrier to entry, return on capital invested also has to be high. For instance, you cannot compare a 5 billion capitalised bank, which makes 200million naira, which is 40% return on equity, to a law firm that was set up with 50million naira but ends up making 300million naira in a year. That is almost 600% return on equity. The relative terms of the industry are not always considered when people talk about the challenges we face. So, we are in the same society, we face the same challenges. But the question is, how can these challenges be eradicated?

First, what are the major problems the bank face? Identification is a big problem because we don't know who is who and I think the country is facing the same problem. If we can identify who is who

then it's easier for us to lend. Second is data aggregation. I give someone a loan and he is good for the loan. But because I cannot aggregate the data, the same person borrows from 10 different people and gets the same loan. Another problem is the law itself; the judiciary. Because if I have ascertained that this guy is wrong and needs to pay me back, foreclosure laws are unbelievable, cases take so long in court, justice delayed is justice denied. So, all these are issues.

Also, there is a policy somersault from the monetary side and the fiscal side. It's a challenge that the bank faces because everybody wants to invest in a stable environment; where it is predictable. But when it gets to a point when business outcomes are not predictable then it becomes an issue; the cost of regulatory compliance now becomes a little bit challenging to the banks.

What is your opinion of the new CBN guidelines on bank charges, do you think it will make or mar some banks?

The future of the banking sector or any business whatsoever is not on charges but rather on value for service. If you give me value for money as a client I will gladly pay. But how do we define value; it's the exposure the client has. The depositor comes and is looking for highest rates, the borrower comes and is looking for the lowest rates, both on different risk profiles. I think it's not about charges but solution-based banking and trying not to solve problems that people don't have.

What has been the impact of fintech companies on the lending platforms of banks. Do you expect to maintain or lose market share as you see the fintech sector advancing in the medium to long term?

Fintech and microlenders are lending at 5% per month. Banks are coming into that space. Now,

there are banks that instead of 60% per annum, offer 30%, some offer 25% and we have seen banks now in the range of 16-17%. Fintech is all about data and as we speak today the banks have the largest data source because they have the account and the spending of what a customer does. What I see is that the pie is big enough for everyone. When the telecoms came, they brought more people into the informed society because then you have things like USSD and teleco banking and that makes banking easy. In my view, I think the space is bigger than the players we have or the tools the players are using to reach the space.

With the advent of digital revolution in the banking sector, do you envisage a reduction in the number of physical branches in favour of an expansion in branchless banking?

Branchless banking you will get and you already get it today. Some people don't even go into the banking halls anymore but those are people with smartphones. Because of the wide reach of the banks, sometimes it's more convenient to go to an ATM machine than to use a non-smartphone to try and transact your business. This is because there are limits on non-smartphones and limits on smartphones, which are there to protect the customer. However, as the velocity of money increases and the value people transact, we then still need to move into the banking hall. We can improve the security apparatus and features on smartphones and the digital banks that we are operating now, but the developed world has proven it that yes you have digital banks that will cater to a certain level of customers, but you will still need the physical branches to cater to a certain cadre of customers. But it's important to note that our digital management system in Nigeria is still 60% manual. So, until you get there; because it's not just the bank that needs to go branchless. I should be able to renew my driver's license, passport, my plate registration without leaving the comfort of my office.

If you could identify one key quality that leader in banking should possess in order to achieve success, what would it be?

In the age we are today, there are some qualities that a leader must have, not just a banking leader. He must be able to gather data so that he is reading facts and not emotions. Second, he must be able to take those facts and those data and turn them into information because not all data is relevant. Then, he must be able to turn information into knowledge, knowing more, which is what the banks are trying to do now (know your customer, enhanced due diligence, continuous due diligence). It's not enough to know, we have to become brilliant, smart bankers. When we know what the customer wants, the questions are can we do what the customer wants, how do we get that done? This is where artificial intelligence comes in so we can start having predictive factors. It's more about business intelligence here.

Also, a good leader has to be diligent not just intelligent so that we would not waste resources. We can optimize resources and maximize value. Then discipline is important; do what you said you want to do. And lastly, in this new age, you have to be creative and innovative

What is your outlook/projections for the banking sector in 2020?

Ten years ago, yields were lower than inflation. We were buying 10-year bonds at a yield of 4%, it was not sustainable. So, I think some of the anomalies you have in the market today will be corrected in terms of prices. I see more collaboration between banks to reduce the cost of doing business, because the cost of service seems too high and that's why some of the charges on a cost recovery

basis on the customer looks like a burden to the customer. So, I think in 2020 we will see some corrections because the real return on money is actually lower than inflation for the local investor maybe not for the foreign investor.

As Chief Executive Officer of suntrust, what do you consider to be your greatest achievements and challenge?

As CEO of SunTrust, it has not been easy. The easiest challenge I can tell you about is that we are coming after new generation banks, but we are not coming late. There are issues to be solved, problems that need solutions proffered to. We think it's the appropriate time to come. The modus operandi of how we want to serve our customers, which we have picked as branchless, because real estate has already been provided by other players. We can actually use the shared network of the banking industry to actually reach our customers.

Where do you see the majority of suntrust bank's growth opportunities lying during the coming months and years? Is it retail, msme or corporate banking? Or perhaps another area?

Our play is digital but our service is lending and our focus is the retail MSME. So how can we use the digital tools to offer our service to the retail world? We are not changing our DNA, because we still believe in the vision and we know it will be achieved. There are a couple of synergies that we have been coming up with and they work. So, it's being a good journey so far. We are grateful to all the partners, customers that have supported and still are supporting us for how far we have come.



**Egie Akpata took some time out to discuss the
Capital Markets with Lawritta Okereafor of
Tokunbo Orimobi LP**

Egie Akpata is a Director in Union Capital Markets Limited. Union Capital Markets is an investment and advisory firm committed to meeting the needs of its clients by providing an array of innovative financial solutions that create long term value for investors.

Dissecting the Capital Markets



Egie Akpata

What challenges in your opinion are facing the capital markets sector and how can these be eradicated?

The big challenge facing the equity capital markets is secondary market liquidity. Clearly a market that relies heavily on foreign investors cannot be a sustainable or stable market. Currently, a lot of foreign investors are selling down the equity positions in frontier markets like Nigeria because a lot of frontier market funds are being shut down. So, what you have is a lot of selling pressure from these international investors and very little local buying capacity. Outside the pension funds, we don't have any reliable pool of significant capital locally to buy secondary market equities and even the pension funds have not been compelled to have any minimum equity exposure, so they are staying away from the market because there is really not much firepower going into that market. Also, you don't have high quality companies going public anymore; most listings have been Listings by Introductions and they have not been from the highest quality of issuers. Frankly speaking, the number of high-quality listed companies on the Nigeria Stock Exchange has been dropping every year and this is going to continue into the foreseeable future. The huge challenge now is how to bring high quality companies to the public market to raise equity and where buyers for that equity will come from.

On the debt side, the challenge is high inflation rate. There should be a long-term correlation between inflation rate and the interest rate on those securities. With inflation rate trending up at almost 12%, clearly those high rates are not great for borrowers of money. The Central Bank of Nigeria (CBN) introduced certain initiatives that

has artificially depressed short-term rates to below inflation and this is very bad for investors. At some point, investors will get tired of getting below inflation returns on their money and this will not be a sustainable model to work with.

Also, having high quality instruments come to the market is a bit of a problem. Outside the Federal Government and being the proud owner of the market with infinite borrowing needs, the ability of corporates to borrow is made much more difficult when the Debt Management Office is issuing 150 billion a month in bonds. Because of the very low rates right now, a number of corporates transactions have come to the market, which is good.

There is really no short-term solution to eradicate the challenges in the capital markets, this is because you need pools of money set aside for that specific purpose. The only local pool that is very significant is the pension fund, and it is not for that purpose and they have chosen not to be heavily invested in equity. So, you do need high quality local equity fund managers who have proven track record. These fund managers should be individuals not companies, who have proven long term competence in their ability to make money for investors in this market.

In terms of primary issuers, it is going to be very difficult to quickly get more primary issuers. Some will say the government should force telecom companies to list, maybe they should force certain kind of companies to list on the exchange etc. One of the Bureau of Public Enterprises' conditions for the privatization of virtually any company is listing, but almost nobody has followed through or nobody has heavily thought about it or maybe the market was not ready to accept them. So, it's a bit difficult on the listing side. On the borrowing side again, CBN has to go from unconventional to more conventional policies to effectively get the market to price appropriately, meaning the price of money has to

somewhat reflect the interest rate and the inflation rate in the economy.

What effect does the Current Nigerian economy have on capital markets?

The Nigerian economy is growing at barely 2%. Looking at our population, an economy with that kind of growth rate is not exciting. Also looking at the growth rate, you are not likely to have a spectacular performance from companies when you have that kind of growth rate which is why you don't see spectacular performances from companies on the Nigerian Stock Exchange. This is also why the stock market is not performing well. So, you need to have fast growing economy to at least have companies that are growing rapidly and their valuation can keep moving up on the stock market.

On the debt side again, in an economy that is barely growing, government becomes the safest bet in town and that is why a lot of people prefer going into government securities over taking risks with private ones. So, when we have a faster growing economy, it will be a bit easier for companies to raise money in the equity or debt market and investors will actually be able to probably get a better return in both markets.

There is really no short-term solution to eradicate the challenges in the capital markets, this is because you need pools of money...



How have you managed to keep Union Capital markets afloat despite the economic challenges?

When you say afloat, it makes it seem as if we are about to sink. Union Capital Markets was a subsidiary of Union Bank, we acquired December 31st 2013. So, it has been outside Union Bank for the past 6 years now. It has been afloat simply because the new owners are highly competent, very experienced financial sector experts with extensive local and international experience and just by being focused on doing things properly in the long term, high quality staff, that's what has kept us afloat. So, there's lots of things we've done that are more long term than short term focused, which were painful to do in the short term but we knew we needed to build a solid foundation. So, I think the trajectory of Union Capital has not being in correlation to that of the Nigerian economy as such in that we are on an upward trajectory irrespective of what is happening around us. Probably because we are starting from a lower base, also because we are just focused on executing a few things properly.

What is the relevance of capital markets in solving investment issues in Nigeria?

Again, the whole point of having a capital market generally is for long term money and the whole point of having that market is to raise money to develop the economy. So, first of all the money has to first exist, the money has to be saved by somebody and then somebody else is using the money. Normally in Nigeria, if you look at the pension fund, they are the ones saving, they are going to give the money to somebody else to deploy. And so the relevance is that if you have a very good mechanism for saving and transmitting to the people who need it and getting it back to the people who saved it, then the economy can move very fast. If you check, almost any country that has had rapid economic growth, has had high savings rate. Be it savings from governments that are oil based that save a lot of their money and invest in the economy or be it private sector driven growth, you need to have money being saved somewhere and being invested in the economy somewhere else. And so, the capital market is the intermediary that takes money from the excess positions to where they are needed. But the challenge is they have to find a home that is productive and would generate returns for the investors, not where it will get lost.

In the Nigerian market, certain sectors have been known to be consumers of capital rather than producers of returns for capital owners and overtime these sectors will struggle to get money from the capital markets.



What strategies have been put in place by Union Capital to give its customers easy access to capital and money market

Union Capital Markets has a broker/dealer license, is a member of the Nigerian Stock Exchange, has a fund/portfolio managers license, and also an issuing house. We have very different customer bases. For our corporate customers, which is the investment bank and issuing house business, we have given a lot of companies access to the debt market and a number of first-time issuers. So, we have helped a lot of companies access long time bonds, which is what they typically need; long term money, which is not what you can get from a bank. A bank will not lend you money for 10 years at a fixed rate, this is impossible in a Nigerian bank anyway. We've helped a lot of people raise money and we are very happy about that on the debt capital market side.

We've also helped a lot of people to execute equity mandates - people that want to buy stocks from the floor of the exchange. We have executed a few products on the fund managers side where customers can maximise the returns on their investment within conservative guidelines but also be very efficient. So, we have helped a number of people save and maximise their returns while minimising their risk. Because again as we have said earlier, the stock market hasn't had a great performance and so a number of people that have stayed away from that market, can't have their money idle, so we've helped them maximise the returns on that money while minimising risk.

Do you think capital markets will still be the go-to investment and capital raising option in the future and to what extent?

As already stated, the capital market is where excess money is deployed to where it is needed. So as long as there is excess money being generated somewhere, it will always be needed to deploy and now the question is really how efficiently the deployment is being done. So, on the equity side, that is clearly not being done efficiently. I mean almost nobody is raising new money in the stock market. They are just listing and listing shares. A few right issues here and there but I wouldn't really classify rights issues as new money. It is new money but it is not new shareholders, its same shareholders. So, that doesn't really solve much. So, at some point in the future, the Nigerian Stock Market has to be able to raise new money from new companies, from new investors and that's when it will really have brought it out. So, it will eventually get there, it is just going much slower than we expected.

On the debt side, the debt capital market has probably made more progress in the past few years than the equity market. A number of new companies are coming to raise debt for the first time and that is growing the market. Also, getting more companies disciplined, because if a company raises debt, it has to be a bit disciplined to do that. A lot of companies that are coming now into the debt capital market are actually private companies, which is good. I think it will continue to be an option in the future and I think over time that option will actually grow. I think we are going to see more and more corporates come to the market over time because they will find out that banks are definitely not the most efficient intermediary in the financial market due to their regulatory costs. So over time corporates and even state governments that need money will just get it directly from investors.

What is your outlook/projections for the capital markets industry in 2020?

Like most years it's a game of two halves. When we look at the debt capital market, in the first half of the year, interest rates are unusually low relative to inflation or historical levels. So, expect a lot of capital markets primary issuance of debt instruments both bonds and commercial papers by corporates and states.

In the second half of the year when rates are higher, there will be a slowdown in primary debt issuance by corporates. On the government side, again government is just going to keep borrowing money as far as its possible. So, the government is going to flood the market, both bonds and other instruments, both local and foreign to raise money to fund a very large deficit budget.

On the equity side, dividend yields are now so much higher than short term interest rates. There will probably be a significant amount of money that flows into that equity market, sometime in Q1 to take advantage of very high dividend yield. At

some point, investors will rather take the small equity risk on their principal and go for dividend yielding stocks. And so that will probably boost the stock market index in the first half of the year until after the dividends have being paid around April/May, in which case the market will be flat. Everything also revolves around the exchange rate. If exchange rate moves substantially from here then it could significantly impact the market for a number of reasons. I mean, exchange rate instability is what foreign investors do not like.

Again, stock market should do a bit better than last year. This year should probably be a positive year given some of the other variables in the economy. And so, everything is subject to two things, exchange rate and price. Price looks good but I am not sure about the exchange rate. At some point this year, we are probably going to see a devaluation of currency.

For an investor looking to invest in Nigeria in 2020, where should that investor put his money for optimal returns?

For a local investor, assuming such a person is not as concerned about exchange rates, it is very different from someone whose currency is foreign and so exchange rate is everything to them. There is no point telling them you made money in naira and lost on exchange rate.

For a local investor, I will say that they should put more of their money in high dividend yields stocks now than they ever would have because when the government is paying you 6% for one year and a company is paying you 12% dividend, you have to ask why you are giving your money to government. Particularly when the company's stock is trading at a multi-year low not at a 52-week high or all-time high at the same time; you will probably not have any capital loss on it. So, I will put more into high yielding equity right now. I will look more into foreign currency denominated fixed income instruments -

Eurobonds, US mutual funds or anything that the actual investment is actually physically in foreign currency. Because at the rate we are going, money market funds and Eurobond mutual funds will be yielding roughly the same by the end of this month. In which case why are you in naira, you could as well do foreign currency. So, probably a bigger portion in foreign currency and a naira fixed portion, short term. I wouldn't invest any money right now as an individual in long term instruments. Individuals really shouldn't be buying long term bonds because they don't have the ability to move quickly when their prices start to drop. So, for an individual investor, more of high dividend yielding quality stocks, foreign currency denominated fixed income investments and shorter-term investments on the naira side. So that if there is an adjustment in interest rate, you will be able to go into that without any capital loss.

Where do you think the economy is headed and what implications does this have on the capital markets?


There is nothing to suggest that the economy will suddenly start booming. There is no evidence that there is anything being done by the Government to make the economy change its trajectory right now and so the economy is going to continue as it is which is relatively slow growth compared to historical norms. So most projections for growth are between 2% and 2.5%, that is nothing to write home about and that is not likely to create any boom time feelings for

individuals or companies.

For the capital markets, it is just business as usual, maybe marginal increases and improvements on the equity side. We already had one bad year last year, probably a good bounce this year.

What trends can the Nigerian capital market adapt from other capital markets globally in 2020 for better performance?

There is some relevance to the global market, but not on the equity side. For e.g. in the US, there was a return of almost 30% from S & P, NSE had -14% [30% (\$), -14% (naira)], thus a huge divergence and there's no connection between the two markets. Actually, as the US markets do well, foreign investors are ready to take the money back to their home where the markets are doing well. Thus, the main thing is on the currency, as you have the Federal Reserve either holding or dropping rates, it is somewhat positive for the Nigerian economy as fixed income investors will be attracted to Nigerian instruments compared to their local instruments which is paying poorly. The Nigerian market has shown to be somewhat disjointed from what else is happening out there, probably because the economic policies of Nigeria, are usually not in sync with global policies. So, if rates are dropping in other places they are not necessarily dropping here and vice versa. So, I think there is very little correlation between the global market and the Nigerian market in 2020 as it was in 2019.

 **There is nothing to suggest that the economy will suddenly start booming.**





Happy faces at the Law Meets Art Event - September 2019



Tokunbo Orimobi's Global Chairman, Mr. Michael Orimobi with the Bangladesh High Commissioner to Nigeria, Md Shameem Ahsan, Ndc, during his Diplomatic Visit to Abuja



Tokunbo Orimobi's Global Chairman, Mr. Michael Orimobi with the Rwandan High Commissioner to Nigeria, Mr Stanislas Kamanzi, during his Diplomatic Visit to Abuja



Tokunbo Orimobi's Global Chairman, Mr Michael Orimobi with American Rapper, Eve during the Abu Dhabi Formula 1 Grand Prix



Tokunbo Orimobi's Global Chairman, Mr. Michael Orimobi with the Slovakian Ambassador to Nigeria, Peter Holasek, during his Diplomatic Visit to Abuja



Tokunbo Orimobi's Global Chairman, Mr Michael Orimobi with American Singer-Songwriter, Neyo during the Abu Dhabi Formula 1 Grand Prix



Tokunbo Orimobi's Global Chairman, Mr Michael Orimobi with Prince Mohammed bin Zayed, Crown Prince of Abu Dhabi, at the Royal Lounge, Abu Dhabi Formula 1 Grand Prix



Tokunbo Orimobi's Global Chairman, Mr Michael Orimobi with popular Disc Jockey, DJ Xclusive during the Law Meets Music - The Christmas Experience - December 2019



Cross section of staff and panelists during the 2019 Tokunbo Orimobi LP Staff Retreat



Tokunbo Orimobi's Global Chairman, Mr. Michael Orimobi with Mr. Seyi Onajide (GMD, RT Briscoe Plc & Trustee, Tokunbo Orimobi Foundation) at the Law Meets Art Event - September 2019



Tokunbo Orimobi's Global Chairman, Mr. Michael Orimobi with the Governor of Kaduna State, Nasir Ahmad el-Rufai during the signing ceremony for the provision of air shuttle services in Kaduna State by Quorum Aviation



Tokunbo Orimobi's Global Chairman, Mr. Michael Orimobi with some TOLP staff at the Law Meets Art Event - September 2019



Guests at the Law Meets Art Event - September 2019



Tokunbo Orimobi's Global Chairman, Michael Orimobi distributing stationery to the students of the St Judes Anglican Primary School, Ikeji Ile



Tokunbo Orimobi's Global Chairman, Mr Michael Orimobi teaching his fans some dance moves during the Law Meets Music - The Christmas Experience - December 2019



Tokunbo Orimobi's Global Chairman, Mr. Michael Orimobi with Mr. Deen Solebo (CFO, Elecktron Energy and Mining Limited) and Mr. Femi Ogunjimi (Partner, CardinalStone Partners Limited) during the 2019 Tokunbo Orimobi LP Staff Retreat



Tokunbo Orimobi's Global Chairman, Mr. Michael Orimobi with the Palestinian Ambassador to Nigeria, Saleh Fhied, during his Diplomatic Visit to Abuja

Ohimai Atafo

and the fashion industry in 2020



What sparked your interest in fashion?

I pretty much just love fashion and wearing clothes. It was not about making clothes for people, it was just about me wearing clothes and looking good. It was just a pure love for wearing clothes.

Were your parents ever in support of you going into fashion design?

At the point I went into fashion, I was already of age. It had nothing to do with my parents. But at the time, my Dad was late so it was just my Mum. It was not about taking permission per say, but more about aligning her into the idea that I was leaving a very cool job as a Senior Branch Manager to become a tailor. Whether she was not in support or not I still would have done it anyway.

How much was your start-up capital?

When I started fashion, it was not a business like it is right now, it was more of a passion. Thus, there was no business plan, no target audience or marketing strategy so I did not have a start-up capital. But I had to get a space, which I did at Falomo, Lagos and equipment to set up the place. I could say I started with about N3 - 4 million to cater for the aforementioned.

What obstacles did you encounter while you were starting up?

I started really small and I did not know what I was getting into. My first obstacle was getting good tailors and I still struggle with that till now. Even till date it just feels like you are working for your tailors instead of vice versa. Also, capital was an issue. I wanted to buy a big generator and I could not do so immediately. I had to keep managing till I eventually got one that could do what I wanted. Finally, considering I had no fashion background and mentor in the fashion industry, I did not understand the industry like I should have which was a bigger obstacle.

When was your first big break?

My first big break was in 2007 when I was on a National TV for a dance reality TV show and I had to style some celebrities. It was also at that show that I chose my brand name; then Mai Atafo Inspired.

Tell us more about your designs

I make suits for every occasion - male and female. Also, I have a wedding dress line. In making my clothes, I focus more on the cut and fit, ensuring that whenever you wear my design, it fits your body right. My suit also makes you look like you have lost 10 pounds and you have gained two inches in height. For my wedding dresses, I focus on more simple and elegant wedding dresses.

How is working in the industry different today than when you started out?

For a start, you need no certification or expertise to become a fashion designer; there is more competition now. There are more fashion houses and people that know what they are doing. The market has gone more sophisticated and customers have more options than before. It is now a robust industry; we have the Lagos Fashion Week, GTBank Fashion Weekend, Design Fashion Africa and a lot more. Also, more people have a broader platform and space to showcase their talent. It is even cooler now to wear Nigeria than it was in the past when people preferred to order things from outside the Country.

How do you think the current economy will have any effect on the fashion industry?

I believe that the Government at every level can do more than they are already doing. They can try to understand the industry better particularly the business side of fashion. When this happens, they are able to make fashion more lucrative for everyone. Also, for the globally recognized designers, they should be able to sit with the

Government to form a small council that will regulate the industry and assist the younger generation.

What is your outlook on Nigerian fashion and its impact on africa?

Without a doubt, we are number one on the continent when it comes to fashion. You can conveniently conclude that Nigerians are fashionable as opposed to other African countries who troop into Nigeria to tap into our consumer base and attend our showcase regularly. Our fashion industry is moved by our Entertainment Industry, Movie Industry and our regular owambe parties, movie premieres etc. which happen every weekend. These have helped us a lot. The whole African continent just wants what we do.

What are your thoughts on what will happen in the fashion industry in 2020?

A few of our fashion houses will certainly close shop if the industry continues at the rate it is going. On the flip side, the fashion industry will become more robust and new designers will continue to emerge.

What are the issues in the fashion industry and how can these issues be surmounted?

The number one issue is Power which is a basic amenity that fashion houses need. Secondly, Expertise; our tailors are not constantly improving themselves. Also, there is the issue of Entrepreneurship; everyone wants to be his or her boss. Capital is also a major issue because maintaining a business is not entirely easy and if we have more capital, it would help in expanding. We lack good production mechanisms in Nigeria and a responsible council that should guide us and supervise the fashion houses. These issues can be surmounted by the re-introduction of Technical Colleges where you learn the hard skills relating to a particular field after secondary

school before going into the University. These colleges will help in improving the expertise of the tailors. Regarding capital, I think there should be an initiative in place where fashion designers can access funds to help with their business.

What relevance will fashion have in the nearest future?

It will always be relevant and cannot be underestimated.

What advice will you give to young designers starting out and hoping to make it in the industry?

If you have a gift or a talent that you have identified, then try to look at the business part of it and understand what it takes to run the business. How do I know who my target is? What is the culture and trend? What do I sell to them? How do I develop my talent and how do I present my talent in the best way? These should be the focus of the younger designers.





Housing with Sonnie



You can only have mortgages in places where people are upwardly mobile and transportation is not an issue.

Lawritta Okereafor of Tokunbo Orimobi had a sit down with Mr. Sonnie Ayere to discuss the Housing sector and the initiatives spearheaded by DLM to support the sector.

Sonnie Ayere is the Chairman and Chief Executive Officer of DLM Group. He has acquired years of solid corporate and structured finance, corporate banking and asset management experience working with institutions like NatWest Bank, Bank of Montreal, HSBC Bank and United Bank for Africa. He is currently the Chairman of the Mortgage Warehouse Funding Limited.

In your opinion, what are the challenges and opportunities facing access to good housing and how can these be surmounted?

I believe that certain issues like long term financing which reduces the cost of funding and providing funding for mortgage origination have been resolved. The first challenge has always been the issue of affordability. There is also the issue of interest rate which varies depending on the market rate - the higher the market rate the higher the mortgage interest rate and vice versa. From the buyers' perspective, the biggest issue is cost and from the lender's perspective, the biggest issue is recovering the property in the event of non-payment of the amount borrowed. This is where the issue of foreclosure and other legal issues arise, in the event that the borrower defaults in making payments.

Furthermore, there is also the issue of foreclosure. In 2015, the Nigerian Mortgage Refinancing Company (NMRC) was set up to bring affordable housing to Nigerians. The key objective of the NMRC is to raise funds from the capital market for the mortgage industry in Nigeria through its participating mortgage banks, so that more Nigerians can own their own homes. In my time while setting up the NMRC, a Module Mortgage and Foreclosure Law was introduced. With the help of a few law firms, we reviewed the existing foreclosure laws. The problem with the existing laws were that they could easily be prevented with an injunction. The amended law introduced certain initiatives and implementations, for instance under the new law where you want to get an injunction for this type of case, you need to deposit the principal sum of the loan with

the court. Also, the law tried to introduce a Commissioner for Mortgages. This and other initiatives made the foreclosure process less frustrating, thereby making the mortgage process easy throughout the state. This amended law which was made a state law, has been able to surmount the issue of foreclosure. The various states in Nigeria are passing the Foreclosure Laws gradually. Interest rates cannot be changed as this is based on the market, however the recent initiative by the Central Bank of Nigeria (CBN) in creating a domestic private credit economy whilst keeping Open Market Operation (OMO) Bills for internationals, so they do not take their cash out, will be able to solve the issue of interest rates.

Can you tell us more on the existing housing policies in Nigeria?

There are too many housing policies and this is part of the confusion. The reason why these policies have not worked is because the person being offered the mortgage is the person who cannot actually afford the mortgage. For instance, the CBN came up with a policy saying if your mortgage loan is N5m or below, they would subsidize 40% of your interest rate, this is a good idea, however, the number of homes in good locations are above N5m. In countries like England, for instance, before you can own a home, you need to have worked for a really long time. Also, in South Africa over 90% of people who own homes are people that earn at the minimum N380,000-rand equivalent.

You can only have mortgages in places where people are upwardly mobile and transportation is not an issue.

There are too many housing policies and 90% are flawed as they do not address the problem. You need to start from your best credit then you can move down the credit curve - social housing etc.



Sonnie Ayere

What kind of amendment will be necessary to ensure an all-in-one favorable housing policy in Nigeria and Africa as a whole?

The policies put in place need to address the people that can afford the houses and not those that cannot afford the houses. I am not saying ignore the people that cannot afford good homes, but first start with those that can afford homes, get a good working credit structure, then you can start addressing the lower level.

What effect does the current economy have on housing in Nigeria?

Six months ago, I would have said a devastating effect because of your macroeconomic indicators like high interest rate and high inflation. Today it is getting better, the rates are coming down, the Loan to Deposit Ratio (LDR) and the Movable Goods Act introduced by the CBN is playing its own part. The macroeconomic environment for lending is now being supported by the monetary authorities. The authorities are trying to bring

down interest rates and force banks to lend. I can assure you that by next year - 2020, we will have more of a credit market, banks will be offering loans to customers to buy cars, air conditioners etc. as the case may be.

How can we make mortgages more accessible to Nigerians?

Mortgages should be advertised more often in the newspapers and other social platforms like the commercial banks do. Also Nigerians should be given more education on mortgages, what it means to own a home and the debts associated with it. To my mind, I think we can start with joint mortgages, this will be easier for each person to manage.

Tell us about some of the initiatives that dlm has spearheaded in revolutionizing housing in Nigeria

I will start with myself then I will move to DLM. Before you can have a mortgage market you must have a bond market. In my IFC days, I worked with the Nigerian Government to develop the bond market. After that, I did the first securitization in 2006 for Federal Mortgage Bank, then I got involved with working with Lagos State Government for Lagos Homes, then I got to work with Ngozi Okonji-Iweala to create NMRC. After that I created the Mortgage Warehouse Funding Limited and as we speak, I am working to create the Mortgage Guarantee Company to guarantee mortgage loans. These are all the initiatives and transmission vehicles that have been put in place to support financing the housing market from the humble DLM shop.

The real estate landscape in nigeria has changed dramatically in the last 20years, would you say more developers are focusing on luxury properties instead of affordable housing?

Initially developers were focusing on luxury

properties, but right now a lot of developers are beginning to see that there is a lot to gain from affordable housing. I would not say affordable housing per se but the mid-market space like your nice terrace houses. Also, the studio, one bedroom and two-bedroom flats are becoming more popular because there are a lot of millennials. Thus, the question here is even if the developers are not focusing on affordable housing, they are thinking about it. What I find today is that we have now moved into two sets of homes; the ultra-luxury and the mid-level homes.

For an investor interested in housing/real estate, where should that investor put his/her money for optimal returns?

Mid size/ affordable homes is definitely for the future. The one bedroom and two-bedroom flats for millennials. The population of our youths is so high and they all want is a place to stay. Thus, the macroeconomic environment needs to support mortgages making it affordable for people to buy.

How can we better finance affordable housing in Nigeria?

The financing mechanisms are already in place, to my mind it is for people to use these mechanisms. I can see a better credit market in 2020. With a good interest regime there is a high probability that money will flow not just into housing but other sectors.

What is your outlook/projection for the housing industry in 2020?

It will be very positive. I think there will be a higher loan growth in not just housing but in the entire credit spectrum. This will depend on maintaining the current monetary policies.

An aerial photograph of a tropical island in the Seychelles. The water is a vibrant turquoise, transitioning to deep blue further out. The island is covered in lush green vegetation and has a small white sandy beach. Several boats are visible in the water. The sky is blue with scattered white clouds.

**Reasons to Choose
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MALIKA JIVAN



Why Seychelles?

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Seychelles International Business Company popularly known as IBC is a flexible corporation that enables corporations and individuals to conduct international business in an effective manner. IBCs can widely be used for International Trade, as a Holding Company or an Investment Company.

IBC is a non-resident company and can conduct business in any part of the world except Seychelles. It does not attract

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- Cannot undertake banking, insurance, re-insurance or other activities restricted by the authority
- Just one shareholder and director required who can be the same person
- Directors and shareholders may be either a natural person or a corporate entity
- Preferential or common, nominal shares are permitted
- Paid up capital of just USD 1
- Accounts to be maintained; annual filing of returns not required
- Incorporated in just 1-2 days

Advantages of Seychelles International Business Company (IBC)

- The IBC is a flexible structure that allows the corporation to conduct international business in an efficient manner.
- Shares may be issued for money or for other valuable consideration and can be issued in any currency
- IBCs are tax exempt companies therefore increasing the profits which can be used to further business expansion.
- Details of the company beneficial owners, directors and Shareholders are not part of public record

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- Client Focused
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We at Abacus (Seychelles) Limited ensure the client's needs are met in an expeditious manner while maintaining the character of a quality solution provider. We constantly aim at high customer satisfaction by providing tailor-made solutions to an ever-growing client-base, all in compliance with international best practices. We are members of several industry bodies including the STEP, ITPA, IFA, AOA and CWM.

BY LAWRIITA OKEREAFOR

We Are Tokunbo Orimobi

Our vision - **Primus inter pares!** - is a phrase you might have heard multiple times but only applies in actuality to a few scenarios or a few businesses as is the case here. Our mission is to be the global firm of choice and benchmark for bespoke legal advisory services. It is the vision and mission of Tokunbo Orimobi LP, to be the first among its equals while providing bespoke legal advisory services to its clients and we are truly keeping to that.

Living and doing business within Africa's most populous country requires having a dependable legal team behind you. With a law degree, anyone can open a law firm in Nigeria but not everyone can attain the high bar of professional excellence on offer at Tokunbo Orimobi. Here, we prioritise building strong relationships with our clientele based on our years of legal experience, professionalism and effective service delivery. Our key strength lies in loyalty to our clients; carefully perusing every decision and step with them at all times.

Tokunbo Orimobi, offers a wide variety of solutions to your legal needs. Our practice areas span Corporate & Commercial; Corporate Finance; Project Finance; Structured Finance; Capital & Money Markets; Mergers & Acquisitions; Venture Capital; Private Equity; Business Advisory; Banking; Insurance; Intellectual Property; Taxation; Privatization & Commercialization; Transportation (Shipping, Aviation, Rail etc); Energy, Power & Natural Resources; White Collar Crimes; Government Lobbying; Real Estate; Litigation & Alternative

Dispute Resolution; Trust; Wills & Probate; Debt Recovery and to a considerable extent Criminal Matters. Without mincing words, we cover your legal needs to the letter.

Most clients want a truly global firm, not in words and taglines, but in practice. In tandem with our vision and mission, we are truly global in operations and are still opening more offices across the world. Presently, Tokunbo Orimobi has a strong presence in Africa, the Americas, Europe and Australia, with our regional offices located in Lagos, New York, London and Sydney. As at today, we operate out of 10 offices in 7 countries.

Legal services entail an on-going professional relationship between the client and the attorney. With over 40 years of legal operations, we understand that clients value lawyers and law firms who know how to communicate and are sensitive to their needs and concerns. This has been key to our success over the years; building a team attitude and spirit.

Because legal services are services-based, not products-based, clients and prospects tend to hire lawyers they can trust to handle their work well. At Tokunbo Orimobi, we offer the services of not just a top law firm, but that of a team of brilliant lawyers spanning various legal needs. Our global presence means we have a culturally diversified staff. This diversity has been a key driver of creativity and innovation, as staff with local market knowledge and insight make us more competitive and profitable. Being a truly global firm means we have been able to attract and retain the best talents across the world while offering a broader and more adaptable range of services.

At Tokunbo Orimobi, we are about the energy, the fun and the sophistication. We recognise the intense focus required to fulfil our vision, so we believe it is important to have some fun while doing it in a sophisticated manner. Whether for

work or play, we care what we look like. It's more about thoughtfully and courageously assembling an outer layer that represents who we really are; the most affordable global legal brand that offers the most plausible solutions to your challenges. Our resultant friendly work environment helps us enjoy our jobs, which translates to our clients enjoying the Tokunbo Orimobi experience. We work hard and play harder, investing in community and firm events that help our employees and their families feel a connection beyond business as usual. These events include Dress Down Summer & Winter (July and December respectively), Quarterly TGIFs, Games Nights, occasional Staff Meals, African Heritage Day, Christmas Parties etc.

We do not stop at just engaging our staff, we are a people-based firm contributing to the human capital development of our host communities. In engaging with our community, we set up the Tokunbo Orimobi Foundation – which focuses on Education, Mentorship and Pro-Bono Advisory. Some of our initiatives include – our intense Internship Programmes for young lawyers; Tokunbo Orimobi Life-After-School Series; Tokunbo Orimobi Strategic-Business-Support Series; Community Volunteering, Law Meets Series etc – all with a view to ensuring that we fulfil our responsibilities to the global community with the greatest possible impact.

We have not rested yet on our oars. Constantly a feature as a winner of international awards such as IFLR, DealMakers, ACQ Global Awards etc; such recognition is only a tip of the iceberg that serves to affirm our global expertise. We are committed to breaking limits, setting new standards and surpassing the expectations of our clientele. We are the legal team that is only beaten by our continuous improvement every year. We are here to grow with you and achieve your dreams. We are Tokunbo Orimobi...the primus inter pares and our aim is to be the global firm of choice and benchmark for bespoke advisory services.



Inside Tokunbo Orimobi

TMT FINANCE AFRICA

Our Global Chairman, Mr. Michael Orimobi on Thursday, November 28, 2019 chaired the session on "Enterprise Cloud & Data Centres - How to best support the growing demand for data". The Panel comprised of leading experts, investors and seasoned professionals in Data Centres across Africa - Stephane Duporz, CEO, Africa Data Centres, Wouter van Hulst, CEO & Founder, PAIX Data Centres, Michael Tobin OBE, Founder, Tobin Ventures and Zahid Saddiq, CFO, Zircom Data Centre.

Our Global Chairman was also a Speaker alongside other seasoned professionals including Ebrima Fatty, CEO, Africa Sokoni, Andrea Traversone, Managing Partner, Amadeus Capital Partners and Jacques Ludik, Founder & Executive Chairman, Cortex Logic, at the session on 'Investing in Digital Innovation'. The session was chaired by Yusuf Hoosen, CEO & Founder of Signific.

The sessions were indeed enlightening as the speakers were able to drive an insight into the investment opportunities available in the TMT space in Africa - Data Centres, Fintech, E-Commerce etc.

We must commend the organizers of the TMT Finance Africa 2019 for a job well done.



OPENING OF TOKUNBO ORIMOBİ, ACCRA OFFICE

In a country ranked as the best place for doing business in West Africa and regarded as the fastest growing economy in the world, according to the World Bank's Ease of Doing Business Report 2019; Tokunbo Orimobi's office in Ghana offers clients the best legal services available in the West African market. Specifically, having an office in Accra gives our firm the opportunity to cater specifically to the legal needs of West Africa.

At Tokunbo Orimobi, our pride is that we combine the highest global standards with local expertise to exceed the expectation and satisfaction of our clients. So, in Accra, we are present with a team of highly skilled lawyers devoted to the provision of bespoke and excellent legal services to individuals, corporate bodies as well as state, parastatal and non-governmental bodies.

We situate our services within the particular context of our clients' peculiar situation and partner with other relevant service providers, where necessary, to deliver timely results to our clients. Our lawyers in Ghana are trained in different areas of practice- Corporate & Commercial, Litigation, Regulatory Compliance, Intellectual Property, Real Estate, Labour Law, Debt Recovery, Shipping & Admiralty and Company Secretarial Services etc- and regularly handle diverse and challenging transactions.



OPENING OF TOKUNBO ORIMOBİ, SEYCHELLES OFFICE

Seychelles has grown to become one of the most attractive destinations for financial services and structuring as a jurisdiction in the Indian Ocean region.

Tokunbo Orimobi's Seychelles office is the preferred financial services company solutions provider for those looking for the right avenues to protect and grow their businesses and assets. We are a team of professionals with immense experience in the world of international business consulting and wealth planning; a resource combination of reputable international lawyers, global finance experts and other industry professionals.

We are focused, highly dedicated and can provide knowledgeable and vital support to our clients. Our areas of expertise are tax planning/efficiency, offshore structuring, regulatory compliance etc.



OPENING OF TOKUNBO ORIMOBİ, SYDNEY OFFICE

Located in Sydney, the state capital of New South Wales and the most populous city in Australia and Oceania, Tokunbo Orimobi is perfectly placed to offer its internationally acclaimed bespoke legal solutions to clients in the Pacific region.

At Tokunbo Orimobi, we have a true partnering model, working with clients and advisers to build long term relationships, where we originate opportunities solving our clients' capital and strategic needs.

We have built a people-centric business from day one. By making use of modern systems and technology, our team are freed up from bureaucracy and administration to really focus on doing what they do best - solving complex client problems. Our areas of expertise include Mergers & Acquisition, Capital Markets, Restructuring and Special Situations, Private Equity and Venture Capital, Finance, Alternative Lending and Debt Trading.



THE GLOBAL CHAIRMAN OF TOKUNBO ORIMOBİ LEGAL GROUP, APPOINTED NOTARY PUBLIC

Congratulations to our Global Chairman, Mr. Michael Orimobi on his appointment by the Chief Judge of Lagos State, as a Notary Public for the Federal Republic of Nigeria and an officer of the Supreme Court of Nigeria.



LAW MEETS MUSIC

On Friday, December 20, 2019, Tokunbo Orimobi Foundation held the second edition of its “Law Meets Series” with the Law Meets Music – The Christmas Experience.

The Law Meets Music was an avenue for young and upcoming artists to showcase their talent and introduce their voice to the corporate world.

The Christmas themed party had artists like Made it, Tinu Cole, Dream Baba, Tosin with Olu Jazz as the Band of the event. The after party which took place after the main event featured DJ Xclusive who brought out a different side of everyone present with his mix of music.

It was an evening of fine cocktail, exotic drinks, wining, dining, dancing and networking. It was indeed a remarkable experience!



LAW MEETS ART

On Thursday, September 19, 2019, Tokunbo Orimobi Foundation launched the first edition of its “Law Meets Series” with the Law Meets Art.

The Law Meets Art is a veritable platform for up and coming artistes to showcase and market their creativity, transform their skills and talents into more viable business ventures.


The African themed event provided a meeting point for artistes, art enthusiasts, small businesses and investors who intend to explore the talents of these artistes by investing in their craft and businesses.

Amongst the artists were Poets, Thespians, Musicians, Painters, etc.


It was an evening of fine cocktail, wining and dining; which featured glamour, networking and the finest Art works Nigeria can offer.



Notable 2019 Transactions




Transaction Counsel
for the Share Capital
Reconstruction of
Niger Insurance Plc




Solicitors to the Offer
on the Initial Public
Offer of McNichols
Consolidated Plc




Solicitors to the Private
Placement by Abbey
Mortgage Bank Plc




Transaction Counsel on
the proposed Share
Capital Reduction
Exercise by SunTrust
Bank Nigeria Limited




Solicitors to the
Security Trustee on the
syndicated financing
for Daily Need
Industries Limited




Counsel to the
Shareholders for the
Reconstruction and
Recapitalization as a
Merchant Bank




Solicitors to the Offer
on the Cowry Asset
Management Limited's
Money Market Fund




Solicitors to the
Trustees on the N59bn
Medium Term Notes
Programme by 2LP
Management Company
Limited




Solicitors to the Offer on
the Hybrid Offer by NPF
Microfinance Bank Plc




Local Counsel to
Quorum Aviation
Limited on the
establishment of an Air
Shuttle Service in
Kaduna State




Solicitors to the Offer
on the RT Briscoe
Exchangeable Money
Market Fund




Transaction Counsel on
the N10bn Structured
Notes Programme of
Ondo State
Government of Nigeria



Transaction Counsel on
the financing and
development of the
Arena Project



Legal Counsel to the
Nigerian Road
Infrastructure Fund by
DLM Asset
Management Limited



Transaction Counsel on
the proposed N30bn
Real Estate Investment
Trust by Locke
International
Consultancy Limited



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