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# **PROSPECTUS**

## **RUPALI LIFE INSURANCE FIRST MUTUAL FUND**

### **Size of Issue**

Initial Size Tk 50,00,00,000 (Taka fifty crore) of 5,00,00,000 (five crore) units of Tk 10 (Taka ten) each

### **Initial/Opening Price**

Tk 10 (Taka ten) per unit

### **Asset Manager**

Prime Finance Asset Management Company Limited

### **Sponsor**

Rupali Life Insurance Company Limited

### **Trustee**

Bangladesh General Insurance Company Limited

### **Custodian**

BRAC Bank Limited

### **Subscription Opens**

01 February 2015

### **Registered Office**

57, Dilkusha Commercial Area, Dhaka 1000, Bangladesh

Phone : 88-02-9513562, 9513563, Fax: 88-02-9513564

Website: [www.pamcbd.com](http://www.pamcbd.com), Email: [info@pamcbd.com](mailto:info@pamcbd.com)

### **Date of Publication of Prospectus**

06 January 2015 in “The Daily Ittefaq”

# Table of Content

Particulars	Page No.
<b>Fund Directory</b>	1
<b>Definitions and Elaboration of Abbreviated Terms</b>	2
<b>Fund Highlights</b>	3
<b>Chapter 1 - Preliminary</b>	4
Publication of Prospectus for public offering	4
Consent of the Bangladesh Securities and Exchange Commission	4
Listing of Fund	4
Documents available for inspection	4
Conditions under section 2CC of the Securities and Exchange Ordinance, 1969	4
General Information	5
Sale and Repurchase of Units	6
Declarations	6
<b>Chapter 2 - Background</b>	8
Preamble to formation of Rupali Life Insurance First Mutual Fund	8
Necessity of unit fund in the context of the current state of affairs of the capital market	8
Advantages in investing in Rupali Life Insurance First Mutual Fund	8
<b>Chapter 3 - The Fund</b>	10
Formation of the Fund	10
Life and Size of the Fund	10
Face value and Denomination	10
Some important policies regarding investment and operation of the Fund	10
Investment restrictions	10
Valuation policy	11
Limitation of expenses	12
Price fixation policy and Sale & Repurchase procedure	12
Winding up policy	13
Procedure of winding up	13
Manner of winding up	13
Effect of winding up	14
Investment management	14
Dividend policy	14
<b>Chapter 4 - Risk Factors</b>	15
<b>Chapter 5 - Formation, Management and Administration</b>	16
Sponsor of the Fund	16
Trustee of the Fund	16
Custodian of the Fund	16
Asset Manager	16
Auditors	17
Selling Agents	17
Fees and Expenses	17
<b>Chapter 6 - Size of the Fund, Tax and Rights of Unit Holders</b>	19
Size of issue	19
Subscription from Sponsor	19
Tax	19
Rights of the Unit holders	19
<b>Chapter 7 - Unit subscription</b>	21
Selling Agent	21
Terms and conditions of unit subscription	22
Forms	22

## Fund Directory

- Registered office** : Prime Finance Asset Management Company Limited  
57, Dilkusha Commercial Area,  
Dhaka 1000, Bangladesh  
Tel: +88 (02) 9513562-63
- Sponsor** : Rupali Life Insurance Company Limited  
Rupali Bima Bhaban (9<sup>th</sup> Floor)  
7 Rajuk Avenue  
Dhaka 1000, Bangladesh  
Tel: +88 (02) 9571355
- Trustee** : Bangladesh General Insurance Company Limited  
42 Dilkusha Commercial Area  
Dhaka 1000, Bangladesh  
Tel: +88 (02) 9555073
- Custodian** : BRAC Bank Limited  
1 Gulshan Avenue  
Gulshan 1, Dhaka 1212, Bangladesh  
Tel: +88 (02) 8859202
- Asset Manager** : Prime Finance Asset Management Company Limited  
57, Dilkusha Commercial Area  
Dhaka 1000, Bangladesh  
Tel: +88 (02) 9513562-63
- Auditor** : Malek Siddiqui Wali  
Chartered Accountants  
9G Motijheel Commercial Area  
Dhaka 1000, Bangladesh  
Tel: +88 (02) 9560919
- Banker** : BRAC Bank Limited  
Motijheel Branch  
107, Motijheel C/A,  
Dhaka 1000, Bangladesh  
Tel: +88 (02) 9550307
- Selling Agents** : 1. BRAC EPL Stock Brokerage Ltd.  
2. Chittagong Capital Ltd.  
3. IIDFC Securities Limited  
4. MTB Securities Ltd.  
5. PFI Securities Ltd.

## Definitions and Elaboration of Abbreviated Terms

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

## Fund Highlights

<b>1. Name</b>	Rupali Life Insurance First Mutual Fund
<b>2. Initial size of the Fund</b>	Tk 50,00,00,000 (Taka fifty crore) divided into 5,00,00,000 (five crore) units of Tk 10 (Taka ten) each
<b>3. Face value</b>	Tk 10 (Taka ten) per unit
<b>4. Nature</b>	Open end with perpetual life and unlimited size
<b>5. Objective</b>	The objective of the Fund is to provide attractive risk adjusted return to the unit holders by investing the proceeds in the capital market and money market.
<b>6. Target group</b>	Individuals – both resident and non-resident, institutions – both local and foreign, mutual funds and collective investment schemes are eligible to subscribe the units of the Fund.
<b>7. Dividend</b>	Minimum 70 (seventy) per cent of realized income of the Fund will be distributed as dividend in Bangladeshi Taka only at the end of each accounting year. The Fund shall create a dividend equalization reserve to ensure consistency in dividend
<b>8. Dividend distribution</b>	The dividend will be distributed within 45 (forty five) days from the date of declaration.
<b>9. Transferability</b>	The units of the Fund are transferable by way of inheritance/gift and/or by specific operation of the law.
<b>10. Encashment</b>	The unit holders can surrender their units through the Asset Manager and the authorized selling agents. So investment in this Fund will be easily encashable.
<b>11. Tax</b>	Dividend income of the Fund will be tax free up to a certain level as permitted by the Finance Act.
<b>12. 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 ( <a href="http://www.pamcbd.com">www.pamcbd.com</a> ) of the Asset Management Company.

### 1.1 Publication of Prospectus for public offering

Prime Finance Asset Management Company Limited has received Registration Certificate from the Bangladesh Securities and Exchange Commission under Securities and Exchange Commission Act, 1993 and সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১ made thereunder and also received consent for issuing prospectus for public offering. A complete copy of the prospectus of the public offering is available for public inspection at 57, Dilkusha C.A. (3<sup>rd</sup> Floor), Dhaka 1000, the corporate office of Prime Finance Asset Management Company Limited (PAMC) – the asset manager of the Rupali Life Insurance First Mutual Fund, hereinafter referred to as the Fund.

### 1.2 Consent of the 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 সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, 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 Fund

The Fund, being an open-ended one, will not be listed with any stock exchange of the country hence the units of the Fund will not be traded in the stock exchanges. Unit allocation confirmation will always be available for sale and surrender/repurchase except on the last working day of every week and during book closure period of the Fund at the corporate office of PAMC and the authorized selling agents. PAMC shall disclose selling price and surrender value/repurchase price of unit at the beginning of business operation on the first working day of every week as per বিধিমালা.

### 1.4 Documents available for inspection

1. Copy of this Prospectus will be available at the corporate office of PAMC and offices of the authorized selling agents of the Fund.
2. Copy of the Trust Deed and the Investment Management Agreement will be available for public inspection during business hours at the corporate office of the Asset Manager of the Fund.

### 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/transferable;
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/financial results of the Fund will be published in at least one English and another Bangla national daily newspapers within thirty days from 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 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 calculated on a date shall from the repurchase 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 face value of the unit;
  11. BSEC may appoint auditors 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 transactions 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 Bengali national daily newspaper. Provided that information relating to publication of prospectus be published in 2 national daily newspapers ( Bengali 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 the minimum 40% of the initial target amount under section 48 of the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১, will refund the subscription money within 30 days without any deduction. In case of failure, the Fund Manager will refund the same with an interest @ 18 percent per annum from its own account within 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 AMC 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. 20,00,00,000/- (Taka twenty 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 amounting Tk. 20,00,00,000/- (40% 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.

### General Information

1. This prospectus has been prepared by Prime Finance 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 that 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 given or made, any such information or representation must not be relied upon

as having been authorized by Prime Finance Asset Management Company Limited.

3. The issue as contemplated in this document is made in Bangladesh and 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.

## 1.6 Sale and Repurchase of Units

Sale and repurchase of units of Rupali Life Insurance First Mutual Fund will commence at the counter of corporate office of Prime Finance Asset Management Company Limited and authorised selling agents at the opening of banking business hours on 01 February 2015 and continue until winding up of the Fund.

## 1.7 Declarations

### 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 the 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 document, 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 documents, 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 informed decision for investment.

Sd/-

(Md. Golam Kibria, MBA)  
Managing Director (In Charge)  
Rupali Life Insurance Company Limited

### Declaration about the responsibility of the Custodian

We, as Custodian of the Rupali Life Insurance First Mutual Fund, accept the responsibility and confirm that we shall:

- i. keep all the securities in safe custody and shall provide the highest security for the assets of the Fund; and
- ii. preserve necessary documents and record so as to ascertain movement of assets of the Fund as per সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১.

Sd/-

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



### Declaration about the responsibility of the Trustee

We, as Trustee of the Rupali Life Insurance First Mutual Fund, accept the responsibility and confirm that we shall:

- i. be the guardian of the Fund, held in trust for the benefit of the unit holders in accordance with the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১ and Trust Deed;
- ii. always act in the interest of the unit holders;
- iii. 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 বিধিমালা;
- iv. make such disclosures 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 investments; and
- v. take such remedial steps as are necessary to rectify the situation where they have reason to believe that the conduct of business of the Fund is not in conformity with relevant Rules.

Sd/-

(Ahmed Saifuddin Chowdhury)

Managing Director & CEO

Bangladesh General Insurance Company Limited

### Declaration about the responsibility of the Asset Manager

This Prospectus has been prepared by us based on the Trust Deed, the Investment Management Agreement, the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১ 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:

- i. the prospectus is in conformity with the documents, materials and papers related to the public offer;
- ii. all the legal requirements of the public offer have been duly fulfilled; and
- iii. 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 such no guarantee can be made about the returns from the investments that the Fund will make. Like any other equity investment, only investors who are willing to accept a moderate account of risk, should invest in the Fund. Investors are requested to pay careful attention to the "Risk Factor" as detailed in the Risk Factor section and to take proper cognizance of the risks associated with any investment in the Fund.

Sd/-

(Moin Al Kashem)

Managing Director & CEO

Prime Finance Asset Management Company Limited

### 2.1 Preamble to formation of Rupali Life Insurance First Mutual Fund

Unit Fund in other words open-end mutual fund is one of the most common and widely accepted investment vehicles all over the world. Unit funds are synonymous with mutual funds world wide as most of them are open-end mutual funds by nature. In Bangladesh unit fund was introduced by Investment Corporation of Bangladesh (ICB), a public sector investment bank, in 1981. Later ICB Asset Management Company, a subsidiary of ICB, has launched two more unit funds but there has not been any initiative to launch an open end unit fund by private sector until 'Prime Financial First Unit Fund' which is managed by PAMC.

Considering the vital role that open-end mutual funds can play in improving the capital market efficiency, Rupali Life Insurance Company Limited, one of the leading life insurance company, has come forward and sponsored an open end mutual fund in Bangladesh. RLIC feels Bangladesh capital market is passing through a difficult and lean period. Sponsoring Rupali Life Insurance First Mutual Fund will offer them a responsible and profitable way of participating towards the improvement of the capital market.

Rupali Life Insurance Company Limited has chosen three trusted partners: Prime Finance Asset Management Company Limited (PAMC), an associate company of Prime Finance & Investment Limited and the fifth private sector Asset Management Company of the country, as the Asset Manager, Bangladesh General Insurance Company Limited as the Trustee and BRAC Bank Limited as the Custodian of the Fund.

### 2.2 Necessity of unit fund in the context of the current state of affairs of the capital market

Bangladesh capital market continues to be dominated by active local retail participation along with strong domestic institutional participation, primarily being local commercial and merchant banks. Bangladesh capital market has thousands of individual small investors who do not have access to the proper investment decision-making tools such as equity research, market information etc. That is why rumors and personal whim have become the investment tools for these individuals speculating about the stock prices. As a result the country's capital market does not behave rationally.

In the present scenario, open-end mutual fund may act as an effective investment vehicle for those who like to rely on professional fund manager for investment management as it has been tested over time all around the world in both developed and emerging economies. The professional fund management, portfolio diversification, low cost but high quality investing, convenience, flexibility, and liquidity are distinct features of an open-end mutual fund that make it a very reliable market instrument for small investors. It is apparent that there is ample opportunity for growth of our nascent mutual fund industry.

It can be said that in course of time open-end mutual fund will play a vital role in our capital market because of its inherent strength of being a professionally managed investment vehicle and the small individual investors will gradually go under the umbrella of professional fund managers like those in any other emerging market.

### 2.3 Advantages in investing in Rupali Life Insurance First Mutual Fund

The investors of Rupali Life Insurance First Mutual Fund will have some great advantages because mutual fund when compared to direct investment in securities of the capital market enjoys the following:

- i. The Bangladesh Securities and Exchange Commission has strict policies in place which regulates

the mutual fund industry in Bangladesh. The extensive disclosures of operation and management of mutual funds to the regulator as well as to general public assures the transparency and security for investors.

- ii. Prime Finance Asset Management Company Limited will ensure that the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১ will be followed dutifully under all circumstances.
- iii. The Fund will help lower the investment risk of small investors because of the diversified fund portfolio. The diversified portfolio of the Fund will also help the small investor gain broad exposure to whole stock market which would have been difficult at individual level.
- iv. Stock selection and market timing by the Asset Manager may generate higher return.
- v. Under current rules of Initial Public Offerings (IPOs) in Bangladesh, the mutual funds are entitled to participate in a 10 (ten) per cent reserved quota during the lottery. It may be noted that IPOs have historically outperformed the general index.
- vi. Dividend income from this Fund will be tax free up to a certain level as permitted by the Finance Act.
- vii. This unit Fund will add liquidity to the market by pooling small investors' savings.

## Chapter 3

## The Fund

### 3.1 Formation of the Fund

The Trust Deed of the Fund was registered on 18 December 2013 under the Trust Act, 1882 and Registration Act, 1908.

The Fund was registered by the BSEC on 27 January 2014 under the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১.

### 3.2 Life and Size of the Fund

The Fund will be an open-end mutual fund with a perpetual life established to broaden the base of investment and develop the capital market. Both 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 50,00,00,000 (Taka fifty crore) only divided into 5,00,00,000 (five crore) units of Tk 10 (Taka ten) each. Size of the Fund may 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. Unit holders of the Fund shall be issued a unit allocation confirmation by the Asset Manager at the cost of the Fund in any denomination but not less than 500 (five hundred) units per allocation confirmation.

### 3.4 Some important policies regarding investment and operation of the Fund

- i. The Fund shall invest subject to the বিধিমালা and only in those securities, deposits and investments approved by the Bangladesh Securities and Exchange Commission and/or the Bangladesh Bank and/or the Insurance Development & Regulatory Authority Bangladesh (IDRA) of Bangladesh or any other competent authority in this regards.
- ii. Not less than 60 (sixty) per cent of the total assets of the Scheme of the Fund shall be invested in capital market instruments out of which at least 50 (fifty) per cent shall be invested in listed securities.
- iii. Not more than 25 (twenty five) per cent of the total asset of the Scheme of the Fund shall be invested in Fixed Income Securities (FIS).
- iv. Not more than 15 (fifteen) per cent of the total asset of the Scheme of the Fund shall be invested in pre-IPOs at one time.
- v. 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.
- vi. The Fund shall get the securities purchased or transferred in the name of the Fund.
- vii. 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.

### 3.5 Investment restrictions

- i. The Fund shall not invest more than 10 (ten) per cent of its total assets in any one particular company.
- ii. The Fund shall not invest in more than 15 (fifteen) per cent of any company's paid up capital.
- iii. The Fund shall not invest more than 20 (twenty) per cent of its total assets in shares, debentures

- or other securities of a single company or group.
- iv. The Fund shall not invest more than 25 (twenty five) per cent of its total assets in shares, debentures or other securities in any one industry.
  - v. The Fund shall not invest in, or lend to, another scheme under the same Asset Management Company.
  - vi. 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.
  - vii. 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 বিধিমালা.
  - viii. 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.
  - ix. The Fund shall not involve in option trading or short selling or carry forward transaction.
  - x. The Fund shall not buy its own unit.

### 3.6 Valuation policy

- i. 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.
- ii. 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.
- iii. The fund shall fix the valuation method for the Scheme subject to the prior approval of the Commission.
- iv. The Fund shall follow the method approved by the Commission for valuation of the non-listed investment, 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.
- v. 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.
- vi. 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.
- vii. 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.
- viii. Asset Management Company and Trustee will value the non-listed securities at least once in every three months.
- ix. In case of deferred expenses, accrued expenses for the period will be taken into account for determining total liabilities.
- x. 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

### 3.7 Limitation of expenses

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

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

### 3.8 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 বিধিমালা and shall disclose sale price and repurchase/surrender price per unit determined on the basis of NAV before starting of business operation of the first working day of the following week to the Commission and to 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 repurchase/surrender price shall primarily be Tk 0.30 (Thirty paisa) per unit which may be changed in future with a maximum limit of 5 (five) per cent of the face value of the unit.

Sale and repurchase procedure is given below:

- i. The units of Rupali Life Insurance First Mutual Fund may be bought /surrendered through Prime Finance Asset Management Company Limited and authorized selling agents appointed by PAMC from time to time. Surrender of units is allowed only through PAMC or the selling agent from which the units are originally purchased.
- ii. Minimum purchase quantity for individual investors is 500 (five hundred) units and for institutional investors is 1000 (one thousand) units.
- iii. Application for purchase of units should be accompanied by an account payee cheque/pay order/bank draft in favour of “Rupali Life Insurance First Mutual Fund” for the total value of Units.

- iv. After clearance/encashment of cheque/draft/pay order the applicant will be issued with one unit allocation confirmation 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.
- 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 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.
- vi. All payments/receipts in connection with or arising out of transactions in the units hereby applied for shall be in Bangladeshi Taka.

### 3.9 Winding up policy

#### Procedure of winding up

- i. If the total number of outstanding unit held by the unit holders after repurchase at any point of time falls below 25 (twenty five) per cent of the unit issued, the Fund will be subject to wind up.
- ii. 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.
- iii. The Scheme may also be wound up if the Commission so directs in the interest of the unit holders.
- iv. 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.

#### Manner of winding up

- i. The Trustee shall call a meeting within 30 (thirty) 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.
- ii. 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 বিক্রিমালা, 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.
- iii. 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.

### 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

- i. cease to carry on any business activities of the open-end fund;
- ii. cease to create and cancel units of the open-end fund;
- iii. cease to issue and redeem units of the open-end fund.

### 3.10 Investment management

PAMC shall conduct the day-to-day management of the Fund's portfolio as the Asset Manager subject to the provisions laid down in the বিধিমালা and trust deed or any general directions given by the trustee and / or the Commission. However, PAMC will have discretionary authority over the Fund's Portfolio about investment decisions.

### 3.11 Dividend policy

- i. The accounting year of the Fund shall be 1<sup>st</sup> July to 30<sup>th</sup> June;
- ii. The Fund shall, as soon as may be, after the closing of the annual accounts, distribute by way of dividend to the unit holders in accordance with the বিধিমালা, an amount, which shall not be less than 70 (seventy) per cent of the net profit earned during the year, or as determined by the Commission from time to time;
- iii. Before declaration of dividend, the Asset Management Company shall make a provision in consultation with the Auditors for revaluation of investments caused from loss if market value of investments goes below their acquisition cost, and the method of calculation of this provision will be incorporated in the notes of accounts;
- iv. The Fund shall create a dividend equalization reserve by suitable appropriation from the income of the Fund;
- v. Before registration for transfer of ownership, a transferee shall not possess the right to any dividend declared;
- vi. There will be a Cumulative Investment Plan (CIP) scheme in this Unit Fund. Under this scheme a unit holder instead of receiving cash dividend may reinvest such dividend income accrued for purchasing unit at a rate determined by the AMC; The unit holders may change their dividend preference in future as per their need.
- vii. Dividend entitlements will be dispatched within 45 (forty five) days from the declaration of dividend.



- i. Any mutual fund is subject to market risk and there is no assurance or guarantee that the objectives of the fund will be achieved.
- ii. Past performance of the Sponsor or Asset Manager does not indicate the assurance of better future performance and may not necessarily provide a basis of comparison with other investments to this Fund.
- iii. As with any securities investment, the NAV of the units issued under the Fund can go up or down depending on the factors and forces affecting the capital market and money market of the country.
- iv. The NAV of the units issued under the Scheme may be affected, inter alia, by changes in the market, interest rate, performance of individual stock, changes in credit rating, trading volume, settlement period and transfer procedure.
- v. Investment in mutual fund involves investment risks such as trading volumes, settlement risk, liquidity risk, default risk including the possible loss of principal.
- vi. Investors are not being offered any guaranteed or assured return from this Fund.
- vii. In the event of a very large number of repurchase requests there may be delays in the delivery of the payment.
- viii. Government policy and Tax laws may change, affecting the return on investment in units.
- ix. Bangladesh has been prone to natural disaster and political instability over last few decades. Undesirable events such as these may impact the value and performance of the fund.

## Chapter 5

# Formation, Management and Administration

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### 5.1 Sponsor of the Fund

Rupali Life Insurance Company Limited, a leading life insurance company operating in Bangladesh, will act as the Sponsor of the Fund.

Rupali Life Insurance Company Limited was established in 2000. Today RLIC, with its Head Office in Dhaka operates with more than 1500 Agency Offices throughout Bangladesh. It was listed with the stock exchanges on 2009. RLIC's capital market friendly attitude was the catalyst behind the sponsorship of an open-end mutual fund.

### 5.2 Trustee of the Fund

Bangladesh General Insurance Company Limited will act as the Trustee of the Fund.

BGIC, incorporated on 29 July 1985, is the first general insurance company in Bangladesh in the private sector. The company offers a full range of general insurance services for fire, marine, motor and miscellaneous risks with 38 branches across the country. BGIC has a proven record of being 'Trustee' for existing mutual fund and corporate bonds. Its dynamic team of dedicated professionals with superior underwriting and trustee skill can boost growth of the company.

### 5.3 Custodian of the Fund

BRAC Bank Limited will act as the Custodian of the Fund.

BRAC Bank Limited, operating in Bangladesh since 2001, is one of the largest private commercial banks of the country with 71+ Branches, 59+ SME Sales & Service Center and 400+ SME Unit Office. BBL has been providing custodial services to foreign and local investors since 2010. BBL is the fastest growing custodian bank of the country having dedicated Custodial Services Department.

### 5.4 Asset Manager

Prime Finance Asset Management Company Limited will act as the Asset Manager of the Fund.

Prime Finance Asset Management Company Limited is a public limited company registered on 9 June 2008 and received the license to operate as Asset Management Company on 18 March 2009 from the Bangladesh Securities and Exchange Commission. PAMC is an associate company of Prime Finance & Investment Limited, one of the best known non-banking financial institutions of the country, which owns 49 (forty nine) per cent shares of the Company.

PAMC is being led by a team of professional asset managers. The members of the team have professional experience in respective areas as well as local and international training. PAMC with its highly skilled, research oriented, and market savvy team as well as advanced technological support, is an ideal asset management company of the country.

The brief profiles of Chairman and Managing Director & CEO are given below:

#### **Mr. Sayed Tarek Kamal**

##### **Chairman**

Sayed Tarek Kamal, son of Mr. Sayed Kamaluddin and Sayeda Fauzia Kamal was born on 11 November 1969. He has earned his MBA from University of Wisconsin, Oshkosh, USA with a focus in Venture Capital Management. He has more than a decade of professional experience as an academician, banker, and research fellow as well as financial markets specialist at home and abroad. He continues to attend a number of training and workshop at home and abroad.

**Moin Al Kashem**  
**Managing Director & CEO**

Moin Al Kashem has 20 years of extensive experience in operation, management, and investment in capital market of Bangladesh. His last position was the Head of Merchant Bank & Executive Vice President of Prime Finance & Investment Limited. Mr. Moin has practically covered all aspects of investment banking under his seasoned umbrella of experience from managing large IPO's to portfolios. He has completed his MBA from Institute of Business Administration, University of Dhaka.

### 5.5 Auditors

Malek Siddiqui Wali, Chartered Accountants, has been appointed as the Auditor of the Fund for the first year. They are one of the reputed audit firms of the country. Subsequent auditors shall be appointed by the Trustee.

### 5.6 Selling Agents

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

SI No.	Name of the Selling Agent
1	BRAC EPL Stock Brokerage Ltd.
2	Chittagong Capital Ltd.
3	IIDFC Securities Limited
4	Mutual Trust Bank Ltd.
5	PFI Securities Ltd.

The Asset Manager may appoint more willing stock broker(s)/merchant bank(s)/commercial bank(s) as selling agents in future subject to approval of the Trustee and with due intimation to the 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, commissions 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, CDBL fees, public offering together with certain other costs and expenses incurred in its operation, including without limitation expenses, of legal & consulting service, auditing, other professional fees and expenses, brokerage, share/debenture registration expenses and fees due to the BSEC. The Fund will 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

Issue and formation expenses are estimated to be not over 5 (five) per cent of the collected amount. 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:

	in amount	in percentage
Legal and regulatory expenses	2,500,000	0.50%
Formation fee payable to AMC	5,000,000	1.00%
Printing and publication	2,500,000	0.50%
Promotional expenses	5,000,000	1.00%
Other expenses	5,000,000	1.00%
<b>Total</b>	<b>20,000,000</b>	<b>4.00%</b>

### 5.7.2 Management fee

As per the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১, the Fund shall pay a management fee to the Asset Management Company @ 2.50 percent per annum of the weekly average NAV upto Tk. 5.00 crore and @ 2.00 per cent per annum for additional amount of the weekly average NAV upto 25.00 crore over Tk. 5.00 crore and @ 1.50 percent per annum for additional amount of the weekly average NAV upto Tk 50.00 crore over 25.00 crore and @ 1.00 per cent per annum for additional amount of the weekly average NAV over Tk. 50.00 crore, accrued and payable quarterly.

### 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 Fund shall pay to the Custodian a safe keeping fee @ 0.05 per cent of balance securities held by the Fund calculated on the basis of average month end value per annum and trade settlement fees of BDT 200 per trade payable quarterly. In any case total custodian fee shall not exceed 0.07% of the initial fund size annually. Any out of pocket expenses may be applicable to the Fund operation from time to time.

### 5.7.5 Fund registration and annual fee

The Fund has paid Tk 20,00,000 (Taka twenty lac) only to the Bangladesh Securities and Exchange Commission as registration fee. In addition, the Fund will have to pay @ 0.10 per cent of the Fund value or Tk 50,000 (Taka fifty thousand), whichever is higher, as annual fee in terms of the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১.

### 5.7.6 Commission payable to selling agent(s)

The Fund shall pay commission to the authorized selling agent(s) to be appointed by the Asset Manager @ 0.25 per cent on the transaction amount of sales and redemptions which may change in future with the approval of the Trustee.

### 5.7.7 Audit fee

The audit fee will be Tk 30,000 (Taka thirty thousand) only for the first accounting year and the Trustee will fix fees for subsequent years.

## Chapter 6

## Size of the Fund, Tax and Rights of Unit Holders

### 6.1 Size of issue

The initial size of the Fund shall be Tk 50,00,00,000 (Taka fifty crore) only divided into 5,00,00,000 (five crore) units of Tk 10 (Taka ten) each which may be increased from time to time by 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:

Subscribers	No. of units	Face Value (Taka per unit)	Amount (Taka)	Remarks
Sponsor	2,00,00,000	10	20,00,00,000	Subscribed
General investors	3,00,00,000	10	30,00,00,000	Yet to be subscribed
<b>Total</b>	<b>5,00,00,000</b>	<b>10</b>	<b>50,00,00,000</b>	

### 6.2 Subscription from Sponsor

Rupali Life Insurance Company Limited, the Sponsor, has already subscribed Tk 20,00,00,000 (Taka twenty crore) only for 2,00,00,000 (two crore) units of Tk 10 (Taka ten) each as per সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১.

### 6.3 Tax

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

- Dividend income of the individual investors will be tax free up to Tk. 25,000.00 (Taka Twenty Five Thousand) only, which is permitted as per Finance Act
- 15% investment tax rebate benefits
- Income of the Mutual Fund is exempted from Tax

### 6.4 Rights of the Unit holders

#### Voting rights

All the unit holders shall have usual voting rights. Voting right can be exercised in person or by proxy in a meeting held in connection with any proposal 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 সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১. 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.

#### Transfer of units

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

#### Dividend

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

#### 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 the newspaper and website of the Asset Manager, and the selling agent(s) to be appointed by the Asset Manager from time to time.

**Accounts and Information**

The Fund's financial year will be closed on 30 June every year and the first year will end on 30 June 2015. Annual report or major head of income & expenditure account and balance sheet in line with schedule VI of the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১ 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 বিধিমালা.

**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 7

## Unit subscription

### 7.1 Selling Agent

The following companies has shown interest to work as the selling agent of the Fund

SI No.	Name of the Selling Agent	Branch Name	Branch location	Branch Phone
1	BRAC EPL Stock Brokerage Ltd.	Head Office	WW Tower, Level-8, 68, Motijheel C/A, Dhaka 1000	T: +88 (02) 9514721 F: +88 (02) 9553306
2	Chittagong Capital Ltd.	Head Office	Crown Chamber, 3rd Floor, 325 Asadgonj, Chittagong 4000	T: +88 (031) 610926 F: +88 (031) 610995
		Branch Office	Kashfia Plaza 923/A SK. Mujib Road, Agrabad, Chittagong	T: +88 (031) 2517136 T: +88 (031) 2517137
3	IIDFC Securities Ltd.	Head Office	Eunoos Trade Center (Level 7) 52-53 Dilkusha, Dhaka 1000	T: +88 (02) 9560526 F: +88 (02) 9570756
		Gulshan Branch	Progress Tower (4th Fl.) House 1, Road 23, Gulshan 1, Dhaka 1212	T: +88 (02) 8824090 F: +88 (02) 8824073
		Chittagong	C & F Tower (4th Fl.) 1712 Sheikh Mujib Road, Agrabad C/A, Chittagong	T: 031 2518393 F: 031 2518391
4	Mutual Trust Bank Ltd.	MTBSL Extension	14-15 Mothijheel Dhaka 1000	T: 02 7125550
		Pallabi Branch	Dr. Mohsin Complex, Plot 7 Block 2, Mirpur 12, Dhaka 1216	T: 02 9015919
		Dhanmondi Branch	Green Taj Center Road 15 (Old), 8/A (new), Dhanmondi, Dhaka	T: 02 8191487
		Uttara Branch	Shareef Auckland Center, House # 11, Road # 6 Jashimuddin Ave, Sector# 4, Uttara, Dhaka 1230	T: 02 8911248
		Baridhara Branch	House no. GA 9/2 (2nd Fl.) Shahjadpur, Gulshan, Dhaka 1212	T: 02 8899399
		Narayangonj Branch	31, 31/1 Loyal Tank Road Tan Bazar, Narayangonj	T: 7648218
		Agrabad Branch	21-22, Agrabad C/A Chittagong	T: 031 2518561
		Sylhet	Sylhet City Centre (8th Fl.) Zinda Bazar, Shylet	T : 0821-722107
		Rajshahi	419, Parents Plaza, Alupatty, Ghoramara, Rajshahi	T: 0721 811407
		Rangpur	Mostafa Super Market (1st & 2nd Floor) 1 Jahaj Company Mour, Rangpur Sadar, Rangpur	T: 0521 54026
5	PFI Securities Ltd.	Head Office	57, Dilkusha C/A, Dhaka-1000	T: +88 (02) 9552251 F: +88 (02) 9551598
		Rajshahi	Zodaik Bhaban (3rd Floor), 88, Shaheb Bazar, Rajshahi-6100	T: 0721 774801 F: 0721 774803
		Chittagong	C & F Tower (3rd Floor), 1222 Sheikh Mujib Road, Agrabad C/A, Chittagong	T: 031 2517475 F: 031 2517478
		Sylhet	Holy Complex (3rd Floor), East Dorga Gate, Sylhet-3100	T: 0821 2832368 F: 08212831212

## 7.2 Terms and conditions of unit subscription

- i. The units of Rupali Life Insurance First Mutual Fund, hereinafter referred to as the Fund, may be bought/surrendered through Prime Finance Asset Management Company Limited and authorized selling agents appointed by PAMC from time to time. Surrender of units is allowed through PAMC or the selling agent from which the units are originally purchased.
- ii. 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.
- iii. 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.
- iv. Minimum purchase quantity for individual investors is 500 (five hundred) units and for institutional investors is 1000 (one thousand) units.
- v. Application for purchase of units should be accompanied by an account payee cheque/pay order/bank draft in favour of “Rupali Life Insurance First Mutual Fund” for the total value of units.
- vi. 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.
- vii. 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.
- viii. 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 PAMC from time to time except in the case of transfer by way of inheritance.
- ix. 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.
- x. All payments /receipts in connection with or arising out of transactions in the units hereby applied for shall be in Bangladeshi Taka.

## 7.3 Forms

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

- i. Application Form to Purchase Units - Individual
- ii. Application Form to Purchase Units – Institution
- iii. Surrender Form
- iv. Transfer Form



**RUPALI LIFE INSURANCE FIRST MUTUAL FUND  
APPLICATION FORM TO PURCHASE UNITS - INDIVIDUAL**

(Please Read Instructions Overleaf; Fill up the Form in Block Letters)

The Managing Director & CEO  
Prime Finance Asset Management Company Limited  
57, Dilkusha C.A.  
Dhaka 1000

Registration no.: \_\_\_\_\_

Sale no.: \_\_\_\_\_

I/We enclose Taka \_\_\_\_\_ (Taka \_\_\_\_\_) vide Cheque/P.O./D.D.  
No. \_\_\_\_\_ Bank \_\_\_\_\_ Branch \_\_\_\_\_ and request  
you to sell me/us \_\_\_\_\_ units of Rupali Life Insurance First Mutual Fund, at the price of Tk \_\_\_\_\_ per unit through  
\_\_\_\_\_. I/We are giving necessary information as follows:

**A. Principal Applicant**

Registration No. (for existing unit holder only) \_\_\_\_\_

Name: \_\_\_\_\_

Father's/Husband's Name: \_\_\_\_\_

Mother's Name: \_\_\_\_\_

Date of Birth: \_\_\_\_\_ Occupation: \_\_\_\_\_

Nationality: \_\_\_\_\_ National ID no. (if any): \_\_\_\_\_

Address: \_\_\_\_\_

BO A/C: \_\_\_\_\_

Telephone No.: \_\_\_\_\_ Fax No.: \_\_\_\_\_

E-mail: \_\_\_\_\_ Bank: \_\_\_\_\_

Branch: \_\_\_\_\_ A/C No.: \_\_\_\_\_ Dividend option : Cash  CIP

**B. Joint Applicant**

Name: \_\_\_\_\_

Father's/Husband's Name: \_\_\_\_\_

Mother's Name: \_\_\_\_\_

Date of Birth: \_\_\_\_\_ Occupation: \_\_\_\_\_

Nationality: \_\_\_\_\_ National ID no. (if any): \_\_\_\_\_

Address: \_\_\_\_\_

BO A/C: \_\_\_\_\_

Telephone No.: \_\_\_\_\_ Fax No.: \_\_\_\_\_

E-mail: \_\_\_\_\_

**C. Nominee**

Name: \_\_\_\_\_

Father's/Husband's Name: \_\_\_\_\_

Mother's Name: \_\_\_\_\_

Relationship with principal applicant \_\_\_\_\_

Date of Birth: \_\_\_\_\_ Occupation: \_\_\_\_\_

Nationality: \_\_\_\_\_ National ID no. (if any): \_\_\_\_\_

Address: \_\_\_\_\_

BO A/C: \_\_\_\_\_

Telephone No.: \_\_\_\_\_ Fax No.: \_\_\_\_\_

E-mail: \_\_\_\_\_ Signature: \_\_\_\_\_

**Signature of Applicants**

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

\_\_\_\_\_  
Joint Applicant

Date of Application: \_\_\_\_\_

## TERMS AND CONDITIONS

1. The units of Rupali Life Insurance First Mutual Fund, hereinafter referred to as the Fund, may be bought /surrendered through Prime Finance Asset Management Company Limited (PAMC) and authorized selling agents appointed by PAMC from time to time. Surrender of units is allowed through PAMC 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 allocation confirmation 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 1000 (one thousand) units.
5. Application for purchase of units should be accompanied by an account payee cheque/pay order/bank draft in favour of "Rupali Life Insurance First Mutual Fund" for the total value of units.
6. After clearance/encashment of cheque/draft/pay order the applicant will be issued with a confirmation of unit allocation for 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 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 confirmation of allocation 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 PAMC 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.
10. All payments /receipts in connection with or arising out of transactions in the Units hereby applied for shall be in Bangladeshi Taka.

### FOR OFFICIAL USE ONLY

Registration No.: \_\_\_\_\_

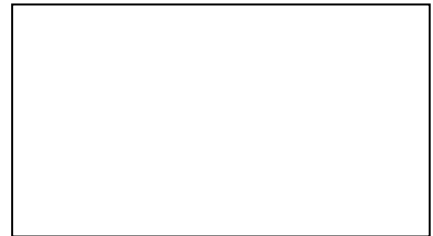
Date: \_\_\_\_\_

Sale No.: \_\_\_\_\_

No. of Units: \_\_\_\_\_

Unit Allocation Confirmation No.: \_\_\_\_\_

Sign and Seal of Issuing Office



I/we confirm that I/we have received the unit allocation confirmation mentioned above and also that I/we have read, understood and agree to abide by the terms set out above as may be altered, replaced and modified from time to time by Prime Finance Asset Management Company Limited.

\_\_\_\_\_  
Signature of the Applicant(s)

**RUPALI LIFE INSURANCE FIRST MUTUAL FUND**  
**APPLICATION FORM TO PURCHASE UNITS - INSTITUTION**

(Please Read Instructions Overleaf; Fill up the Form in Block Letters)

To  
The Managing Director & CEO  
Prime Finance Asset Management Company Limited  
57, Dilkusha C.A.  
Dhaka 1000

Registration no.: \_\_\_\_\_

Sale no.: \_\_\_\_\_

We enclose Taka \_\_\_\_\_ (Taka \_\_\_\_\_) vide Cheque/P.O./D.D.  
No. \_\_\_\_\_ Bank \_\_\_\_\_ Branch \_\_\_\_\_ and request you to  
sell us \_\_\_\_\_ units of Rupali life Insurance First Mutual Fund, at the price of Tk \_\_\_\_\_ per unit through  
\_\_\_\_\_. We are giving necessary information as follows:

Registration no. with Rupali Life Insurance First Mutual Fund (for existing unit holder only) \_\_\_\_\_

Name of the institution: \_\_\_\_\_

Type of institution: Local company  Foreign company  Trust  Society  Other

Registration No.: \_\_\_\_\_ TIN No.: \_\_\_\_\_

Address: \_\_\_\_\_ BO A/C: \_\_\_\_\_

Telephone No.: \_\_\_\_\_ Fax No.: \_\_\_\_\_ E-mail: \_\_\_\_\_

Bank: \_\_\_\_\_ Branch: \_\_\_\_\_

A/C No.: \_\_\_\_\_ Dividend option: Cash  CIP

Name of the CEO: \_\_\_\_\_

Details of Authorised Person(s), if any:

Sl. No.	Name	Designation	Signature
1.	_____	_____	_____
2.	_____	_____	_____

CEO

1<sup>st</sup> Authorized Person

2<sup>nd</sup> Authorized Person

Mode of operation: Jointly by \_\_\_\_\_ Singly by \_\_\_\_\_

Documents enclosed:

Incorporation certificate

Trust Deed

Society Registration certificate

Memorandum and Article of Association

TIN certificate

Extract of Board resolution

Relevant document if Board resolution is not required

Letter of authority issued in favor of authorized person(s)

Date of application: \_\_\_\_\_

\_\_\_\_\_  
Seal and Signature of the Applicant

## TERMS AND CONDITIONS

1. The units of Rupali life Insurance First Mutual Fund, hereinafter referred to as the Fund, may be bought /surrendered through Prime Finance Asset Management Company Limited (PAMC) and authorized selling agents appointed by PAMC from time to time. Surrender of units is allowed only through PAMC or the selling agent from which the units were 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 allocation confirmation 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 1000 (one thousand) units.
5. Application for purchase of units should be accompanied by an account payee cheque/pay order/bank draft in favour of "Rupali Life Insurance First Mutual Fund" for the total value of units.
6. After clearance/encashment of cheque/draft/pay order the applicant will be issued with one unit Allocation Confirmation 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 of 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 PAMC 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.
10. All payments /receipts in connection with or arising out of transactions in the units hereby applied for shall be in Bangladeshi Taka.

### FOR OFFICIAL USE ONLY

Registration No.: \_\_\_\_\_

Date: \_\_\_\_\_

No. of units: \_\_\_\_\_

Sale No.: \_\_\_\_\_

Unit Allocation Confirmation No.: \_\_\_\_\_

Sign and Seal of Issuing Office



We confirm that we have received the unit allocation confirmation mentioned above and also that we have read, understood and agree to abide by the terms set out above as may be altered, replaced and modified from time to time by PAMC.

\_\_\_\_\_  
Signature of the Applicant

# RUPALI LIFE INSURANCE FIRST MUTUAL FUND

## SURRENDER FORM

(Please Read Terms and Conditions Overleaf; Fill up the Form in Block Letters)

Date: \_\_\_\_\_

Surrender no.: \_\_\_\_\_

To  
The Managing Director & CEO  
Prime Finance Asset Management Company Limited  
57, Dilkusha C.A.  
Dhaka 1000

I/We \_\_\_\_\_ of  
\_\_\_\_\_ having the  
registration no. \_\_\_\_\_ is/are the holder(s) of \_\_\_\_\_ units of Rupali Life Insurance First Mutual Fund.

I/We would like to surrender \_\_\_\_\_ units at the repurchase price of Tk \_\_\_\_\_ per unit as declared by you on  
\_\_\_\_\_. My/Our surrender request is summarized below:

Sl. No.	Unit Allocation Confirmation No.	Unit held under this Allocation no.	To be Surrendered		
			No. of Units	Repurchase Price Tk/Unit	Total Surrender Value Tk

I/We attach herewith the above mentioned unit allocation confirmation(s). Please issue an account payee cheque in favor of me/us for total surrender amount and issue a unit allocation confirmation for balance units, if any, at your earliest convenience.

Thank you.

### Witnesses

### Signature of Unit Holder(s)

1. Signature

Name:

Father's

/Husband's Name:

Address:

1.

2.

2. Signature

Name:

Father's

/Husband's Name:

Address:

### VERIFICATION (OFFICIAL USE ONLY)

Checked and verified by \_\_\_\_\_ on \_\_\_\_\_

## TERMS AND CONDITIONS

1. The units of Rupali Life Insurance First Mutual Fund, hereinafter referred to as the Fund, may be bought /surrendered through Prime Finance Asset Management Company Limited (PAMC) and authorized selling agents appointed by PAMC from time to time. Surrender of units is allowed only through PAMC or the selling agent from which the units were originally purchased.
2. Units may be surrendered on all working days except last working day of the week and during the book closure period of the Fund.
3. Minimum surrender quantity is 500 (five hundred) units for both individual and institutional unit holders.
4. Partial surrender (fraction of total units held under a unit allocation confirmation) is allowed without any additional cost subject to minimum surrender quantity of 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/her unit holding.
5. Unit holder is required to attach all the unit allocation confirmation he/she/the institution wants to surrender along with Surrender Form.
6. After verification of authenticity of certificate(s), account payee cheque for surrender amount will be issued in favour of unit holder within maximum of seven working days. In case of joint holding, account payee cheque will be issued in favour of principal holder.

### FOR OFFICIAL USE ONLY

Date of issuance of cheque \_\_\_\_\_

Cheque no. \_\_\_\_\_ amount Tk \_\_\_\_\_ (Taka \_\_\_\_\_)

in favour of \_\_\_\_\_

For balance unit, if any,

Date of issuance of Unit Allocation Confirmation : \_\_\_\_\_ Sale no. \_\_\_\_\_

No. Units \_\_\_\_\_ Unit Allocation Confirmation no. \_\_\_\_\_

Sign and Seal of Issuing Office



Received cheque and/or Unit Allocation Confirmation(s) mentioned above.

Date \_\_\_\_\_

\_\_\_\_\_  
Signature of Unit holders

# RUPALI LIFE INSURANCE FIRST MUTUAL FUND

## TRANSFER FORM

(Please Read Terms and Conditions Overleaf; Fill up the Form in Block Letters)

Date: \_\_\_\_\_

Transfer no.: \_\_\_\_\_

To  
The Managing Director & CEO  
Prime Finance Asset Management Company Limited  
57, Dilkusha C.A.  
Dhaka 1000

I/We \_\_\_\_\_ of  
\_\_\_\_\_ having the  
registration no. \_\_\_\_\_, hereinafter referred as Transferor, is/are the holder(s) of \_\_\_\_\_ units of Rupali  
Life Insurance First Mutual Fund. I/We would like to transfer unit allocation confirmation no. \_\_\_\_\_  
having \_\_\_\_\_ units to the following person, hereinafter referred as Transferee:

Name: \_\_\_\_\_

Father's/Husband's Name: \_\_\_\_\_

Mother's Name: \_\_\_\_\_

Date of Birth: \_\_\_\_\_ Occupation: \_\_\_\_\_

Relationship with Transferor: \_\_\_\_\_

Nationality: \_\_\_\_\_ National ID no. (if any): \_\_\_\_\_

Address: \_\_\_\_\_

BO A/C: \_\_\_\_\_

Telephone No.: \_\_\_\_\_ Fax No.: \_\_\_\_\_

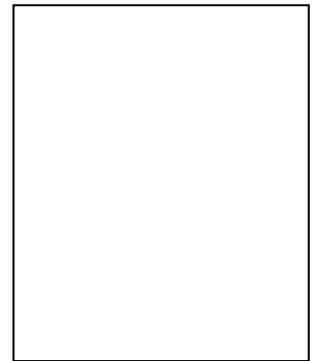
E-mail: \_\_\_\_\_ Bank: \_\_\_\_\_

Branch: \_\_\_\_\_ A/C No.: \_\_\_\_\_

Dividend option: Cash  CIP

Registration No. (for existing unit holder only) \_\_\_\_\_

Means of transfer: Inheritance  Gift  Operation of law



### Witnesses

1. Signature

Name:

Father's

/Husband's Name:

Address:

Signature of Transferor

2. Signature

Name:

Father's

/Husband's Name:

Address:

Signature of Transferee

### VERIFICATION (OFFICIAL USE ONLY)

Checked and verified by \_\_\_\_\_ on \_\_\_\_\_

## TERMS AND CONDITIONS

1. 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 PAMC from time to time except in the case of transfer by way of inheritance.
2. Transfer of units is allowed only through PAMC or the selling agent from which the units were originally purchased.
3. The units will be transferred on all working days except the last working day of the week and during the book closure period of the Fund.
4. The total number of units held by a single unit allocation confirmation is required to be transferred at a time.
5. Partial transfer (fraction of total units held under a single unit allocation confirmation) is not allowed. However, the unit holders may split unit allocation confirmation to his/her desired denomination, but not less than 500 (five hundred) unit per unit allocation confirmation, for the purpose of transfer.
6. The unit allocation confirmation (s) the unit holder(s) intends to transfer is/are required to be attached with the Transfer Form.
7. After verification of authenticity of unit allocation confirmation (s) as well as the information provided in transfer form issuing office, PAMC or any of its authorized selling agent will deliver the unit certificate to the Transferee within a period of maximum seven working days.
8. The conditions applicable for original unit allocation confirmation will apply even after transfer of units in the name of Transferee.

### FOR OFFICIAL USE ONLY

Date of Transfer: \_\_\_\_\_

Transfer no.: \_\_\_\_\_

Unit Allocation Confirmation no.: \_\_\_\_\_

No. of Units: \_\_\_\_\_

Sign and Seal of Issuing Office



I/We, the said transferee, have received the above mentioned unit allocation confirmation and do hereby agree to accept and take the said unit allocation confirmation on the same terms and conditions on which they were held by the said transferor.

Date \_\_\_\_\_

\_\_\_\_\_  
Signature of Transferee