

# PROSPECTUS LANKABANGLA 1ST BALANCED UNIT FUND

SPONSOR



ASSET MANAGER



TRUSTEE



CUSTODIAN



If you have any queries about this document, you may consult your lawyer, professional accountant or other relevant professional adviser

**PROSPECTUS**  
**LANKABANGLA 1ST BALANCED UNIT FUND**

**Size of the Issue**

Initial Size Tk 250,000,000 (Taka Twenty Five Crore) of 25,000,000 (Two Crore and Fifty Lac) Units of Tk 10 (Taka Ten) Each

**Initial/Opening Price**

Tk 10 (Taka Ten) per Unit

**Asset Manager**

LankaBangla Asset Management Company Limited

**Sponsor**

LankaBangla Finance Limited

**Trustee**

Bangladesh General Insurance Company Limited

**Custodian**

BRAC Bank Limited

**Subscription Open**

21 August, 2016

**Registered Office**

Safura Tower (Level-11), 20, Kemal Ataturk Avenue  
Banani C/A, Dhaka-1213

**Corporate Office**

Praasad Trade Centre (4th Floor), 6 Kemal Ataturk Avenue  
Banani C/A, Dhaka-1213, Bangladesh  
Tel : +88 02 9820219-21, Fax: +88 02 9822159  
Email: amcl@lankabangla.com

**Date of Publication of Prospectus**

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Fund Directory

**Corporate Office** : Praasad Trade Centre (4th Floor)  
6 Kemal Ataturk Avenue  
Banani C/A, Dhaka - 1213  
Bangladesh  
Tel : +88 02 9820219-21  
Fax: +88 02 9822159

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**Sponsor** : LankaBangla Finance Limited  
Safura Tower (Level - 11)  
20 Kemal Ataturk Avenue  
Banani C/A, Dhaka - 1213  
Bangladesh  
Tel : +88 02 9883701-10  
Fax: +88 02 8810998

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**Trustee** : Bangladesh General Insurance Company Ltd.  
42 Dilkusha Commercial Area  
Dhaka 1000, Bangladesh  
Tel : +88 02 9555073-74  
Fax: +88 02 9564212

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**Custodian** : BRAC Bank Limited  
1 Gulshan Avenue  
Gulshan -1  
Dhaka 1212  
Tel : +88 02 8859202  
Fax: +88 02 9860395

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**Asset Manager** : LankaBangla Asset Management Company Limited  
Praasad Trade Centre (4th Floor)  
6 Kemal Ataturk Avenue  
Banani C/A, Dhaka-1213  
Bangladesh  
Tel : +88 02 9820219-21  
Fax: +88 02 9822159

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**Auditor** : HodaVasi Chowdhury & Co  
BTMC Bhaban (Level 8)  
7-9 Karwan Bazar C/A  
Dhaka 1215  
Bangladesh

### Definitions and Elaboration of Abbreviated Terms

<b>Asset Manager/AMC/</b>	
<b>Asset Management Company</b>	: LankaBangla Asset Management Company Limited
<b>CDBL</b>	: Central Depository Bangladesh Limited
<b>Certificate</b>	: Certificate of the Fund in dematerialized form under CDBL
<b>Commission</b>	: Bangladesh Securities and Exchange Commission
<b>Confirmation of Unit Allocation</b>	: Letter confirming allocation of units
<b>Custodian</b>	: BRAC Bank Limited
<b>Effective Date</b>	: The date of registration of the Trust Deed
<b>Government</b>	: The Government of the People's Republic of Bangladesh
<b>Guardian</b>	: The Trustee of the LankaBangla 1st Balanced Unit Fund
<b>The Fund</b>	: LankaBangla 1st Balanced Unit Fund
<b>Rule / বিধিমালা</b>	: সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (নিউচ্যুয়াল ফান্ড) বিধিমালা, ২০০১
<b>Sponsor</b>	: LankaBangla Finance Limited
<b>Trustee/BGIC</b>	: Bangladesh General Insurance Company Limited
<b>Custodian/BBL</b>	: BRAC Bank Limited
<b>BO A/C</b>	: Beneficiary Owner's Account or Depository Account
<b>BSEC</b>	: Bangladesh Securities and Exchange Commission
<b>CAGR</b>	: Cumulative Average Growth Rate
<b>CIP</b>	: Cumulative Investment Plan
<b>EPS</b>	: Earning Per Share
<b>FIS</b>	: Fixed Income Securities
<b>IPO</b>	: Initial Public Offering
<b>IDRA</b>	: Insurance Development & Regulatory Authority
<b>MD &amp; CEO</b>	: Managing Director and Chief Executive Officer
<b>NAV</b>	: Net Asset Value
<b>LBAMCL</b>	: LankaBangla Asset Management Company Limited
<b>Selling Agent</b>	: AMC designated official points for accepting transactions
<b>SME</b>	: Small and Medium Enterprise

### Fund Highlights

<b>Name of the Fund</b>	LankaBangla 1st Balanced Unit Fund.
<b>Initial Size of the Fund</b>	Tk 250,000,000 (Taka twenty five crore) divided into 25,000,000 (two crore fifty lac) units of Tk 10 (Taka ten) each.
<b>Face Value</b>	Tk 10 (Taka ten) per unit.
<b>Nature</b>	Open end with perpetual life and unlimited size.
<b>Objective</b>	The objective of the fund is to generate capital appreciation and income by investing in the permissible markets at appropriate percentages as determined by the Asset Manager.
<b>Minimum Application Amount</b>	For individuals 500 (five hundred) Units and for institutions 5000 (five thousand) Units.
<b>Target Group</b>	Individuals (both resident and non-resident), Institution (both local and foreign), Mutual Funds and Collective Investment Schemes are eligible to subscribe the units of the Fund.
<b>Dividend</b>	Minimum 70 (seventy) percent of realized income of the Fund will be distributed as dividend in Bangladeshi Taka or as CIP (based on investors' preference) only at the end of each accounting year. The Fund shall create a dividend equalization reserve to ensure consistency in dividend.
<b>Dividend Distribution</b>	The dividend will be distributed within 45 (forty five) days from the date of declaration.
<b>Transferability</b>	The units of the Fund are transferable by way of inheritance/gift and/or by specific operation of the law.
<b>Encashment</b>	The unit holders can surrender their units through the Asset Manager and the Authorized Selling Agents.
<b>Tax</b>	Income of the Fund will be tax free up to a certain level as permitted by the Finance Act (currently it is up to taka twenty five thousand).
<b>Reports and Accounts</b>	Every unit holder is entitled to receive annual report along with the yearly and half-yearly statements of accounts as and when published from the website of Asset Management Company.

## CHAPTER ONE: PRELIMINARY

### 1.1 Publication of Prospectus for Public Offering

LankaBangla Asset Management Company Limited received Registration Certificate from Bangladesh Securities and Exchange Commission under Securities and Exchange Commission Act, 1993 and ঐতিহাসিক আইন ১৯৯৩-এর অধীনে প্রাপ্ত নিয়ন্ত্রিত পত্রিকা, ২০০১ মতে প্রাপ্ত এবং অধিকার প্রাপ্ত প্রস্তুতকারক হিসেবে লানকাব্যাংলা ১ম ভারসাম্যকৃত একক মূল্যের আবেদন। একটি সম্পূর্ণ প্রস্তুতকারক পত্রিকা প্রাশাদ ট্রেড সেন্টার (৪র্থ তলা), ৬, কেমাল আতুরক এভিনিউ, বানানি সি/এ, ঢাকা-১২১৩, লানকাব্যাংলা অ্যাসেট ম্যানেজমেন্ট কোম্পানি লিমিটেড (LBAMCL) – অ্যাসেট ম্যানেজার লানকাব্যাংলা ১ম ভারসাম্যকৃত একক মূল্যের আবেদন, এখানে পরে উল্লেখ করা হবে।

### 1.2 Consent of Bangladesh Securities and Exchange Commission

“APPROVAL OF THE BANGLADESH SECURITIES AND EXCHANGE COMMISSION HAS BEEN OBTAINED TO THE ISSUE/OFFER OF THE FUND UNDER THE SECURITIES AND EXCHANGE ORDINANCE, 1969 AND THE ঐতিহাসিক আইন ১৯৬৯-এর অধীনে প্রাপ্ত নিয়ন্ত্রিত পত্রিকা, ২০০১। IT MUST BE DISTINCTLY UNDERSTOOD THAT IN GIVING THIS APPROVAL THE COMMISSION DOES NOT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL SOUNDNESS OF THE FUND, ANY OF ITS SCHEMES OR THE ISSUE PRICE OF ITS UNITS OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS MADE OR OPINION EXPRESSED WITH REGARD TO THEM. SUCH RESPONSIBILITY LIES WITH THE ASSET MANAGER, TRUSTEE, SPONSOR AND/OR CUSTODIAN.”

### 1.3 Listing of the Fund

The Fund, being an open-ended one, will not be listed with any stock exchanges of the country; hence the Units of the Fund will not be traded in the stock exchanges unless otherwise BSEC and stock exchange houses make arrangement in future. In that case public communication will be made as per BSEC approval. Units of the Fund will always be available for sale and surrender/repurchase except on the last working day of every week and during book closure period/record date of the Fund at the office of the Asset Manager and the offices of authorized selling agents. Asset Manager shall disclose selling price and surrender/repurchase price of units at the beginning of business operation on the first working day of every week as per the rule.

### 1.4 Availability of Documents for Inspection

Copy of this prospectus will be available at the office of the Asset Manager and offices of the authorized selling agents of the Fund. This prospectus will also be available for viewing and downloading on the website (<http://lankabangla.com/lbam/Pages/home.aspx>) of the Asset Manager.

Copy of Trust Deed will be available for public inspection during business hours at the office of the Asset Manager of the Fund. One will be able to purchase a copy of the Trust Deed by paying the price as determined by the Asset Manager.

### 1.5 Conditions under Section 2CC of the Securities and Exchange Ordinance, 1969

- 1) The Fund shall not account for any upward revaluation of its assets creating reserve without clearance from the Bangladesh Securities and Exchange Commission;
- 2) The Fund shall not be involved in option trading, short selling or carry forward transaction;
- 3) A confirmation of unit allocation shall be issued at the cost of the Fund at par value of Tk. 10 (Taka Ten) each within 90 (ninety) days from the date of sale of such units;
- 4) Money receipt/acknowledgement slip issued at the time of sale of units will be treated as allotment letter, which shall not be redeemable/transferrable;
- 5) The annual report of the Fund/or its abridged version will be published within 45 (forty five) days of the closure of each accounting year of the Fund;
- 6) An annual report and details of investment and savings of the Fund shall be submitted to the Commission, Trustee and Custodian of the Fund within 90 (ninety) days from the closure of the accounts;
- 7) Half-yearly accounts/financials results of the Fund will be published in at least one English and another Bangla national daily newspaper within 30 (thirty) days from the end of the period;
- 8) Dividend shall be paid within 45 (forty five) days of its declaration, and a report shall be submitted to BSEC, Trustee and Custodian within 7 (seven) days of dividend distribution;
- 9) Net Asset Value (NAV) of the Fund shall be calculated and disclosed publicly at least once a week;
- 10) After initial public subscription, the sale and repurchase/surrender price of units will be determined by the Asset Management Company. NAV at market price calculated on a date shall form the sale price of units by rounding up the amount and shall be effective up to next calculation of NAV of the Fund. Difference between sale and repurchase price shall not be over 5% of the sale price of the unit.
- 11) BSEC may appoint for special audit/investigation on the affairs of the Fund, if it so desires;
- 12) The Fund shall maintain separate bank account(s) to keep the sale proceeds of units and to meet up day to day transaction including payment against repurchase of units. All transaction of the account shall be made through banking channel and shall be properly documented;
- 13) The prospectus/abridged version of the prospectus shall be published in one widely circulated Bangla national daily newspaper. Provided that information relating to publication of the prospectus be published 2 (two) national daily newspaper (Bangla and English);
- 14) If abridged version of the prospectus is published in the newspaper, complete prospectus shall be made available to the applicants;
- 15) If the Fund Manager fails to collect minimum 40% of the initial target amount under section 48 of the ঐতিহাসিক আইন ১৯৬৯-এর অধীনে প্রাপ্ত নিয়ন্ত্রিত পত্রিকা, ২০০১; the Fund Manager will refund the subscription money with 30 (thirty) days without any deduction. In case of failure, the Fund Manager will refund the same with an interest rate of 18 % (eighteen percent) per annum from its own account with the next month;
- 16) On achievement of 40% of the initial target amount, the fund is allowed to commence investment activities of the Fund with permission of the Trustee;
- 17) The size of the Fund will be increased from time to time by the Asset Management Company subject to approval of the Trustee and with intimation to the Commission;

- 18) Confirmation of unit allocation of the Sponsor's contribution amounting to Tk. 50,000,000 (Taka five crore) only shall be subject to a lock in period of minimum three years from the date of formation of the Fund and after that period entire holding may be transferred to any eligible institution who has the qualification to be a sponsor of a mutual fund with prior permission of BSEC;
- 19) A confirmation of unit allocation account Tk. 50,000,000 (20% of the Fund) will be issued in favour of the Sponsor. The said unit allocation confirmation shall be in the custody of Trustee. No splitting of the Unit of Sponsor shall be made without prior approval of the Commission.

### 1.6 General Information

1. This prospectus has been prepared by LankaBangla Asset Management Company Limited based on the Trust Deed executed between the Trustee and the Sponsor of the Fund, which is approved by the Commission and available publicly. The information contained herein is true and correct in all material aspects and there are no other material facts, the Commission of which would make any statement herein misleading.
2. No person is authorized to give any information to make any representation not contained in this prospectus and if so given or made, such information or representation must not be relied upon as having been authorized by LankaBangla Asset Management Company Limited.
3. The issue as contemplated in this document is made in Bangladesh is subject to the exclusive jurisdiction of the court of Bangladesh. Forwarding this prospectus to any person residing outside Bangladesh in no way implies that the issue is made in accordance with the laws of that country or is subject to the jurisdiction of the laws of that country.

### 1.7 Sale and Repurchase of Units

Sale and repurchase of Units of LankaBangla 1st Balanced Unit Fund will commence at the counter of LankaBangla Asset Management Company Limited, Praasad Trade Centre (4th Floor), 6, Kemal Ataturk Avenue, Banani C/A, Dhaka-1213 and authorized selling agents at the opening of business hours on August 21, 2016 and continue until winding up of the Fund.

LankaBangla Asset Management Company Limited will maintain BO accounts with BRAC Bank Limited, custodian of LankaBangla 1st Balanced Unit Fund for creation and redemption of units of LankaBangla 1st Balanced Unit Fund. In this case sale/purchase of unit funds by the investor, units will be transferred to the unit holders BO accounts as per instruction of LankaBangla Asset Management Company Limited after the acceptance of demat setup by the custodian.

In this case of redemption/repurchase of units by the Asset Manager, units will be taken out from the Central Depository System after setting up remat request by the custodian and acceptance of remat request by the Asset Manager.

### 1.8 Declaration

#### Declarations about the responsibility of the Sponsor

The Sponsor, whose name appears in this prospectus, accepts full responsibility for the authenticity and accuracy of the information contained in this prospectus and other documents regarding LankaBangla 1st Balanced Unit Fund. To the best of the knowledge and belief of the Sponsor, who has taken all reasonable care to ensure that all the conditions and requirements concerning this public offer and all information contained in this documents, drawn up by virtue of the Trust Deed of the Fund by the entrusted Asset Management Company have been met and there is no other information or document, the omission of which may make any information or statements therein misleading.

The Sponsor also confirms that full and fair disclosures have been made in this prospectus to enable the investors to make an investment decision.

Sd/-

(Mohammed Nasir Uddin Chowdhury)  
Managing Director  
LankaBangla Finance Limited

#### Declaration about the responsibility of the Trustee

We, as Trustee of the LankaBangla 1st Balanced Unit Fund, accept the responsibility and confirm that we shall:

- a) Be the guardian of the Fund, held in trust for the benefit of the unit holders in accordance with the Rules & Trust Deed;
- b) Always act in the interest of the unit holders;
- c) Take all reasonable care to ensure that the Fund floated and managed by the Asset Management Company are in accordance with the Trust Deed and the Rules;
- d) Make such disclosure by the Asset Management Company to the investors as are essential in order to keep them informed about any information, which may have any bearing on their investment; and
- e) Take such remedial steps as are necessary to rectify the situation where we have reason to believe that the conduct of business of the Fund is not in conformity with the relevant Rules.

Sd/-

(Ahmed Saifuddin Chowdhury)  
Managing Director & CEO  
Bangladesh General Insurance Company Limited



#### **Declaration about the responsibility of the Asset Management Company**

This Prospectus has been prepared by LankaBangla Asset Management Company Limited based on the Trust Deed, the Investment Management Agreement, the **১৯৯৩ সালের কোম্পানি আইন, ১৯৯৩** and other related agreements and examination of other documents as relevant for adequate disclosure of the Fund's objectives and investment strategies to the investors. We also confirm that:

- a) The Prospectus is in conformity with the documents, materials and papers related to the public offer;
- b) All the legal requirements of the public offer have been duly fulfilled; and
- c) The disclosures made are true, fair and adequate for investment decision.

Investors should be aware that the value of investments in the Fund could be volatile and no such guarantee can be made about the returns from the investments that the Fund will generate. Like any other equity investment, only investors who are willing to accept moderate degree of risk, should invest in the Fund. Investors are requested to pay careful attention to the risk factors as detailed in the 'Risk Factor' section and to take proper cognizance of the risks associated with any investment in the Fund.

Sd/-

(Masum Ali)  
Chief Executive Officer  
LankaBangla Asset Management Company Limited

#### **Declaration about the responsibility of the Custodian**

We, as Custodian of the "LankaBangla 1st Balanced Unit Fund" have accepted the responsibility entrusted to us and confirm that we have all necessary resources, logistics and procedure put in to place to provide necessary Custodial services in compliance to and accordance with the relevant Rules and Regulations and the prevailing customs and practice of the local capital market.

Sd/-

(Mahmoodun Nabi Chowdhury)  
Head of Corporate Banking Division  
BRAC Bank Limited

## CHAPTER TWO: BACKGROUND

### 2.1 Preamble to Formation of LankaBangla 1st Balanced Unit Fund

A Mutual Fund is an investment vehicle that represents a pool of funds collected from investors. The fund is usually invested in stocks, bonds, money market instruments and other financial asset class with the objective of generating superior risk adjusted return for its investors. An open-ended Mutual Fund (also known as Unit Fund) is a type of Mutual Fund which is perpetual in nature with unlimited fund size.

The Mutual Fund industry in Bangladesh is yet to flourish and gain popularity the way it has all across global financial markets. However, it is an undeniable fact that Mutual Fund is an attractive form of investment vehicle for prospective investors since the fund is managed by professional fund managers based on extensive research and years of investment management experience. In an endeavor to facilitate investment option of investors and contribute to the expansion of Mutual Fund Industry in Bangladesh, LankaBangla Asset Management Company Limited (LBAMCL) has taken the initiative to launch LankaBangla 1st Balanced Unit Fund. LBAMCL is a full-fledged subsidiary of LankaBangla Finance Limited (LBFL). In alignment with its enviable presence and enormous contribution to the development of capital market of Bangladesh, LBFL itself became the Sponsor of the Fund.

LBAMCL firmly believes that LankaBangla 1st Balanced Unit Fund will contribute enormously to the development of Bangladesh capital market and add meaningful value as well as provide investors a viable investment option.

### 2.2 Necessity of LankaBangla 1st Balanced Unit Fund in Bangladesh Capital Market

Bangladesh Capital Market has been full of incidents over the last 8 years. A remarkable rally in the market was noticed in 2010 which started from mid 2009. Eventually, the market topped out and turned bearish from December 2010. Since then various large scale positive reform measures have been undertaken by concerned stakeholders in the capital market in order to stabilize, improve transparency, efficiency and attractiveness of the market. What has been noticeable over the past five years is that the market has not experienced any broad based rally and has been trading mainly within a large range. Majority of the investors have not able to generate consistent return over the last 5 years in the prevailing market condition and trading environment. As a matter of fact, most have ended losing part of their capital due to lack of proper investment knowledge and insight, reliance on unsubstantiated rumour and random speculation on stock price movement.

LBAMCL believes that now, more than ever before; investors need to carefully judge how much return they are able to generate on their own based on their past performance and seriously consider the option of entrusting professional fund managers to navigate through the volatility in the capital market and generate consistent and attractive return for them. With this objective in mind and to present potential investors with an alternative investment option, LBAMCL is launching LankaBangla 1st Balanced Unit Fund in Bangladesh Capital Market.

### 2.3 Advantages of Investing in LankaBangla 1st Balanced Unit Fund

The advantages of investing in LankaBangla 1st Balanced Unit Fund are many folds as highlighted below:

#### 2.3.1 Professional Management

LankaBangla Asset Management Company Limited (LBAMCL), the asset manager of the fund has a full-fledged research team and experienced fund managers to manage the fund. The fund will be managed in a professional manner based on comprehensive research of the economy, industry and company in a bid to safeguard the fund from significant drawdown and generate attractive risk-adjusted return for the investors of the Fund.

#### 2.3.2 Diversification

Diversification is a key risk management technique which enables a fund to reach its long-term investment goals by minimizing risk. The fund will be adequately diversified across various asset class, industries and stocks in order to reduce risk of the overall portfolio and allowing investors to have broader exposure in the market which may not be possible on an individual level.

#### 2.3.3 Stress Free Investment

Investment Management is a stressful proposition. Navigating through the market volatility often becomes very challenging for the investors and can lead to a downward spiral resulting in significant erosion of portfolio value leading to emotional distress and grief. Investing in a Mutual Fund takes away that stress since the fund is managed by dedicated professionals specializing in investment management having academic and practical know-how.

#### 2.3.4 Fair Pricing

Since, the fund will not be listed in the major bourses (DSE & CSE) like closed end mutual funds, it will not be mispriced based on asymmetry in demand and supply and turbulent market conditions. LBAMCL will fix the purchase and surrender price of the fund every week which will be very close to the Net Asset Value (NAV) of the fund.

#### 2.3.5 De-matted Units

The certificates of the funds will be delivered in de-mat form and will be displayed in the investor's Beneficiary Owners (BO) Account.

#### 2.3.6 Convenient Transaction Process

Dedicated and trained Selling Agents will facilitate the registration process of the investors and assist them all along the way in purchase, surrender and transfer of the units.

### 2.3.7 Regular Dividend

According to Bangladesh ঐতিহাসিক নিয়ন্ত্রণ আইন, ২০০১ (Securities and Exchange Commission (Public Issue) Rules, 2001), minimum 70 (seventy) percent of realized income of the Fund will be distributed as dividend. Thus, the investors are virtually guaranteed of dividend income every year apart from NAV appreciation.

### 2.3.8 Cumulative Investment Plan (CIP)

The fund will offer the investors the option to either receive cash dividend or re-invest the dividend to the fund's units at the prevailing market price.

### 2.3.9 Access to Initial Public Offering (IPO)

Apart from a handful number of exceptions, historical performance of Initial Public Offerings have been very satisfactory in Bangladesh capital market. As per Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015 Mutual Funds are allotted 10% Quota under Fixed Price and Book Building method.

### 2.3.10 Transparency and Accountability

LankaBangla 1st Balanced Unit Fund will be operated under strict supervision and regulation of BSEC and Sponsor appointed Trustee. The asset manager will be under obligation to disclose weekly, monthly, quarterly, semiannual and annual reports containing relevant information to BSEC, Trustee, Custodian and public as per the ঐতিহাসিক নিয়ন্ত্রণ আইন, ২০০১ (Securities and Exchange Commission (Public Issue) Rules, 2001).

### 2.3.11 Tax Benefit

Investors of LankaBangla 1st Balanced Unit Fund will be eligible for tax benefit as follows:

- a) Up to 15% tax rebate on investment up to 25% of taxable income or BDT 1.5 Crore whichever is lower.
- b) Income from unit fund is tax exempted up to BDT 25,000.

## CHAPTER THREE: THE FUND

### 3.1 Formation of the Fund

The Trust Deed of the Fund was registered on December 2, 2015 under the Trust Act, 1882 and Registration Act, 1908.

The Fund was registered by the BSEC on January 12, 2016 under the ঐতিহাসিক নিয়ন্ত্রণ আইন, ২০০১ (Securities Regulation Act, 2001).

### 3.2 Life of the Fund

The Fund will be an open-end mutual fund with a perpetual life. Institutional, local and foreign, and individual investors, resident and non-resident, are eligible to invest in this Fund. The initial target size of the Fund will be Tk 250,000,000 (Taka twenty five crore) only divided into 25,000,000 (two crore and fifty lac) Units of Tk 10 (Taka ten) each. Size of the Fund will be increased from time to time by the Asset Manager subject to approval of the Trustee and with due intimation to the BSEC.

### 3.3 Face Value and Denomination

Face value of each Unit will be Tk 10 (Taka ten) only. Initially, unit holders of the Fund shall be issued with a Confirmation of Unit Allocation Letter by the Asset Manager at the cost of the Fund in any denomination but not less than 500 (Five hundred) for individuals and 5000 (Five thousand) for institutional investors.

### 3.4 Investment Objective

The objective of the fund is to generate capital appreciation and income by investing in the permissible markets at appropriate percentages as determined by the Asset Manager.

### 3.5 Investment Policies

1. The Fund shall invest subject to the ঐতিহাসিক নিয়ন্ত্রণ আইন, ২০০১ (Securities Regulation Act, 2001) and only in those securities, deposits and investments approved by Bangladesh Securities and Exchange Commission and/or the Bangladesh Bank and/or Insurance Development and Regulatory Authority (IDRA) or any other competent authority in this regards.
2. Not less than 60% of the total assets of the Scheme of the Fund shall be invested in capital market instruments out of which at least 50 per cent shall be invested in listed securities
3. Not more than 25% of the total asset of the Scheme of the Fund shall be invested in Fixed Income Securities (FIS).
4. Not more than 15% of the total asset of the Scheme of the Fund shall be invested in pre-IPOs at one time.
5. All money collected under the Fund shall be invested only in encashable/transferable instruments, securities whether in money market or capital market or privately placed pre-IPO equity, preference shares, debentures or securitized debts.
6. The Fund shall get the securities purchased or transferred in the name of the Fund.
7. Only the Asset Management Company will make the investment decisions and place orders for securities to be purchased or sold for the Scheme's portfolio.

### 3.6 Investment Restrictions

1. The Fund shall not invest more than 10% of its total assets in any one particular company.
2. The Fund shall not invest in more than 15% of any company's paid up capital.
3. The Fund shall not invest more than 20% of its total assets in shares, debentures or other securities of a single company or group.
4. The Fund shall not invest more than 25% of its total assets in shares, debentures or other securities in any one industry.
5. The Fund shall not invest in, or lend to, any scheme under the same Asset Management Company.
6. The Fund shall not acquire any asset out of the Trust property, which involves the assumption of any liability that is unlimited or shall result in encumbrance of the Trust property in any way.
7. The Fund or the Asset Management Company on behalf of the Fund shall not give or guarantee term loans for any purpose or take up any activity in contravention of the ঐতিহাসিক নিয়ন্ত্রণ আইন, ২০০১ (Securities Regulation Act, 2001).
8. The Fund shall buy and sell securities on the basis of deliveries and shall, in all cases of purchases, take delivery of securities and in all cases of sale, deliver the securities on the respective settlement dates as per the custom and practice of the stock exchanges and shall in no case put itself in a position whereby it has to make short sale or carry forward transaction.
9. The Fund shall not involve in option trading or short selling or carry forward transaction.
10. The Fund shall not buy its own unit.

### 3.7 Valuation Policy

1. For listed securities, the average quoted market price on the stock exchanges on the date of valuation shall form the basis of any calculation of Net Asset Value of such securities in the portfolio of the Fund.
2. For securitized debts, debentures, margin or fixed deposits, the accrued interest on such instruments on the date of valuation shall be taken into account in any calculation of Net Asset Value of such securities in the portfolio of the Fund.
3. The fund shall fix the valuation method for the Scheme subject to the prior approval of the Commission.
4. The Fund shall follow the method approved by the Commission for valuation of the non-listed security, if any, and the Asset Management Company and the Trustee shall periodically review the non-listed investment, if any, and the Trustee shall periodically review the value of such investments. The auditors shall comment in the annual report of the Scheme of the Fund.

5. The valuation of listed securities not traded within previous one month will be made based on their reasonable value by the Asset Management Company and approved by the Trustee and commented upon by the auditors in the Annual Report of the Scheme of the Mutual Fund but shall not be more than the intrinsic value of the securities.
6. The valuation of non-listed securities will be made by the Asset Management Company with their reasonable value and approved by the Trustee and commented upon by the Auditors in the annual report of the Scheme.
7. Once non-listed securities are valued, the valued amount will be considered for purpose of valuing the Fund's assets in any interval of time until the securities are further revalued by the Asset Management Company.
8. Asset Management Company and Trustee will value the non-listed securities at least once in every three months.
9. In case of deferred expenses, accrued expenses for the period will be taken into account for determining total liabilities.
10. Net Asset Value (NAV) calculation

The Fund will use the following formula to derive NAV per unit:

$$\text{Total NAV} = V_A - L_T$$

$$\text{NAV per unit} = \text{Total NAV} / \text{No. of units outstanding}$$

$V_A$  = Value of all securities in vault + Value of all securities placed in lien + Cash in hand and at bank + Value of all securities receivables + Receivables of proceeds of sale of investments + Dividend receivables net of tax + Interest receivables net of tax + Issue expenses amortized as on date + Printing, publication and stationery expenses amortized as on date

$L_T$  = Value of all securities payable + Payable against purchase of investments + Payable as brokerage and custodial charges + Payable as Trustee fees + All other payable related to printing, publication and stationery + Accrued deferred expenses with regard to management fee, annual fee, audit fee and safe keeping fee

### 3.8 Limitation of Expenses

1. All expenses should be clearly identified and appropriated to the Fund.
2. The Asset Management Company may charge Fund for Investment Management and Advisory fees
3. Asset Management Company may amortize the initial issue costs of the Fund over a period as provided for in the **regulation 17**; Provided that initial issue expenses/initial Public Offering (IPO) costs shall not exceed 5% of the Fund of the collected amount raised under the Fund.
4. In addition to the fees mentioned hereinabove the Asset Management Company may charge the Scheme of the Fund with the following recurring expenses, namely;
  - i. Marketing and selling expenses including commissions of the agents, if any;
  - ii. Brokerage and Transaction costs;
  - iii. Cost of registrar services for transfer of securities sold or redeemed;
  - iv. Trusteeship fees;
  - v. Custodian fees;
  - vi. Dematerialization fees and others;
  - vii. Re-registration fees, if any.
  - viii. Relevant expenditure for calling meeting by the trustee committee; and
  - ix. Other expenses applicable to the Mutual Fund.
5. The expenses referred to hereinabove and any other fees payable or reimbursable to the Asset Management Company or the Trustee shall be charged to the open-end Mutual Fund.

However, total expenses of the Fund shall not exceed 4% of the weekly average net assets outstanding during any accounting year.

### 3.9 Price Fixation Policy and Sale & Repurchase Procedure

After completion of initial subscription, the Fund will be opened to the investors for regular buy/sale of Units. The date of re-opening shall be declared by the asset manager upon approval of the Trustee and with due intimation to the BSEC. The asset manager shall calculate the Net Asset Value (NAV) per unit on the last working day of every week as per formula prescribed in the **regulation 17** and shall disclose sales price and repurchase/surrender price per unit determined on the basis of NAV before commencement of business operation of the first working day of the following week to the Commission and the investors through at least one national daily, the website of the asset management company and the authorized selling agents of the Fund.

The difference between sales price and surrender value be 3% percent of the Sale price of the Unit and may increase up to 5 % of the sale price of the Unit at the decision of the Board of Directors of the Asset Management Company. (The difference between sales price and surrender value shall not exceed 5% of the Sale Price of the unit).

The unit holders may surrender their unit certificates during the business hour as specified by the Asset Management Company. The fund shall be liable to repurchase the units at the surrender value determined by the Asset Management Company. Sale and repurchase of unit certificates by Asset Management Company shall remain closed during first two weeks of January unless the Commission decides otherwise.

**Sale and repurchase procedure is given below:**

- i. The Units of LankaBangla 1st Balanced Unit Fund may be bought / surrendered through LankaBangla Asset Management Company Limited and authorized selling agents appointed by the Asset Manager from time to time and any other procedure as prescribed by the Asset Manager. Surrender of units is allowed only through LankaBangla Asset Management Company Limited or the selling agents from which the units are originally purchased.
- ii. During initial subscription minimum purchase amount for individual investors 500 (Five hundred) Units and for institutional investors is 5,000 (Five thousand) Units.
- iii. Application for purchase of Units should be accompanied by an account payee cheque/pay order/bank draft in favor of "LankaBangla 1st Balanced Unit Fund" for the total value of Units.
- iv. After clearance/encashment of cheque/pay order/bank draft, the applicant will be issued with a Confirmation of Unit Allocation against every purchase of Units he/she/the institutional investor applies for. If BO A/C is provided during the registration, the units will also be delivered to the Unit holder's BO A/C.
- v. Partial surrender (fraction of total units held under a Unit Allocation Confirmation) is allowed without any additional cost subject to minimum surrender quantity is 500 (Five hundred) units for individuals and 5,000 (Five thousand) units for institutions. Upon partial surrender, the Unit holder will be issued with a new confirmation of Unit Allocation representing the balance of his Unit holding.
- vi. All payments/receipts in connection with or arising out of transactions in the Units shall be in Bangladeshi Taka.

**3.10 Winding Up Policy**

**3.10.1 Procedure of winding up**

1. If the total number of outstanding unit certificates held by the unit holders after repurchase at any point of time falls below 25% of the actual certificate issued, the Fund will be subject to wound up.
2. The Fund may be wound up on the happening of any event, which, in the opinion of the Trustee with approval from the Commission, requires the Scheme to be wound up.
3. The Scheme may also be wound up if the Commission so directs in the interest of the unit holders.
4. Where a Scheme is to be wound up in pursuance to the above, the Trustee and the Asset Management Company shall give simultaneously separate notice of the circumstances leading to the winding up of the Scheme to the Commission and if winding up is permitted by the Commission, shall publish in two national daily newspapers including a Bangla newspaper having circulation all over Bangladesh.

**3.10.2 Manner of winding up**

1. The Trustee shall call a meeting within 30 days from the notice date of the unit holders of a Scheme to consider and pass necessary resolutions by three-fourth majority of the unit holders present and voting at the meeting for authorizing the Trustee to take steps for winding up of the Scheme. If it fails to have three-fourth majority mandate, the Commission shall have the power to supersede the mandate if situation demands such.
2. The Trustee shall dispose off the assets of the Scheme of the Fund in the best interest of the unit holders; Provided that the proceeds of sale made in pursuance of the Rules, shall in the first instance be utilized towards discharge of such liabilities as are properly due under the Scheme and after making appropriate provision for meeting the expenses connected with such winding up, the balance shall be paid to the unit holders in proportion to their respective interest in the assets of the Scheme as on the date when the decision for winding up was taken.
3. Within thirty days from the completion of the winding up, the Trustee shall forward to the Commission and the unit holders a report on the winding up containing particulars, such as circumstances leading to the winding up, the steps taken for disposal of assets of the Scheme before winding up, expenses of the Fund for winding up, net assets available for distribution to the unit holders and a certificate from the auditors of the Scheme of the Fund.

**3.10.3 Effect of winding up**

On and from the date of the notice of the winding up of the Fund, the Trustee or the Asset Management Company, as the case may be, shall

- a) cease to carry on any business activities of the open-end fund;
- b) cease to create and cancel unit of the open-end fund;
- c) cease to issue and redeem units of the open-end fund.

**3.11 Investment Management**

LankaBangla Asset Management Company Limited (LBAMCL) shall carry out day to day management of the fund's portfolio as the Asset Manager subject to the provisions laid down in the Mutual Fund Rule, 2001 and Trust Deed or any general directions given by the Trustee and /or the Commission. However, the Asset Manager shall have discretionary authority over the fund's portfolio and investment decisions.

**3.12 Dividend Policy**

1. The accounting year of the Fund shall be January-December period;
2. The Fund shall distribute minimum 70%, or as may be determined by the ~~trustee~~ ~~trustee~~ from time to time, of the annual net income of the Fund as dividend at the end of each accounting period after making provision for bad and doubtful investments. The dividend can be given in the form of cash or re-investment unit or both the option. The Fund shall create a dividend equalization reserve by appropriation from the income of the Scheme;

3. Before declaration of dividend the Asset Management Company shall make a provision in consultation with the Auditors if market value of investments goes below the acquisition cost and the method of calculation of this provision will be incorporated in the notes of accounts;
4. Surpluses arising simply from the valuation of investments shall not be available for dividend;
5. Dividend entitlements will be dispatched within 45 days from the declaration of such dividends;

#### CHAPTER FOUR: RISK FACTORS

The stock market is inherently risky in nature and investors should be aware of the following risk factors (not exhaustive) while investing in LankaBangla 1st Balanced Unit Fund:

1. Mutual Funds are subject to market risk and there is no guarantee that the objectives of the fund will be achieved, although the Asset Manager shall try its level best to deliver superior fund performance for its valued investors.
2. Past performance/reputation of the Sponsor or Asset Manager should not be construed as any form of assurance of superior fund performance.
3. As is the case with any securities investment, the NAV of the fund can go up or down depending on the factors and forces affecting the capital market and money market of Bangladesh.
4. The NAV of the units issued under the Scheme may be affected, inter alia, by changes in market condition, interest rate, performance of individual stock, change in company's dividend policy, changes in credit rating, trading volume, settlement period and transfer procedure.
5. The fund may be subject to liquidity risk when it invests in Pre-IPO placement securities.
6. Investors are not being offered any guaranteed return from this fund.
7. In the event of a very large number of repurchase request there may be some delay in delivery of payment.
8. Changes in government policy and tax laws may affect the return of the fund.
9. Adverse global economic condition may have negative effect on the capital market of Bangladesh and adversely affect fund performance.
10. Bangladesh is susceptible to natural disaster (e.g. cyclone, earthquake etc) and political/social instability. These may impact the value and performance of the fund.



## CHAPTER FIVE: FORMATION, MANAGEMENT AND ADMINISTRATION

### 5.1 Sponsor of the Fund

LankaBangla Finance Limited, a leading financial institution operating in Bangladesh, is the Sponsor of the Fund.

LankaBangla has been developing its strategies for years based on diversification in markets; with high growth potential, a customer-centric business model and technology as key elements in order to face the transformation process being experienced in its business segments.

LankaBangla Finance Limited started its journey long back in 1997 as a joint-venture financial institution with multinational collaboration having license from Bangladesh Bank under Financial Institution Act, 1993. Now LankaBangla is the country's leading provider of integrated financial services including corporate financial services, personal financial services, SME financial services, stock broking, corporate advisory and wealth management services.

LankaBangla recently have gone through a business process reengineering to build capacity in order to enhance its clients' superior experience more than any time ever. The company now operates in centralized administrative framework through cutting edge technological environment. LankaBangla is surviving a wide operational periphery covering major businesses hubs of the country.

Under the broadest umbrella of products and service offerings, LankaBangla is the lone financial institution to operate credit card (MasterCard and VISA) and also provide third party card processing services to different banks in Bangladesh.

LankaBangla is the market leader in the capital market services and has been giving all out effort to develop an efficient, vibrant and transparent capital market in Bangladesh. Through its subsidiary, LankaBangla Securities Limited, LankaBangla is providing top notch broking services and leading the industry with cutting edge trading, top rated research and customer service. Another subsidiary, LankaBangla Investments Limited is a premier investment bank in the country providing corporate advisory, issue management and portfolio management services. The other subsidiary, LankaBangla Asset Management Company Limited is providing professional wealth management services.

In quest of sustainable business, LankaBangla is positioning itself to provide enduring value to the people, customers, shareholders and the communities. There are some other key divisions involved for setting up the strategic priorities by managing balance sheet prudently, by helping to provide various decisions, by creating, operating and maintaining IT infrastructure, by nurturing human resources to deliver the best and uphold the livelihood of our community.

LankaBangla is the recipient of National Award for Best Published Accounts and Reports for the past few years declared by the Institute of Chartered Accountants of Bangladesh (ICAB) and also received "Category Winner - Financial Service Sector" and "Overall Winner" for the "Best presented Annual Report and SAARC Anniversary Award for Corporate Governance Disclosure 2014" from South Asian Federation of Accountants (SAFA) (An apex body of SAARC) ward for the couple of years last which represent the quality we maintain in disclosure of information. This is undoubtedly an igniting accomplishment and it is a reflection of ethical practices, true compliance and a great team work.

LankaBangla practices participatory management and adheres to industry best practices in all its endeavors, thereby increasing stakeholders' value. Its long standing sustainability efforts are creating environmental and social value. By embracing high ethical standards, governance and transparency, LankaBangla dream to grow big. Its ethos is simple. LankaBangla envision its success by being the growth partner of its enterprising clients. LankaBangla is committed to change the lives of the ordinary.

### 5.2 Trustee of the Fund

Bangladesh General Insurance Company Limited (BGIC) will act as the Trustee of the Fund. BGIC, incorporated on 29 July 1985, is the first private sector general insurance company in Bangladesh. BGIC has a proven record of being Trustee for existing mutual funds and zero coupon bonds. Its dynamic team of dedicated professionals is of superior underwriting and Trustee skill. The company has authorized capital of Tk 1,000 million and is listed on both the DSE and the CSE.

### 5.3 Custodian of the Fund

BRAC Bank Limited (BBL) is the custodian of the Fund. BBL, operating in Bangladesh since 2001, is one of the fastest growing private commercial banks of the country. BBL provides personal banking, trade financing, SME, retail and corporate credit, lease financing, issuing debt and credit cards, etc. BBL is the fastest growing custodian bank of the country having dedicated Custodial Services Department.

### 5.4 Asset Manager

LankaBangla Asset Management Company Limited (LBAMCL) is an emerging asset management company in Bangladesh. It is a 99.99% subsidiary of LankaBangla Finance Limited, one of the leading providers of financial services in Bangladesh. LBAMCL was incorporated with the Registrar of Joint Stock Companies (RJSC) vide registration no. C-67738(289)/2007 dated 16 July 2007 under the companies Act, 1994. It received its license from Bangladesh Securities and Exchange Commission (BSEC) on June 24, 2012 vide registration code: SEC/Asset Manager/2012/17 to operate as a full-fledged asset management company.

LBAMCL is the official asset management wing of LankaBangla group and is deeply committed in providing client driven solution and superior risk adjusted performance to its valued clients. LBAMCL values original thinking, due diligence, first-hand research and strict investment discipline. LBAMCL firmly believes in achieving solid long-term investment performance in line with the clients' needs and providing superior client relationship management. By keeping the target investors in focus it opts to become one of the leading asset management companies in Bangladesh very soon.

#### 5.4.1 People Behind LankaBangla Asset Management Company Limited

##### Board of Directors

###### Mr. Abdul Malek Shamsher

Chairman

Mr. Abdul Malek Shamsher has 45 Years of professional experience in Banking and Finance Sector. In November 1966, Grindlays Bank Limited (A 100% British owned bank) selected Mr. Shamsher as a Management Trainee based on his performance in HSC examination. Soon after joining Grindlays Bank, Dhaka, the Bank sent him to their Head Office, London for Banking Operations Training for two years. In his long career Mr. Shamsher worked in various National and International Banks and Financial Institutions in various capacities.

Mr. Shamsher completed his Higher Secondary Certificate (HSC) in 1966 from Faujdarhat Cadet College securing Eighth position in order of merit in Dhaka Education Board. In 1969, Mr. Shamsher completed Banking Diploma (Part – 1) from Institute of Bankers Pakistan.

###### Mr. Al-Mamoon Md. Sanaul Huq

Director

Mr. Al-Mamoon Md. Sanaul Huq has 33 Years of professional experience in different Government Organizations, International Bank and private sector of Bangladesh. He worked as Controller General of Accounts, Ministry of Finance, Government of People's Republic of Bangladesh. He has vast experience in working in Audit Department of Controller & Auditor General of Bangladesh. Mr. Huq has also worked as consultant with some international organizations like World Bank. He attended a number of trainings, workshops and seminars at home and abroad.

Mr. Huq accomplished his post-graduation diploma in Management Accounting from Highbury College of Technology, Ports-mouth, UK. He has also completed his Bachelor of Science and Master of Science in Applied Chemistry from University of Dhaka.

###### Mr. Khwaja Shahriar

Director

Mr. Khwaja Shahriar has 17 years of professional experience in Banking and Finance Sector of Bangladesh. Currently he is working as Deputy Managing Director of LankaBangla Finance Limited. Prior to joining LankaBangla Finance Limited, Mr. Shahriar served BRAC Bank Limited in different positions including the Head of Corporate Banking, Head of Cash Management, Custodial Services & Probashi Banking. He also worked in GSP Finance Limited, Bangladesh Finance & Investment Company Limited, Uttara Bank Limited, AB Bank Limited and Green Delta Insurance Company Limited in various capacities.

Mr. Shahriar Completed his BA (Hons) and MA in English from University of Dhaka. He also obtained his Bachelor of Business Administration in Banking and Finance from Monash University, Melbourne, Australia and Master of Business Administration from Victoria University, Melbourne, Australia.

###### Mr. Abul Kalam Mohammad Kamruzzaman

Director

Mr. Kamruzzaman has 14 years of professional experience in Banking & Finance Sector of Bangladesh. Currently he is working in LankaBangla Finance Limited as the Executive Vice President & Head of Operations with responsibility of Asset Operations, Legal Affairs, Collection & Monitoring, Special Asset Management (SAM), Liability Operations and Treasury Operations. During his tenure in LankaBangla, he worked in almost all the functional areas of the company in different capacities.

Mr. Kamruzzaman completed his post-graduation in Accounting from University of Dhaka. He has also completed his MBA from Institute of Business Administration, University of Dhaka and a fellow member of the Institute of Cost & Management Accountants of Bangladesh (ICMAB).

###### Mr. Khurshed Alam

Director

Mr. Khurshed Alam has 24 years of professional experience in Banking and Finance Sector of Bangladesh. Currently he is working in LankaBangla Finance Limited as Executive Vice President and looking after the Personal Financial Services Division. Mr. Alam started his career in 1992 as a Probationary Officer – Finance & Accounts in Rupali General Insurance Company Limited.

Mr. Alam completed his graduation and post-graduation in management from University of Dhaka. He also has a Post Graduate Diploma in Personnel Management (DPM) from Bangladesh Institute of Management.

##### Management

###### Mr. Masum Ali

Chief Executive Officer

Mr. Masum Ali has joined LankaBangla Asset Management Company Limited on 18th February, 2016 as Chief Executive Officer. Prior to joining LankaBangla Asset Management Company Limited, Mr. Ali was working as Senior Assistant Vice President of LankaBangla Finance Limited. During his tenure in LankaBangla Finance Limited Mr. Ali worked in various department viz. regulatory reporting, corporate affairs & board secretariats and accounts & finance. He has 17 years of working experience. Mr. Ali completed his Chartered Accountancy Course on February 1999 from Ahmad & Ahmad, Chartered Accountants as per bye laws of the Institute of Chartered Accountants of Bangladesh (ICAB). He also holds a Bachelor of Commerce degree from National University, Bangladesh.

### 5.5 Auditors

HodaVasi Chowdhury & Co having office at BTMC Bhaban (Level 8), 7-9 Karwan Bazar C/A, Dhaka 1215 shall be the first auditor of the Fund and the auditor shall be paid a service fee of Tk 40,000.00 (Taka Forty Thousand) Only, plus applicable VAT, only for the first year.

### 5.6 Selling Agents

The following Companies have shown interest to act as the selling agents of the Fund to sale and repurchase units of the Fund on behalf of the Asset Manager:

#### SI Name

- 1 LankaBangla Finance Limited
- 2 LankaBangla Securities Limited
- 3 LankaBangla Investments Limited

The Asset Manager may appoint more willing Stock Broker(s)/Merchant Bank(s)/Commercial Bank(s)/Non Bank Financial Institution(s) as selling agents in future subject to approval of the Trustee and with due intimation to BSEC.

### 5.7 Fees and Expenses

The Fund will pay the fees of Asset Manager, the Trustee and the Custodian together with any other fees, commission and expenses as may arise from time to time. The Fund will bear its own costs and expenses incurred/accrued in connection with its formation, promotion, registration, public offering together with certain other costs and expenses incurred in its operation, including without limitation expenses of legal and consulting service, auditing, other professional fees and expenses, brokerage, share/debenture registration expenses and fees due to the BSEC. The Fund shall also bear all the other incidental expenses including printing, publication and stationery relating to its smooth and fair operation. Major expenses of the Fund are detailed as follows:

#### 5.7.1 Issue and Formation Expenses

Initial issue and formation expenses are estimated not to be over 5 (five) percent of the collected Fund. The issue and formation expenses will be amortized within 7 (seven) years on a straight line method. The estimated expenses for the issue and formation of the Fund are presented below:

Sl. No.	Type of Expenses	Percentage of total Target Fund	Total (Taka)	Sub-Total /Details	Description
1	Formation fee payable to AMC	1.00%	2,500,000/-	Set-fee	Formation fee to AMC on collected fund of initial fund size
2	Management fee for pre-scheme formation period	0.60%	1,507,402/-	On scheme	Management fee of AMC for pre-scheme formation period (Approximate) as per BSEC Directive (no. SEC/CMRRC/2009-193/160) dated May 28, 2014
3	Legal & Compliance related expenses (Application, registration fees etc.)	0.26%	647,149/-	10,000/-	BSEC Application fees
				5,00,000/-	BSEC Registration fee (0.2% of initial fund size)
				46,000/-	CDBL fee (Distribution of 2.5 cr Units X Tk 10X0.00015 CDBL fee rate = Tk. 37,500; CDBL documentation fee = Tk 2,500; Depository Connection fee = Tk 6,000.
				91,149/-	Trust Deed Registration Expense
4	Printing & Publication	1.04%	2,600,000/-	5,00,000/-	Designing and Printing of prospectus and Flyer
				1,000,000/-	Publication of abridged version of prospectus and IPO notifications on daily newspaper
				1,000,000/-	Road show for IPO
				100,000/-	Courier and distribution expenses
5	Other Expenses	0.12%	300,000/-	100,000/-	Post issue manager/data entry, data processing and other related job
				200,000/-	Other/miscellaneous
<b>Total</b>		<b>3.02%</b>	<b>7,554,551/-</b>		

\*The above expenses are made in best estimates. Actual expenses may vary but will not be over 5 (five) percent of the collected fund under any circumstances.

### 5.7.2 Management Fee

As per the ঐকিডিউইউইউ I G- ঐপাঁ কিকি (ঐডিঐকি ডিউ) ঐঐঐঐঐ, 2001 the Fund shall pay a management fee to the Asset Management Company at following rate:

1. 2.5 percent per annum of the weekly average NAV up to Tk 5.00 crore;
2. 2.0 percent per annum for additional amount of the weekly average of NAV up to Tk 25.00 crore over Tk 5.00 crore;
3. 1.5 percent per annum for additional amount of the weekly average NAV up to Tk 50.00 crore over Tk 25.00 crore and
4. 1.0 percent per annum for additional amount of the weekly average NAV over Tk 50.00 crore.

### 5.7.3 Trustee Fee

The Trustee shall be paid an annual Trusteeship fee of TK. 200,000/- (Taka Two Hundred Thousand) only or @ 0.10% of the Net Asset Value (NAV) of the Fund whichever is higher on semi-annual in advance basis, during the life of the Fund or as may be agreed upon between the parties.

### 5.7.4 Custodian Fee

The fee for Custodian services will be 0.05% per annum of balance securities held by the fund, calculated on the average market value per month. Besides this, the fund will bear all other expenses viz (a) transaction fee of BDT 200.00 per transaction (b) local duties and fees like stamp duty on transactions, stamp duty on transfer deed (c) levies, brokerage, registrar's fees, local counsel / representation, external auditors at the client's request, depository fees etc. However, a fee cap of 0.06% per annum on balance securities held by the fund, calculated on the average market value per month would be applicable if the total expenses (including custodian fees, transaction fees & other expenses, mentioned above) per annum go higher than the mentioned fee cap amount. The fee for Custodian services will be realized semi-annually.

### 5.7.5 Fund Registration and Annual Fee

The Fund has paid Tk 500,000 (Taka five lac) only to the Bangladesh Securities and Exchange Commission as registration fee. In addition, the Fund will have to pay at the rate of 0.10 percent of the Fund value or Tk 50,000 (Taka fifty thousand), whichever is higher, as annual fee in terms of the ঐকিডিউইউইউ I G- ঐপাঁ কিকি (ঐডিঐকি ডিউ) ঐঐঐঐঐ, 2001.

### 5.7.6 Audit Fee

The audit fee will be Tk 40,000 (Taka forty thousand) only plus applicable VAT, for the first accounting year and the Trustee will fix fees for the subsequent years.

### 5.7.7 Commission Payable to Selling Agent(s)

The Fund shall pay commission to the authorized Selling Agents to be appointed by the Asset Management Company @ 0.15% on both the subscription and surrender amount which may change in future with the approval of the Trustee. The authorized Selling Agents will also be paid Tk. 20.00 (taka twenty) for each successful registration of any investor subscribing to the Units of the Fund.

### 5.7.8 CDBL Fee

The Fund shall pay CDBL fresh issue fee for every investor who receives Units in his depository account at the rate of Tk. 0.00015 on the issue price of the Units which translates to a fee of Tk. 15 (Taka fifteen) per Tk. 1 (one) lac of units at the issue price. Besides this an annual fee of Tk. 100,000 (Taka one lac) is paid in advance. Other minor charges include one-time documentation fee of Tk. 2,500 (Taka two thousand and five hundred) and yearly CDS connection fee of Tk. 6,000 (Taka six thousand).

### 5.7.9 Brokerage Fee

The fund will pay to the stock broker commission of 0.25%-0.40% of the total transaction including Howla, Laga, CDBL fees and any other associated costs.

### 5.7.10 Amortization of Issue and Formation Expenses

The initial issue expenses in respect of the Fund shall not exceed 5 (five) percent of the collected amount of the Fund raised under the scheme and will be amortized with 7 (seven) years on a straight line method.

The total expense charged to the Fund, except the amortization of initial issue expenses and including transaction cost in the form of stock brokerage against buy and sell of securities forming a part of acquisition and disposal cost of such securities, transaction fee payable to the custodian against acquisition or disposal of securities, the annual registration fees payable to the commission, audit fees, cost for publication of reports and periodicals, bank charge, etc shall not exceed 4 (four) percentage of the weekly average net asset outstanding during any accounting year.

## CHAPTER SIX: SIZE OF THE FUND AND RIGHTS OF THE UNIT HOLDERS

### 6.1 Size of the Issue

The initial size of the Fund shall be Tk 250,000,000 (Taka twenty five crore) only divided into 25,000,000 (two crore fifty lac) Units of Tk 10 (Taka ten) each which may be increased from time to time by the Asset Manager subject to approval of the Trustee with due intimation to the Commission till liquidation of the Fund. The initial distribution of the Fund's unit holding shall be as follows:

Subscriber	Number of Units	Face Value (Taka/Unit)	Amount (Taka)	Status
Sponsor: LankaBangla Finance Limited	5,000,000	10	50,000,000	Subscribed
Placement Investors	10,000,000	10	100,000,000	Subscribed
General Investors	10,000,000	10	100,000,000	Yet to Subscribe
<b>Total</b>	<b>25,000,000</b>		<b>250,000,000</b>	

### 6.2 Pre-IPO Placement

#### 6.2.1 Sponsor's Subscription

LankaBangla Finance Limited, the Sponsor, has already subscribed Tk 50,000,000 (Taka five crore) only worth of Units equivalent to 5,000,000 (fifty lac) Units of Tk 10 (ten) each at par on December 2, 2015.

#### 6.2.2 Pre-IPO Investor

The following Institutions have subscribed Tk. 100,000,000 (taka ten crore) only for 10,000,000 (one crore) units with each unit worth Tk. 10.00 (taka ten) at par:

Sl. No.	Institution	No. of Units	Amount (in Taka)
1	Investment Corporation of Bangladesh	5,000,000	50,000,000
2	LankaBangla Securities Limited	5,000,000	50,000,000
	<b>Total</b>	<b>10,000,000</b>	<b>100,000,000</b>

### 6.3 Tax Status

The investment tax benefits of the fund would always comply with country's Finance Act and government policies. However, currently the following benefits are available:

- Up to 15% tax rebate on investment up to 25% of taxable income or BDT 1.5 Crore whichever is lower.
- Income from unit fund is tax exempted up to BDT 25,000.

### 6.4 Rights of the Unit Holders

#### 6.4.1 Voting Rights

All the unit holders shall have usual voting rights. Voting rights can be exercised in person or by proxy in a meeting held in connection with any personal to amend the characteristics of the fund or any other agenda of meeting called by the Trustee in the circumstances mentioned in the Trust deed or the **শর্তাবলী** of the Fund. In case of show of hands, every Unit holder present in person or/and by proxy shall have only one vote and on a poll, every Unit holder present in person and/or by a proxy shall have one vote for every Unit of which he/she is the holder.

#### 6.4.2 Transfer of Units

Units of the Fund are transferable by way of inheritance/gift and/or by specific operation of law.

#### 6.4.3 Dividend

All the Unit holders have equal but proportionate right in respect of dividend.

#### 6.4.4 Periodic Information

All the Unit holders of the Fund shall have the right to receive the annual report and audited accounts of the Fund. Moreover, the unit holders shall be informed of the NAV of the Fund on weekly basis through newspaper, the website of the Asset Manager, the Selling Agent(s) to be appointed by the Asset Manager from time to time and any other means as the Asset Manager may deem fit.

#### 6.4.5 Accounts and Information

The Fund's financial year will be closed on 31 December every year. Annual report or major head of income and expenditure account and balance sheet in line with schedule VI of the මහජන බැංකු පනත (ප්‍රධාන කටයුතු පනත) කෙරෙහි, 2001 will be published within 45 (forty five) days from the closure of each accounting year. Furthermore, the NAV of the Fund, NAV per Unit, any suspension or alteration of the calculation of NAV of the Fund will be published by the asset manager as per කෙරෙහි.

#### 6.4.6 Beneficial Interest

The Unit holders shall preserve only the beneficial interest in the trust properties on pro rata basis of their ownership of the respective Schemes.

## CHAPTER SEVEN: UNIT SUBSCRIPTION

### Terms and Conditions of Unit Subscription

1. The units of LankaBangla 1st Balanced Unit Fund, hereinafter referred to as the Fund, may be bought/surrendered through LankaBangla Asset Management Company Limited (LBAMCL) and authorized selling agents appointed by LBAMCL from time to time. Surrender of units is allowed through LBAMCL or the selling agent from which the units are originally purchased.
2. Application must be made by an individual (both resident and non-resident), a corporation or company (both local and foreign), a trust or a society (registered in or outside of Bangladesh) and not by a firm, minor or persons of unsound mind.
3. Joint application by two persons is acceptable. In such a case, registration and issuance of unit certificate will be in favour of principal applicant while dividend and other benefits, if any, will be addressed to bank account of principal applicant mentioned in the application form. In case of the death of any of the joint holders, only the survivor shall be recognized as having any title to the units. On death of both the joint holders, the title to the units will bestow upon the nominee mentioned in the application form.
4. Minimum purchase quantity for individual investors is 500 (five hundred) units and for institutional investors is 5000 (five thousand) units.
5. Application for purchase of units should be accompanied by an account payee cheque/pay order/bank draft in favour of "LankaBangla 1st Balanced Unit Fund" for the total value of units.
6. After clearance/encashment of cheque/draft/pay order the applicant will be issued a confirmation of unit allocation against every purchase with a denomination of number of units he/she/the Institutional investor applies for. If BO A/C is provided during the registration, the units will also be delivered to the unit holder's BO A/C in demat form.
7. Partial surrender (fraction of total units held under a single unit allocation confirmation) is allowed without any additional cost subject to minimum surrender quantity is 500 (five hundred) units both for individuals and institutions. Upon partial surrender, the unit holder will be issued with a new unit allocation confirmation representing the balance of his unit holding.
8. The units may be transferred by way of inheritance/gift and/or by specific operation of the law. In case of transfer the Fund will charge a nominal fee as decided by LBAMCL from time to time except in the case of transfer by way of inheritance.
9. Dividend may be delivered in cash or by way of units under Cumulative Investment Plan (CIP) as the applicant gives option in the application form. The unit holders may change their dividend preference in future as per their need.
10. All payments /receipts in connection with or arising out of transactions in the units hereby applied for shall be in Bangladeshi Taka.

## CHAPTER EIGHT: SELLING AGENTS

### 8.1 Name of Selling Agents

The following organization has shown interest to work as the Selling Agent of the Fund:

- | SI | Name                            |
|----|---------------------------------|
| 1  | LankaBangla Finance Limited     |
| 2  | LankaBangla Securities Limited  |
| 3  | LankaBangla Investments Limited |

### 8.2 Details of Selling Agents

SL No.	Name of the Selling Agent	Branch Name	Branch Location	Branch Phone
1	LankaBangla Finance Limited	Corporate Head Office	Safura Tower (Level 11), 20 Kemal Ataturk Avenue Banani, Dhaka	+88 02 9883701-10
		Dhanmondi Branch	MIDAS Centre (8th Floor, North Side) House-5 Road-16 (New), 27(Old), Dhanmondi, Dhaka	+88 02 9114460
		Mirpur Branch	Northern Khan Height Tower (Level-3), Plot No. 34 Road No. 03 Block-D, Section-11 Mirpur, Dhaka	+88 01766693229
		Uttara Branch	Uttara Tower, (Level-06), 4th Floor Plot-01, Sector-03 Jashim Uddin Avenue, Uttara Model Town, Dhaka	+880 2 8958863 +880 2 7914230
		Motijheel Branch	Peoples Insurance Bhaban (10th Floor), 36 Dilkusha C/A, Motijheel, Dhaka	+88 02 9514570-2 +88 02 9513714-16 +88 02 9514767-8
		Bangshal Branch	5 Bangshal Lane (Level 3), 57 Shahid Sayed Nazrul Islam Avenue, Bangshal, Dhaka	+88 02 9550482 +88 02 9513822
		Agrabad Branch	Aktharuzzaman Center (Level-6), 21/22,Agrabad C/A Chittagong	+88 031 2512601-3 +88 031 2514563-5
		CDA Avenue Branch	Yunusco Center (Level-8), 807/1056, CDA Avenue, Chittagong-4000	+88 031 2868901-3 Ext 100
		Sylhet Branch	Khoirun Bhaban (Level 3), Mirboxtula, Sylhet	+88 0821 728419 +8801833326093
		Comilla Branch	Omri Mansion (3rd Floor), 349/KA (new), Badurtola, Kandir Par, Comilla	+88 081 73371-2 +8801714084836
		Narsingdi Branch	56/1 Jalpatty Road, (2nd Floor) Madhabdi, Narsingdi	+88 02 9446730-3 +8801847026836
		Jessore Branch	Mohashin Super Market (2nd Floor), 10 R. N. Road, Jessore	+880 421 71146-47 +8801833314878
		Bogra Branch	Bogra Trade Center (Level 4), Datta Bari, Borogola, Bogra	+88 051 71031-35
		Barisal Branch	Younus Plaza (1st Floor), 444 K. B. Hemayet Uddin, Road, Barisal	+88 0431 61884
		Mymensingh Branch	Sabit-Sharif Bhaban (2nd Floor), 55/A, Boro Bazar, Mymensingh-2200	+091 62901 +091 62902
Khulna Branch	Tribun Tower, 2/A, K.D.A Avenue, Khulna	+041 731480		
Rajshahi Branch	Ahmed Plaza (2nd Floor), Holding No. 182, Alupotty, Ghoramara, Boaliya, Rajshahi	+0271 771216 +0271 771286 +0271 771293		



2	LankaBangla Investments Limited	Corporate Office	Eunoos Trade Center, Level-21, 52-53 Dilkusha C/A Dhaka-1000	+88 02 7113585, +88 02 9561238 +88 02 9512621
3	LankaBangla Securities Limited	Corporate Branch	A.A. Bhaban (Level – 5) 23 Motijheel C/A, Dhaka	+88 02 9563901 +88 02 9563903-5
		Principal Branch	DSE Annex Building (1st Floor), 9/E Motijheel C/A Dhaka	+88 02 9561868 +88 02 7174315
		Extension of Principal Branch	Eunoos Trade Center, (15th Floor), 52-53 Dilkusha C/A Dhaka	+88 02 9581628-30
		Banani Branch	Assurance Nazir Tower (Level-06) 65/B, Kemal Attaturk Avenue, Banani, Dhaka	+88 02 9820669
		Uttara Branch	4th Floor (Level-6), Uttara tower, Plot No # 1 Jashimuddin Avenue Sector No #3 Uttara C/A, Uttara Model Town, Dhaka	+88 02 8958575 +88 02 8951658
		Dhanmondi Branch	MIDAS Centre, 8th Floor House: 05 Road: 16 (New), 27(Old), Dhanmondi, Dhaka	+88 02 9112650 +88 02 9112648
		Narayanganj Branch	Hazi Plaza, (2nd Floor), 53/1, S.M. Maleh Road, Tan Bazar, Narayanganj	+88 02 7630582 +88 02 7630582
		Chittagong Branch	Shafi Bhaban (2nd Floor), 1216/A, SK Mujib Road Agrabad, Chittagong	+88 031 724547 +88 031 724548
		Khatungonj Branch	Asma Chamber, 1016(Old), Ram Joy Mohajan Lane Khatungonj, Chittagong	+88 031 630011 +88 031 632276 +88 031 626709
		Nasirabad Branch	Rahima Centre (5th Floor), 1618/1839, CDA Avenue Nasirabad, Chittagong	+88 031 2554171-3
		Sylhet Branch	R N Tower (4th Floor), Chowhatta, Sylhet	+88 0821 711143 +88 0821 711175 +88 0821 711912
Comilla Branch	Nahar Plaza(1st Floor), 67/58, Nazrul Islam Avenue Kandirpar, Comilla	+88 081 62117 +88 081 62109 +88 081 61768		

## ANNEXURE

### Forms

Specimen copies of the following forms are given in the following pages:

1. Purchase Form – Individual
2. Purchase Form – Institution
3. Transfer Form
4. Surrender/Repurchase Form
5. Investor's Information Update/Correction Form

**LankaBangla 1st Balanced Unit Fund**  
**Asset Manager: LankaBangla Asset Management Company Limited**  
**Purchase Form (Individual)**

To  
 Chief Executive Officer  
 LankaBangla Asset Management Company Ltd.  
 Praasad Trade Centre (4th Floor)  
 6 Kemal Ataturk Avenue  
 Banani C/A, Dhaka-1213

Date: ...../...../.....

For Office Use Only
Registration No.:
Sale No.:

I/We like to purchase ..... (in word.....) units of LankaBangla 1st Balanced Unit Fund at a price of Tk. .... (in word.....) per unit, prevailing on the sale date and enclose a cheque/P.O/D.D No. .... drawn on Bank ..... Branch: ..... for an amount of Tk. .... (in word.....)

**Principal Applicant:**

Name: ..... Father/Husband: .....  
 Mother: ..... Nationality: ..... Occupation: .....  
 Present Address: .....  
 Permanent Address: .....

NID No.: ..... Date of Birth: ..... Email: .....  
 Telephone/Mobile No.: ..... BO Account No.: .....  
 Residency Status: Resident  Non Resident   
 Bank Name: ..... Branch: .....  
 Bank A/C No.: .....

**Joint Applicant:**

Name: ..... Father/Husband: .....  
 Mother: ..... Nationality: ..... Occupation: .....  
 Present Address: .....  
 Permanent Address: .....

NID No.: ..... Date of Birth: ..... Email: .....  
 Telephone/Mobile No.: .....

**Nominee:**

Name: ..... Father/Husband: .....  
 Mother: ..... Nationality: ..... Occupation: .....  
 Relationship with Applicant: ..... Share (In Percentage): .....  
 Present Address: .....  
 Permanent Address: .....

NID No.: ..... Date of Birth: .....  
 Email: ..... Telephone/Mobile No: .....

Specimen Signature (Nominee): ..... Special Instruction: .....

Dividend Option: Cash  CIP

\_\_\_\_\_  
 Signature with Date  
 Principal Applicant

\_\_\_\_\_  
 Signature with Date  
 Joint Applicant

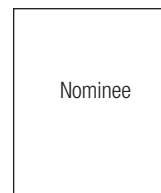
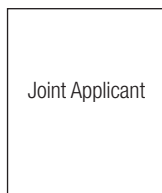
**ACKNOWLEDGEMENT**

Certified that this selling agent/bank has received a cheque/P.O/D.D. No.: .....  
 Bank: ..... Branch: ..... for an amount of Taka .....  
 (in words.....) from Mr./Mrs./Ms.....  
 being application money for ..... Units of LankaBangla 1st Balanced Unit Fund.

Selling Agent's Seal and Date

Sale No. .... Authorized Signature: .....

### Photographs of Applicant(s) and Nominee



### Terms and Conditions

1. The unit of LBAMCL Unit Fund may be bought / surrendered through LankaBangla Asset Management Company Limited and authorized selling agents appointed by the Asset Manager from time to time on all working days except Thursday.
2. The applications will be accepted upon the realization of any cheque enclosed with it. As the clearance of cheques drawn on banks in towns other than that of the Issuing Office may take a longtime. The applications are advised to send enclosed with a bank draft or a pay order to minimize the delay in acceptance.
3. After acceptance of application (upon registration of a sale), Unit allocation Certificates will be issued.
4. Application may be made by an individual (both resident and non-resident), a corporation or any other artificial judicial persons (both Local and foreign), a trust or a society (register in or outside of Bangladesh).
5. Application may not be made by a firm, minor or person of unsound mind.
6. Unit Holder can surrender partial holding of his/her/its Units given that minimum surrender quantity is 500 (Five Hundred) for individual and 5,000 (Five Thousand) for institutional investor.
7. Unit Holder will be provided with new allocation certificate after surrender or transfer of Units.
8. Units transfer will be allowed by way of inheritance/gift/and/or by specific operation of the law. Asset Manager will charge a nominal fee (except transfer by inheritance) as decided by the Asset Manager from time to time.
9. All the payment/receipt will be in Bangladeshi Taka.
10. Dividend may be delivered in cash or by way of units under cumulative investment plan (CIP) as the applicant mentioned in the application form.
11. Minimum Units for individual investor is 500 (five hundred) and for institutional investor is 5,000 (Five thousand) units
12. Units will be registered in the name(s) of the applicant(s) Joint holders will be registered provided that Application Form is duly completed and signed by all joint holders. In case of the death of any of the Joint holders, only the survivor shall be recognized as having any title to the Units.
13. Application(s) by Charitable Organization/Provident Fund Trust must be accompanied by the relevant documents authorizing investment in Units.

**LankaBangla 1st Balanced Unit Fund**  
**Asset Manager: LankaBangla Asset Management Company Limited**  
**Purchase Form (Institution)**

To  
 Chief Executive Officer  
 LankaBangla Asset Management Company Ltd.  
 Praasad Trade Centre (4th Floor)  
 6 Kemal Ataturk Avenue  
 Banani C/A, Dhaka-1213

Date:...../...../.....

For Office Use Only
Registration No.:
Sale No.:

I/We like to purchase .....units of LankaBangla 1st Balanced Unit Fund at a price of Tk. ....per unit,  
 prevailing on the sale date and enclose a cheque/P.O/D.D No. .... Bank Name.....  
 Branch: ..... for an amount of Tk.....(in word.....) with this application

**Principal Applicant:**

Name of the Organization: .....

Name of the CEO/MD: .....

Type of the Institute: Local  Foreign  Society  Trust  Other

TIN No.:..... Registration No.:..... Trade License No.:.....

VAT Reg. No. (if any): .....

Address Business /Mailing Address:.....

Registered Address:.....

Email:..... Telephone:.....

BO A/C No.:.....

Residency Status: Resident  Non-Resident

Bank Name:..... Branch:.....

Bank A/C No.:.....

Special Instruction:.....

Dividend Option: Cash  CIP

Details of Authorized person(s) if any:

Sl	Name	Designation	Signature
1	.....	.....	.....
2	.....	.....	.....

Mode of Operation: Jointly  Singly

Jointly By:

1. Name:..... 2. Name:.....

Singly By:

1. Name:.....

Seal & Signature of MD/CEO

Date:

**ACKNOWLEDGEMENT**

Certified that this selling agent/bank has received a cheque/P.O/D.D. No.:.....

Bank:..... Branch:..... for an amount of

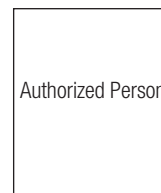
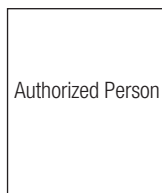
Taka..... (in words .....) from.....

being application money for.....Units of LankaBangla 1st Balanced Unit Fund.

Selling Agent's Seal and Date

Sale No. .... Authorized Signature:.....

### Photographs of MD/CEO and Authorized Persons



### Terms and Conditions

1. The unit of LBAMCL Unit Fund may be bought/ surrendered through LankaBangla Asset Management Company Limited and authorized selling agents appointed by the Asset Manager from time to time on all working days except Thursday.
2. The applications will be accepted upon the realization of any cheque enclosed with it. As the clearance of cheques drawn on banks in towns other than that of the Issuing Office may take a longtime. The applications are advised to send enclosed with a bank draft or a pay order to minimize the delay in acceptance.
3. After acceptance of application (upon registration of a sale), Unit allocation Certificates will be issued.
4. Application may be made by an individual (both resident and non-resident), a corporation or any other artificial judicial persons (both Local and foreign), a trust or a society (register in or outside of Bangladesh).
5. Application may not be made by a firm, minor or person of unsound mind.
6. Unit Holder can surrender partial holding of his/her/its Units given that minimum surrender quantity is 500 (Five Hundred) for individual and 5,000 (Five Thousand) for institutional investor.
7. Unit Holder will be provided with new allocation certificate after surrender or transfer of Units.
8. Units transfer will be allowed by way of inheritance/gift/and/or by specific operation of the law. Asset Manager will charge a nominal fee (except transfer by inheritance) as decided by the Asset Manager from time to time.
9. All the payment/receipt will be in Bangladeshi Taka.
10. Dividend may be delivered in cash or by way of units under cumulative investment plan (CIP) as the applicant mentioned in the application form.
11. Minimum Units for individual investor is 500 (five hundred) and for institutional investor is 5,000 (Five thousand) units
12. Units will be registered in the name(s) of the applicant(s) Joint holders will be registered provided that Application Form is duly completed and signed by all joint holders. In case of the death of any of the Joint holders, only the survivor shall be recognized as having any title to the Units.
13. Application(s) by Charitable Organization/Provident Fund Trust must be accompanied by the relevant documents authorizing investment in Units.

**LankaBangla 1st Balanced Unit Fund**  
**Asset Manager: LankaBangla Asset Management Company Limited**  
**Transfer Form**

Date:...../...../.....

Registration No. (Transferor):

To  
 Chief Executive Officer  
 LankaBangla Asset Management Company Ltd.  
 Praasad Trade Centre (4th Floor)  
 6 Kemal Ataturk Avenue  
 Banani C/A, Dhaka-1213

I/We.....Address(if changed) ....., hereafter referred to as transferor, am/are the holder(s) of .....Units of LankaBangla 1st Balanced Unit Fund. I/we would like to transfer ..... units (in words.....) to the following person/institution, hereafter referred to as transferee.

**Transferee**

Name:.....  
 Father/Husband Name:.....  
 Mother Name:.....  
 Nationality:..... Occupation:.....  
 Registration No. (Existing Unit Holder):..... Unit Held (if any):.....

**Address**

Present /Mailing Address:.....

Permanent Address:.....

NID No. .... Date of Birth: ..... Telephone: .....  
 Email: .....  
 BO A/C No. (if any):.....

Residency Status: Resident  Non-Resident   
 Bank:..... Branch:.....  
 Bank A/C No.:.....

**Transferee is Institution**

Name of Institution:.....  
 TIN No.:..... Registration No.:..... Trade License No.:.....  
 Registration No. (Existing Unit Holder):..... Unit Held:.....

**Address:**

Business /Mailing Address:.....  
 Registered Address:.....  
 Type of Institute: Local  Foreign  Trust  Society  Other   
 Email:..... Telephone/Mobile:.....

**Nominee (In Case of Individual)**

Name:.....  
 Father/Husband Name:.....  
 Mother Name:.....  
 Nationality:..... Occupation:.....  
 Relationship with Applicant:.....  
 Present /Mailing Address:.....

Permanent Address:.....  
 NID No..... Date of Birth: .....  
 Email:..... Telephone/Mobile:.....  
 Specimen Signature (Nominee):.....  
 Special Instruction:.....  
 Dividend Option: Cash  CIP

Signature with Date  
 Principal Holder/CEO

**Acknowledgement**

Certified that this selling agent/bank has received a request for transferring ..... Units of LankaBangla 1st Balanced Unit Fund from..... to.....  
 Transfer No.: .....

Selling Agent's Seal & Date

Signature

Principal Applicant/  
CEO

Joint Applicant

Nominee

**For Office Use Only**

Checked and Verified by:

Name: ..... Signature with Date:.....

**Terms and Conditions**

1. The unit of LBAMCL Unit Fund may be bought/ surrendered through LankaBangla Asset Management Company Limited and authorized selling agents appointed by the Asset Manager from time to time on all working days except Thursday.
2. The applications will be accepted upon the realization of any cheque enclosed with it. As the clearance of cheques drawn on banks in towns other than that of the Issuing Office may take a longtime. The applications are advised to send enclosed with a bank draft or a pay order to minimize the delay in acceptance.
3. After acceptance of application (upon registration of a sale), Unit allocation Certificates will be issued.
4. Application may be made by an individual (both resident and non-resident), a corporation or any other artificial judicial persons (both Local and foreign), a trust or a society (register in or outside of Bangladesh).
5. Application may not be made by a firm, minor or person of unsound mind.
6. Unit Holder can surrender partial holding of his/her/its Units given that minimum surrender quantity is 500 (Five Hundred) for individual and 5,000 (Five Thousand) for institutional investor.
7. Unit Holder will be provided with new allocation certificate after surrender or transfer of Units.
8. Units transfer will be allowed by way of inheritance/gift/and/or by specific operation of the law. Asset Manager will charge a nominal fee (except transfer by inheritance) as decided by the Asset Manager from time to time.
9. All the payment/receipt will be in Bangladeshi Taka.
10. Dividend may be delivered in cash or by way of units under cumulative investment plan (CIP) as the applicant mentioned in the application form.
11. Minimum Units for individual investor is 500 (five hundred) and for institutional investor is 5,000 (Five thousand) units
12. Units will be registered in the name(s) of the applicant(s) Joint holders will be registered provided that Application Form is duly completed and signed by all joint holders. In case of the death of any of the Joint holders, only the survivor shall be recognized as having any title to the Units.
13. Application(s) by Charitable Organization/Provident Fund Trust must be accompanied by the relevant documents authorizing investment in Units



**LankaBangla 1st Balanced Unit Fund**  
**Asset Manager: LankaBangla Asset Management Company Limited**  
**Repurchase/Surrender Form**

To  
 Chief Executive Officer  
 LankaBangla Asset Management Company Ltd.  
 Praasad Trade Centre (4th Floor)  
 6 Kemal Ataturk Avenue  
 Banani C/A, Dhaka-1213

Date:...../...../.....

**For Office Use Only**  
 Surrender No.:

(Please fill up the Form in **BLOCK LETTERS**)

Registration No. :.....

I/We.....Address (if changed) .....  
 ....., am/are the holder(s) of.....  
 Units of LankaBangla 1st Balanced Unit Fund. I/we would like to surrender .....units (in  
 words.....Units) at the repurchase price of TK. ....  
 per unit as declared by the Asset Manager on...../...../..... My/our surrender request is summarized below:

Sl. No.	Confirmation of Unit Allocation No	Number of Units Held	Units to be Surrendered		
			No. of Units	Repurchase Price TK. / Unit	Total Surrender Value TK.

I / We attach herewith the above mentioned Confirmation of Unit Allocation (S). Please issue an account payee cheque in favor of me / us for total surrender amount and issue a Confirmation for balance units, if any.

\_\_\_\_\_  
 Signature of Unit Holder(s)

For Office Use Only  
 Checked and Verified by Name.....  
 Signature.....Date...../...../.....

**ACKNOWLEDGEMENT**

Received the Confirmation of Unit Allocation for surrender / partial surrender as mentioned below:

Registration No.....  
 1. Confirmation of Unit Allocation No.....Quantity.....Surrender Quantity.....  
 2. Confirmation of Unit Allocation No.....Quantity.....Surrender Quantity.....

Selling Agent's Seal and Date

Surrender No.....

Authorized Signature (Name & Designation)

**Terms and Conditions**

1. The unit of LBAMCL Unit Fund may be bought/ surrendered through Lanka-Bangla asset management company Limited and authorized selling agents appointed by the asset manager from time to time.
2. Units may be surrendered on all workings days except last working day of week and during the book closer period/record date of the Fund.
3. Minimum surrender quantity is 500 (five hundred) Units for both individual and institutional unit holders.
4. Partial surrender is allowed without any additional cost subject to minimum surrender quantity of 500 (five hundred) Units both for individual and institutions. Upon partial surrender, the unit holder will be issue a new Confirmation representing the balance of his/her Unit holding.
5. Unit holder is required to attach the Confirmation of Unit Allocation Letter (s) he /she/ the institution wants to surrender along with this surrender form.
6. After verification of authenticity of Confirmation of Unit Allocation Letter(s), account payee cheque for surrendered amount will be issued in favor of unit holder within maximum of seven working days. In case of joint holding, account payee cheque will be issued in favor of principal holder.

**For Office Use Only**

Cheque No.....Bank.....  
Date...../...../..... amount TK.....  
issued in favor of.....  
.....

For balance Units, if any.

Registration No..... Surrender No.....  
No. of Units..... Confirmation of Unit Allocation No.....

Issuing Office Stamp & Signature

Received cheque and / or Confirmation of Unit Allocation (if any) as mentioned above.

Signature of Unit Holder

Date...../...../.....

**LankaBangla 1st Balanced Unit Fund**  
**Asset Manager: LankaBangla Asset Management Company Limited**  
**Investor's Information Update/Correction Form**

Date:...../...../.....

To  
Chief Executive Officer  
LankaBangla Asset Management Company Ltd.  
Praasad Trade Centre (4th Floor)  
6 Kemal Ataturk Avenue  
Banani C/A, Dhaka-1213

Dear Sir

I/we like to update/correct some of the information I have provided during purchase of units of LankaBangla 1st Balanced Unit Fund:

Name of the Investor:

Registration Number:

**Information to be updated / Corrected:**

Sl. No.	Existing Information	Updated/Corrected Information
1		
2		
3		
4		
5		

\_\_\_\_\_  
Principal Applicant

Signature With Date

## Hotline

+88 01709648425  
+88 01709648426



Praasad Trade Centre (4th Floor)  
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