



FUND HIGHLIGHTS

Name	PLI AML 1st Unit Fund
Type	Open-end Mutual Fund
Life of the Fund	Perpetual Life
Sponsor	Popular Life Insurance Company Limited
Asset Manager	PLI Asset Management Limited
Trustee	ICB Capital Management Limited
Custodian	BRAC Bank Limited
Initial Size of the Fund	Tk. 500,000,000/- (Taka Fifty Crore) divided into 50,000,000/- (Five Crore) Units of Tk. 10 (Taka Ten) each
Nature	Perpetual Life and Unlimited size
Objective	The objective of the PLI AML 1st Unit Fund is to provide attractive risks adjusted return to the unit Holders by investing the proceeds in the capital market and money market
Minimum Application Amount	Tk. 20,000.00/- per application for individuals Tk. 50,000.00/- per application for institutions
Transparency	NAV will be calculated on a weekly basis and shall be published on the website of the Fund Manager (www.pliamlb.com) and as prescribed in the Rule
Target Group	Individuals, institutions, Non-Resident Bangladeshi (NBR), mutual funds and collective investment schemes are eligible to invest in this Fund.
Dividend	Minimum 70 (seventy) percent of realized income of the Fund will be distributed as dividend in Bangladeshi Taka in each accounting year.
Dividend Distribution	The dividend warrant will be distributed within 45 (Forty Five) days from the date of declaration.
Transferability	The Units of the Fund are transferable by way of inheritance/gift and/or by specific operation of the law.
Encashment	The Unit holders can surrender and en-cash their Units to the Asset Manager and through the authorized selling agents appointed by the Asset Manager. The Asset Manager or selling agent shall be liable to re-purchase the units on behalf of Fund.
Reports and Accounts	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 (www.pliamlb.com) of the Asset Manager. Every Unit holder will also get quarterly statements of portfolio in PLI AML's official website.
Tax Benefit	a) Income from a mutual fund or a unit fund up to tk. 25,000 (Twenty five thousand) is exempted from tax under income Tax Ordinance 1984. b) Investment in the Unit Fund would qualify for investment tax credit under section 44(2) of the Income Tax ordinance c) The Income of the Fund will also be exempted from Tax.
Systematic Investment Plan (SIP) Facility	Systematic Investment Plan or SIP allows investor to invest to invest a certain pre-determined amount at a regular interval (monthly, quarterly, yearly etc). A SIP is a planned approach towards investments and helps to inculcate the habit of saving and building wealth for the future. Investor can start SIP with a very small amount that is minimum BDT 1000.



CHAPTER 1: PRELIMINARY

1.1 Publication of Prospectus for Public Offering

PLI Asset Management Limited has received registration certificate from Bangladesh Securities and Exchange Commission under Securities and Exchange Commission Act 1993 and সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়ালফান্ড) বিধিমালা, ২০০৯ made there under and also received consent for issuing prospectus for public offering . A complete copy of the prospectus is available for public inspection at 9/E, DSE Annex Building (8th Floor) , Motijheel , Dhaka-1000, and the registered office of PLI Asset Management Limited the Asset Manager of “ PLI AML 1st Unit Fund”, hereinafter referred to as the Fund.

1.2 Consent of Securities and Exchange Commission

“APPROVAL OF 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 (মিউচুয়ালফান্ড) বিধিমালা, ২০০৯. 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 THE 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-end 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’s approval.

The securities will be kept in dematerialized form in Central Depository Bangladesh Limited (CDBL) to facilitate the holding and transfer of the units of the Fund. 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 to the Fund at the Corporate office of the PLI Asset Management Limited and the offices of Authorized selling agents. The 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 বিধিমালা.

The unit holders may surrender their unit certificates during the business hour as specified by the Asset Management Company. The Asset Management Company shall be liable to repurchase the units on behalf of the fund. The redemption will be made on first come first serve basis.

1.4 Availability of Documents for Inspection

1. Copy of this prospectus will be available at the registered 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 from the website of Bangladesh securities and Exchange Commission website (www.secdb.org) and the website of the Asset Manager (www.pliamlbd.com).
2. Copy of the 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 2CC of the Securities and Exchange Ordinance, 1969

PART-A

1. The Fund shall not account for any upward revaluation of its assets creating reserve without clearance from Bangladesh Securities and Exchange Commission;
2. The Fund shall not be involved in option trading, short selling or carry forward transactions;
3. A confirmation of Unit allocation shall be issued at the cost of the Fund at par Value of Tk. 10.00 (ten) each within 90 (ninety) days from the date of sale of such Units. All units of the Fund shall be issued in dematerialized form;
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. A duly audited annual financial statements including statement of financial position, statement of profit and loss and other comprehensive income, statement of cash flows, statement of changes in unit holder's equity, and accompanying accounting policies and notes to the financial statements of the Fund, and for each scheme of the Fund, once a year, shall be submitted to the Commission, Trustee and Custodian within 90 (ninety) days from the end of the financial year;
6. A half-yearly financial statement shall be submitted to the Commission and published in at least one National daily newspaper within 30 (thirty) days from the end of the period;
7. A Quarterly un-audited financial statements shall be submitted to the Commission and published its website within 30 (thirty) days from the end of the quarter of the financial year;
8. A monthly statement of portfolios, including changes therein from the previous period shall be submitted to the Commission within 7 (seven) days from the end of the month;
9. For an open-end Mutual Fund, The Asset Management Company shall publish a monthly statement to the Commission within 7 (seven) days from the end of the month ,reporting new units sold, capital fund received, units repurchased and capital redeemed for every business day of the month;
10. The Fund shall, before expiry of 7 (seven) days from the end of each month, disclose for all unit holders a complete statement of portfolios of the Fund, or a scheme of the Fund, in the prescribed form and shall upload the same on its website;
11. The Asset Management Company shall disclose the sales price and repurchase price (or surrender price) per unit of the Fund to be calculated on the basis of the Net Asset Value (NAV) per unit at fair value;
12. The Asset Management Company shall duly publish the information on NAV per unit at fair value, unit selling price and repurchase price in its website, across sales centers, and through press-release at the end of every week;
13. The difference between selling price and repurchase price per unit shall not exceed 1% (one percent) of the NAV per unit at fair value of the Fund;
14. 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;
15. The script wise detail portfolio statement consisting of all securities holdings of the fund shall be disclosed in the website of the AMC and will be sent to Unit Holders on quarterly basis within 30 (thirty) days of each quarter end;
16. BSEC may appoint auditors for special audit/investigation on the affairs of the Fund, If it so desires;
17. The Fund shall maintain separate bank account(s) to keep the sale proceeds of Units and to meet up day-to-day transactions including payment against repurchase of Units. All transactions of the account shall be made through banking channel and shall be properly documented;
18. 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 the prospectus be published in two national daily newspapers (Bengali and English) and one online newspaper;
19. If abridged version of the prospectus is published in the newspaper, complete prospectus shall be made available to the applicants;



20. Initial target size of the fund shall be Tk. 50.00 (fifty) crore. The Sponsor shall hold at least 10.00 (Ten) percent of the initial target size and shall disclose Sponsor's amount in the offer document/- published prospectus. The size of the fund may be increased from time to time by the AMC subject to approval of the Trustee and with intimation to the Commission;
21. If the Asset Manager fails to collect the minimum 40% of the initial target amount under বিধি ৪৬ of the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়ালফান্ড) বিধিমালা, ২০০৯, shall refund the subscription money within 30 days without any deduction. In case of failure, the Asset Manager will refund the same with an interest @ 18 (eighteen) percent per annum from its own account within the next month;
22. On the achievement of 40% of the initial target amount, the Fund will be allowed to transfer the money from Escrow Account to Operational Account and to commence investment activities of the fund with permission of the Trustee;
23. The AMC should ensure compliance of বিধি ৪৬ of the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়ালফান্ড) বিধিমালা, ২০০৯.
24. Unit Allocation of the sponsor's contribution amount shall be subject to a lock-in-period of 01 (one) year from the date of formation of the Fund and then, 1/10th of the Sponsor's contribution only shall be subject to a lock -in period of full tenure of the until liquidation;
25. A confirmation of Unit allocation of Sponsors contribution amount will be issued in favor of the Sponsor. The said confirmation letter shall be in the custody of Trustee. No splitting of the unit of the Sponsor shall be made without prior approval of the Commission.
26. Annual fee of the fund shall be submitted to the Commission on the Fund size i.e. year-end Net Asset Value at market price of the fund on advance basis as per rule; and may adjust the fee in the next year if necessary;
27. Subscription period of the fund will be 45 (Forty- five) days which will be started on 19 March, 2023 and be ended on 02 May, 2023 as per বিধি ৪৭ of the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়ালফান্ড) বিধিমালা, ২০০৯.

PART-B

Please ensure that the following are adhered to:

01. As per provisions contained in the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়ালফান্ড) বিধিমালা, ২০০৯. regarding limitation of time on closure of subscription, the initial public subscription will remain open for forty five days or for a period up to achievement of the initial target amount, Whichever is earlier;
02. The paper cutting of the published prospectus and all other published documents/notices regarding the Unit Fund shall be submitted to the Commission within 24 (twenty four) hours of the publication thereof;
03. The Asset Management Company shall submit 20 (twenty) copies of printed prospectus to the Commission for official record;
04. The Asset Management Company shall ensure in writing to the Commission that the prospectus/ abridged version is published correctly and is a verbatim copy of the prospectus/abridged version vetted by the Commission;
05. The expiry date of the sponsor's locked-in portion shall be specifically mentioned on the body of the jumbo confirmation of Unit allocation;
06. The AMC shall apply the spot buying rate (TT clean) of Sonali Bank prevalent on the date of the opening of subscription for conversation of foreign currencies;
07. The AMC shall submit to the Commission a diskette containing the vetted prospectus and its abridged version.
08. All conditions imposed under section 2CC of the Securities and Exchange Ordinance, 1969 must be complied with and be incorporated in the body of the prospectus and in its abridged version;
09. After due approval by the Trustee regarding issue and formation expenses, the AMC shall submit in details along with supporting documents to the Commission regarding issue and formation expenses within 15 (fifteen) days of operation of the Fund. The Auditor of the Fund shall also put opinion about the above expenses in the initial financial statements of the Fund.



10. Bank Statement along with the subscribers list, copies of agreements with Custodian and Selling Agents (if applicable) shall be submitted to the Commission within 15 (fifteen) days of the completion of the subscription;
11. The investment policy and guideline and information on constituents of Investment Committee of the Fund approved by the Board shall be submitted to the commission within 30 (thirty) days from the receipt of the Consent Letter. The investment policy and guideline shall include among other issues, the investment delegation power of Chief Executive Officer and the Committee separately and also the meeting resolution presentation process;
12. After due approval of the Trustee, the Asset Manager shall submit the Systematic Investment Plan (SIP) brochure to the Commission complying the Rules within 30 (thirty) days of issuance of consent letter.

1.6 General Information

1. This prospectus has been prepared by PLI AML 1st Unit Fund 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 of representation must not be relied upon as having been authorized by PLI AML 1st Unit Fund.
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

PLI Asset Management Limited will maintain 2 (two) BO Account with BRAC Bank Limited Custodian of PLI AML 1st Unit Fund for creation and redemption of units namely “PLI AML 1st Unit Fund-Sale of Units” and “PLI AML 1st Unit Fund- Repurchase of units”

For sale of units PLI Asset Management Limited will issue a certificate for the units sold and send it to BRAC Bank Limited for setting-up of demat request. After acceptance of demat setup by BRAC Bank Limited from its terminal units will be credited to the BO Account “PLI AML 1st Unit Fund-Sale of units” to the unit holders BO Accounts as per instruction of PLI Asset Management Limited.

In the case redemption/repurchase by the Asset Manager the unit holder will transfer his/her/the institutional holders' units to the “PLI AML 1st Unit Fund- repurchase of units”. BRAC Bank Limited will remit the unit from the “PLI AML 1st Unit Fund-repurchase of units” BO Account as per instruction of PLI Asset Management Limited. Simultaneously, the payment will be made to the investor's Bank Account through A/C Payee Cheque/ BEFTN as per request of the investor.

1.8 Systematic Investment Plan (SIP)

A systematic Investment Plan of SIP is a smart and easier mode for investing money in mutual funds. SIP allows an investor to invest a certain pre-determined amount at a regular interval (monthly, quarterly, yearly etc). A SIP is a planned approach towards investments and helps to inculcate the habits of savings building wealth for the future.

Buy and Surrendered SIP Process:

An investor can invest through SIP either by auto debit systems provided against investor's bank account or by providing monthly predetermined cheques via Asset Manager or the selling agents at a regular interval (monthly, quarterly, yearly etc.). Investor must have a BO Account. Investor will get SIP units in their BO Accounts based on a discount from the latest/ongoing effective Weekly Sale Price of the Fund.



It is advisable to continue SIP investments with a long-term perspective, there is no compulsion. Investor can discontinue the plan at any time. If an investor wants to terminate the SIP before 2 (two) years, up to 1% discount from the repurchase/surrender price will be applicable on total accumulated invested amount on the date of cancellation of scheme. After maturity of SIP, the investor can easily surrender through AMC or Selling Agents.

Benefits may be offered for Investors as such:

SIP encourages a disciplined investment. While invested through SIP, investor commits himself to save regularly. Different benefits may be offered as follows:

- **Flexibility:** Investor can start SIP with a very small amount that is BDT 1,000/2,000/3,000/4,000/5,000 or multiple of BDT 500/1000. One can also increase/decrease the amount being to be invested in regular fashion.
- **Flexible SIP Tenor:** The scheme will be offered for at least 2 years or any other period set by AMC. However, investor can sell, SIP scheme for 3 years/ 5 years/ 10 years. After this time period the individual scheme will be matured and may surrender or continue holding the units after maturity. If surrender, no fees/charges will be on surrender and may also offer highest premium over the declared surrendered price.
- **No Minimum lot size:** Under SIP, there will be no minimum lot size as like normal investors. Based on a discount from declared sales price per unit available, units will be credited to investor's account. However, any fraction amount remaining will be converted when it sums up to one unit. The fraction amount will be kept as liability of the fund in a separate account head.
- **Sale at discount and premium at Surrender:** SIP investor may buy units at a discount from weekly Sales Price offered to normal investor. In addition to that SIP investor can surrender at a premium of repurchase price offered to normal unit holders at maturity as per SIP brochure.
- **CIP Option for the SIP investors:** SIP investors can choose either option of cash dividend or cumulative investment plan (CIP) or mix of both. If a SIP investor chooses CIP (i.e Dividend reinvestment process) instead of cash dividend, they will also enjoy CIP units at a discount of prevailing Sales price used for CIP conversion. After CIP conversion, they will get dividend on total number of units in the next years.

1.9 Declaration about the Responsibility of the Sponsor, Trustee, Custodian and Asset Manager:

Declarations about the Responsibility of the Sponsor

The Sponsor, Popular Life Insurance Company Limited, accepts full responsibility for his institution's contribution /portion the authenticity and accuracy of the information contained in this prospectus and other documents regarding PLI AML 1st Unit Fund. To the best of the knowledge and belief, we have 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 a decision for investment.

Sd/-

B M Yousuf Ali

Managing Director & CEO

Popular Life Insurance Company Limited



Declarations about the Responsibility of the Trustee

We, as Trustee of the PLI AML 1st Unit 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 Rules and the 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 Rules;
- 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 we have reason to believe that the conduct of business of the Fund is not in conformity with relevant rules.

Sd/-

Mazeda Khatun

Chief Executive Officer

ICB Capital Management Limited

Declarations about the Responsibility of the Custodian

We, as Custodian of the PLI AML 1st Unit 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 (সিউসিআলফাড) বিধিমালা, ২০০৯.

Sd/-

Tareq Refat Ullah Khan

DMD & Head of Corporate Banking

BRAC Bank Limited

Declarations about the Responsibility of the Asset Manager

We, as the Asset Manager of PLI AML 1st Unit Fund, accept the responsibility and confirm that:

This Prospectus has been prepared by us based on the Trust Deed, the Investment Management Agreement, the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (সিউসিআলফাড) বিধিমালা, ২০০৯, and other related agreements and examination of other documents as relevant for adequate disclosure of the Funds 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 issue have been duly fulfilled; and
- III. The disclosures made are true, fair and adequate for making 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 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/-

Mohammed Hafiz Uddin

Managing Director & CEO

PLI Asset Management Limited.



1.10 Due Diligence Certificate:

Due Diligence Certificate By Sponsor

চতুর্থতফসিল- (৯) এর (জ) [বিধি ৪৩ (৩) দ্রষ্টব্য]

The Honorable Chairman
Bangladesh Securities and Exchange Commission
Securities Commission Bhaban
E-6/C , Agargaon
Sher-e-Bangla Nagar Administrative Area
Dhaka-1207, Bangladesh

Subject: PLI AML 1st Unit Fund.

We, the sponsor of the above-mentioned forthcoming mutual fund, state as follows:

1. We, as the sponsor to the above-mentioned fund, have examined the draft prospectus and other documents and materials as relevant to our decision; and
2. We warrant that we shall comply with the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়ালফাণ্ড) বিধিমালা, ২০০৯, Bangladesh Securities and Exchange Commission (public issue) Rules, 2015, Trust Deed of the Fund and the rules, orders, guidelines, directives, notifications and circulars that may be issued by Commission from time to time in this respect.

WE CONFIRM THAT:

- a) All information in the draft prospectus forwarded to the Commission is authentic and accurate;
- b) We as sponsor of the Fund as mentioned above will act as per clause of the Trust Deed executed with the constitutive documents;
- c) We shall also abide by the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়ালফাণ্ড) বিধিমালা, ২০০৯ and conditions improved by the Commission as regards of the Fund; and
- d) We shall act to our best for the benefit and interests of the unit holders of the Fund.

For sponsor

Sd/-

B M Yousuf Ali

Managing Director & CEO

Popular Life Insurance Company Limited



Due Diligence Certificate By Trustee

[চতুর্থতফসিল- (১) এর (জ) [বিধি ৪৩ (৩) দৃষ্টব্য]

The Honorable Chairman
Bangladesh Securities and Exchange Commission
Securities Commission Bhaban
E-6/C , Agargaon
Sher-e-Bangla Nagar Administrative Area
Dhaka-1207, Bangladesh

Subject: PLI AML 1st Unit Fund.

We, the under-noted Trustee to the above –mentioned forthcoming mutual fund, state as follows:

1. We, while act as Trustee to the above-mentioned Fund on behalf of the investors, have examined the draft prospectus and other documents and materials as relevant to our decision; and
2. We warrant that we shall comply with the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়ালফাড) বিধিমালা, ২০০৯, Bangladesh Securities and Exchange (Public Issue) Rules, 2015, Dhaka Stock Exchange (Listing) Regulations, 2015, Chittagong Stock Exchange (Listing) Regulation, 2015, Trust Deed of the Fund and the Rules and guidelines, circulars, orders and directions that may be issued by the Bangladesh Securities and Exchange Commission from time to time in this respect.

WE CONFIRM THAT:

- a) All information and documents as are relevant to the issue have been received and examined by us and the draft prospectus forwarded to the Commission have been approved by us;
- b) We have also collected and examined all other documents relating to the Fund;
- c) While examining the above documents, we find that all the requirements of the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়ালফাড) বিধিমালা, ২০০৯, have been complied with;
- d) We shall act as Trustee of the Fund as mentioned above as per provisions of the Trust Deed executed with the sponsor and shall assume the duties and responsibilities as described in the Trust Deed and other constitutive documents;
- e) We shall also abide by the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়ালফাড) বিধিমালা, ২০০৯, and conditions imposed by the Commission as regards of the Fund; and
- f) We shall act to our best for the benefit and sole interests of the unit holders of the Fund.

For Trustee

Sd/-

Mazeda Khatun

Chief Executive Officer

ICB Capital Management Limited



Due Diligence Certificate By Custodian

[চতুর্থতফসিল- (৯) এর (জ) [বিধি ৪৩ (৩) দ্রষ্টব্য]

The Honorable Chairman
Bangladesh Securities and Exchange Commission
Securities Commission Bhaban
E-6/C , Agargaon
Sher-e-Bangla Nagar Administrative Area
Dhaka-1207, Bangladesh

Subject: PLI AML 1st Unit Fund.

We, the under-noted Custodian to the above –mentioned forthcoming Mutual Fund, state as follows:

We, while act as Custodian to the above-mentioned Fund on behalf of the investors, shall comply with the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (সিউচুয়ালফাড) বিধিমালা, ২০০৯, Depository Act,1999. Depository Regulation, 2000, Depository (User) Regulation, 2003, Trust Deed of the Fund and the Rules, guidelines, circulars, order and directions that may be issued by the Bangladesh Securities and Exchange Commission from time to time in this respect.

WE CONFIRM THAT:

- a) We will keep all securities (both listed and unlisted) and Assets of the “PLI AML 1st Unit Fund” including FDR receipts in safe and separate custody as per বিধি ৪৯ of সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (সিউচুয়ালফাড) বিধিমালা, ২০০৯ and will provide highest security for the assets of the Fund;
- b) We shall act as Custodian of the Fund as mentioned above as per provisions of the custodian agreement executed with the Asset Management Company and shall assume the duties and responsibilities as described in the Trust Deed of the mentioned fund and other constitutive documents;
- c) We shall also abide by the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (সিউচুয়ালফাড) বিধিমালা, ২০০৯, and conditions imposed by the Commission as regards of the Fund; and
- d) We shall act to our best for the benefit and sole interests of the unit holders of the Fund.

For Custodian

Sd/-

Tareq Refat Ullah Khan

DMD & Head of Corporate Banking
BRAC Bank Limited



Due Diligence Certificate By Asset Manager

[চতুর্থতফসিল- (১) এর (জ) [বিধি ৪৩ (৩) দৃষ্টব্য]

The Honorable Chairman
Bangladesh Securities and Exchange Commission
Securities Commission Bhaban
E-6/C , Agargaon
Sher-e-Bangla Nagar Administrative Area
Dhaka-1207, Bangladesh

Subject: PLI AML 1st Unit Fund.

We, the under-noted Asset Manager to the above –mentioned forthcoming mutual fund, state as follows:

1. We while act as asset manager to the above mentioned mutual fund, declare and certify that the information provided in the prospectus, is complete and true in all respects;
2. We further certify that we shall inform the Bangladesh Securities and Exchange Commission immediately of any change in the information of the fund; and
3. We warrant that we shall comply with the Securities and Exchange Ordinance, 1969, the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (সিউচুয়ালফাড) বিধিমালা, ২০০৯, Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015, Dhaka Stock Exchange (Listing) Regulations, 2015, Chittagong Stock Exchange (Listing) Regulations, 2015, Trust Deed of the Fund and the Rules, guidelines, circulars, orders and directions that may be issued by the Bangladesh Securities and Exchange Commission from time to time in this respect.

WE CONFIRM THAT

- a) The draft prospectus forwarded to the Commission is in conformity with the documents, materials and papers relevant to the Fund;
- b) All the legal requirements connected with the said fund have been duly complied with; and
- c) The disclosures made in the draft prospectus are true, fair and adequate to enable the investors to make a well-informed decision for investment in the proposed fund.

For the Asset Manager

Sd/-

Mohammed Hafiz Uddin
Managing Director & CEO
PLI Asset Management Limited

CHAPTER 2: BACKGROUND

2.1 Preamble to Formation of PLI AML 1st Unit Fund

Open-end Unit Fund is collective investment scheme which can issue and redeem Units at any time. An investor will generally purchase Units in the fund itself rather than from the existing Unit holders. By investing in an open-end unit fund, the investors gain access to a thoroughly researched and professionally managed capital market portfolio, thereby increasing their diversify and reducing the overall risk associated with the capital market investments. Such funds allow the small investor to reap the benefits of large diversified and professionally managed portfolio.

The PLI AML 1st Unit Fund will provide an investment alternative for the existing retail investors in Bangladesh. It will also encourage new investors to join in and enjoy returns of Capital Market with minimal risks.

Realizing the vital role of Mutual Fund in Bangladesh Capital Market, Popular Life Insurance Company Limited has come forward and decided to Sponsor "PLI AML 1st Unit Fund where they has been appointed three trusted partners with successful track record in the Bangladeshi Mutual Fund Industry: ICB Capital Management Limited as the Trustee, BRAC Bank Limited as the Custodian and PLI Asset Management Limited as the Fund Manager.

2.2 Rationale Behind the Proposed Mutual Fund in the Context of Present Market Scenario

For investors with limited time to spend watching the ups and downs of the markets, mutual funds offer a good alternative regarding the savings and alternative Investment in context of current capital market scenarios.

Diversification

One golden rule of investing for both large and small investors is to go for asset diversification. That involves reducing the risk to your assets by buying a mix of stocks from different industries and investments of different types. For example, buying both retail and industrial stocks reduces the impact on your portfolio of a poor quarter in one of those sectors. And putting some of your money in bonds protects you from a precipitous drop in stocks.

Economies of Scale

The easiest way to understand economies of scale is to consider the volume discount. In many stores, the more of a product you buy, the less it costs. A dozen donuts can be cheaper than three. This also occurs in the purchase and sale of Mutual Fund Unit. If you buy one unit of fund, the transaction fee will be the same as if you buy 1,000 units. That's a hefty bite out of your investment in one unit, but a negligible nibble out of 1,000 units.

Divisibility

The owner of a mutual fund can invest a regular round sum every month, say BDT 1,000 or BDT 2,000. That gives the investor another tiny bite of many assets. A stock-picker, by contrast, might get one or two shares of stock, with an odd number of BDT left over. Or, the investor can save up for many months to get one share of Marico Bangladesh Limited.

Liquidity

An investor who is hit with a financial emergency might have to sell out in a hurry. That can be disastrous if the assets have taken a hit at the wrong moment. It tends to be less so in mutual funds, which swing in value less wildly because of their diversification



Professional Management

When you buy a mutual fund, you also are choosing a Professional Asset Manager. This manager makes the decisions on how to invest your money, based on a good deal of research and an overall strategy for making money. Only you can decide whether you are more comfortable with that than with making the decisions on your own.

If you decide to forego stock-picking and go with a mutual fund, you still have one last investment decision to make, and that is which fund to buy. There are thousands of them out there.

Read the prospectuses until you find one that matches your attitude toward risk-taking or risk-avoidance. Read the fine print to understand what fees you will pay for investing in the fund, as they vary widely.

Finally, understand going in that even mutual funds experience market fluctuations and may even provide returns that are below the overall market.

2.3 Advantage of Investment in PLI AML 1st Unit Fund

PLI Asset Management Limited (PLIAML) will manage the fund in a manner that will maximize the Net Asset Value (NAV) and ensure risk adjusted return for its investors. Investors will enjoy the following advantages by investing in PLI AML 1ST Unit Fund:

- **Corporate Governance:** PLI Asset Management Limited (PLI AML) follows a proper corporate culture which will ensure the superior compliance সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়ালফাড) বিধিমালা, ২০০৯.
- **Professional Fund Manager:** Professional Fund Managers and investment team dedicatedly research, select and manage the fund to generate profit for the investors.
- **Diversification:** Small investors cannot make meaningful investments across different assets due to smaller funds available to them. Investing in PLI AML 1st Unit Fund allows the investors to diversify their investment in different asset classes such as corporate bond & government bonds, as well as different sectors.
- **Disciplined Investment:** Mutual fund managers follows each fund's investment goal, strategy and allocations to spread investments across a wide range of companies and industry sectors.
- **Easy Investment and Liquidation at NAV:** The open-end fund will not be subject to the demand-supply mechanism in the trading of stock exchange. The surrender price and the sales price will be calculated based on the Net Asset Value (NAV) as per the BSEC rules and regulation. Investors of mutual fund can en-cash their investment at the current NAV. this feature enables investors to have enough liquidity when they need cash.
- **Lower costs for Investors:** An investor can hold a larger number of securities by buying minimum units of a Mutual Fund which will not be charged a higher amount of transaction fees that happens when the investor buys through the brokerage in his or her account.
- **Access to reserve Quota:** Mutual funds enjoy reserve quota for all Initial Public Offering (IPOs) in Bangladesh. IPOs usually perform well, so, buy investing the mutual funds, an investor can be a part of the provision.
- **Cumulative Investment Plan (CIP):** PLI AML 1st Unit Fund offers the investors to choose either to receive dividend or to allow the Fund Manager to reinvest their dividend in the market. This flexibility allows investors to choose a plan according to their preference.
- **Transparent Operation & Disclosure:** Formation, management and operation of PLI AML 1st Unit Fund adhere to সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়ালফাড) বিধিমালা, ২০০৯ and monitored by the BSEC. The Fund will disclose relevant information to Trustee, BSEC and public as prescribed in the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়ালফাড) বিধিমালা, ২০০৯.

CHAPTER 3: THE FUND

3.1 Formation of the Fund

PLI AML 1st Unit Fund has been constituted through a Trust Deed entered into between Popular Life Insurance Company Limited and ICB Capital Management Limited on 29 November 2022 under the Trust act 1882 (II of 1882) Registration Act, 1908 (XVI of 1908). The Fund was registered by the BSEC On 02 January 2023 under সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়ালফান্ড) বিধিমালা, ২০০৯.

3.2 Life of the Fund

The Fund will be an open-ended mutual fund with a perpetual life. Institutional, local, foreign individual, resident & non-resident investors are eligible to invest in this Fund. The initial target size 500,000,000 (Taka fifty Crore) only divided into 50,000,000 (Five Crore) Units 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 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 cost of the Fund in any denomination but not less than 2,000 (Two Thousand) units for individuals and 5,000 (Five Thousand) units for institutions

3.4 Investment Objective

The Objective of the PLI AML 1st Unit Fund is to maximize risk-adjusted-return for Unit holders in the form of capital appreciation, dividend income and interest income from combined portfolio equity, debt, money market instruments and other permissible securities.

3.5 Investment Policy

3.5.1 Subject to the provision of the বিধিমালা, a Mutual Fund may invest money collected under the Fund, or any of its Schemes, only in-

- (a) Securities listed with a stock exchange;
- (b) Money Market instruments including government securities;
- (c) Privately placed bonds, debentures and pre-IPO capital of entities with explicit plan to be listed with a stock exchange within two years from the date of investments;
- (d) Securitized debt instruments, which are either asset backed or mortgage-backed securities;
- (e) Open-end mutual funds approved by the Commission;
- (f) And any other instruments approved by the BSEC from time to time.

3.5.2 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 Regulatory Authority (IRA) of Bangladesh or any other competent authority in this regard.

3.5.3 Not more than 70% of total assets of the Fund shall be invested in capital market instruments. Of this at least 50% shall be invested in listed securities that are actively trading in stock exchanges. Investment in Government Securities shall not be considered as an exposure to capital market instruments.

- 3.5.4 Not less than 30% (thirty percent) of the total asset of the fund shall be invested in fixed income securities including Government Securities.
- 3.5.5 Non-listed securities that are “investment grade” and enjoy “very strong” credit rating by a recognized credit rating agency are eligible for investments by a mutual fund. The Fund can invest in unlisted corporate securities only after a prior approval of the Commission.
- 3.5.6 All money collected under the Fund, except cash and deposits held for liquidity purpose, shall be invested only in encashable and/or transferable instruments, securities whether in money market or capital market or privately placed pre-IPO equity, preference shares, debentures or securitized debts, corporate bonds or any other investable instruments.
- 3.5.7 The Fund shall get the securities purchased or transferred in the name of the Fund.
- 3.5.8 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

- 3.6.1 The mutual fund shall not, under any circumstance, trade in units of mutual funds, schemes of mutual funds, under the control of the same Asset Management Company.
- 3.6.2 Not more than 10% (Ten Percent) of the total assets of the fund shall be invested in non-listed securities at any particular date. In case of investment in non-listed corporate bonds or pre-IPO capital, the asset manager shall obtain prior approval of the Commission.
- 3.6.3 The fund shall not invest more than 10% (Ten Percent) of paid-up capital (or other securities such as bond or debenture) issued by any company.
- 3.6.4 The fund shall not invest more than 10% of its total assets in shares, debentures, or other securities of a singly company or group of companies under the control of a parent company. This condition shall not be applicable for investment in Government Securities.
- 3.6.5 Non-listed securities that enjoy “investment grade” credit rating by a recognized credit rating agency are eligible for investments by the fund. The fund can invest in unlisted corporate securities only after a prior approval of the Commission.
- 3.6.6 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.
- 3.6.7 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 বিধিমালা.
- 3.6.8 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.
- 3.6.9 The fund shall not involve in option trading or short selling or carry forward transaction.
- 3.6.10 The fund shall not buy its own unit.

3.7 Valuation Policy

- 3.7.1 Investments in financial assets shall be reported at fair value, not at acquisition cost, in the statement of financial position of mutual fund.
- 3.7.2 At initial recognition, the Fund shall measure a financial asset at its fair value plus transaction cost that are directly attributable to the acquisition of the financial asset. Likewise, an AMC shall recognize a sale of a financial asset at net realized value, that is, the selling price net of transaction costs.

- 3.7.3 The Asset Management Company shall recognize a financial asset or a financial liability in its statement of financial position when, and only when, the company becomes a party to the contractual provisions of the financial instrument. At initial recognition, the AMC shall measure a financial asset or a financial liability at its fair value plus (or minus) transaction costs that are directly attributable to the acquisition (or issue) of the financial asset or financial liability.
- 3.7.4 After initial recognition of a financial asset, the Asset Management Company shall classify, subject to the approval of the Commission, the financial asset as subsequently measured at fair value through profit or loss, fair value through other comprehensive income, or amortized cost on the basis of both:
- (a) The company's business model for managing financial assets and
 - (b) The contractual cash flow characteristic of the financial assets
- 3.7.5 The AMC shall have the option, at initial recognition, to irrevocably designate a financial asset and a financial liability to be measured at fair value through profit or loss.
- 3.7.6 After initial recognition, that is, at subsequent balance sheet dates, the AMC shall measure a financial asset at fair value through profit or loss, fair value through other comprehensive income or amortized costs and in compliance with provisions of IFRSs.
- 3.7.7 After initial recognition of a financial liability, the AMC shall classify and measure, subject to the approval of the Commission, all financial liabilities at fair value through profit or loss, or amortized costs and comply with provisions of IFRSs. The AMC shall have the option, at initial recognition, to irrevocably designate a financial liability to be measured at fair value through profit or loss.
- 3.7.8 A gain or loss on a financial asset or financial liability that is measured at fair value shall be recognized in profit or loss unless:
- (a) It is an investment in an equity instrument and the AMC has elected present to present gains and losses on that investment in other comprehensive income.
 - (b) It is a financial asset measured at fair value through other comprehensive income.
 - (c) It is a financial liability designated as at fair value through profit or loss, but the entity is required to present the effects of changes in the liability's credit risk in other comprehensive income. In that case, the remainder amount of change in the fair value shall be presented in profit or loss.
- 3.7.9 At initial recognition, the AMC may elect to present in other comprehensive income subsequent changes in the fair value of an investment in an equity instrument which is not held for trading. The AMC shall however recognize in profit or loss any dividends from Investment in equity instruments that are not held for trading.
- 3.7.10 A gain or loss on a financial asset measured at fair value through other comprehensive income shall be recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains or losses.
- 3.7.11 The accrued interest on the Fixed Income Securities shall be considered for calculation of Net Asset Value (NAV).
- 3.7.12 In case of deferred expenses, accrued expenses for the period will be taken into account for determining total liabilities of the Fund.
- 3.7.13 For listed securities, the quoted closing price on Dhaka Stock Exchange (DSE) on the date of valuation shall form the basis of calculation of Net Asset Value (NAV) of the Fund.
- 3.7.14 In case a security is not traded with Dhaka Stock Exchange, the quoted closing price of the security on Chittagong Stock Exchange (CSE) on the date valuation shall be considered for calculation of NAV of the Fund.

- 3.7.15 In case a security is not traded for 30 (thirty) days in the DSE, the closing price of the security at DSE or CSE, whichever happens later, shall be considered for calculation of NAV of the Fund.
- 3.7.16 The valuation of listed securities not traded in DSE or CSE within the last 30 (Thirty) days will be made based on their reasonable value by the Asset Management Company and approved by the Trustee and comment 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.
- 3.7.17 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 (NAV) of the Fund.
- 3.7.18 The Fund shall comply with accounting recognition and measurement principles and disclosure rules of International Financial Reporting Standard (IFRSs) for the valuation of investments in securities and other financial instruments and be subject to the prior approval of the Commission.
- 3.7.19 The valuation of non-listed securities shall be made by the Asset Management Company in compliance with IFRSs and approved by the Trustee. The Asset Management Company and the Trustee shall periodically review the non-listed investments. The auditors shall comment on the non-listed investments in the annual report of the scheme of the Fund.
- 3.7.20 Adequate disclosure shall be made on the valuation of investment in securities and other financial instruments in both the interim and annual financial statements. Trustee shall not approve any financial statements without adequate disclosure or accounting policies as to the fair valuation of investments in securities.
- 3.7.21 Independent external auditor shall give opinion as to the fair value of investments in securities and/or financial instruments of the Fund. The external auditor shall specifically comment on assumptions and inputs used for the valuation of investments in unlisted securities of the Fund.
- 3.7.22 Once non-listed securities are valued, the valued amount will be considered for the purpose of valuing the Fund's assets in any interval of time until the securities are further revalued by the Asset Management Company.
- 3.7.23 The Asset Management Company and the Trustee will value the non-listed securities at least once in every three months.
- 3.7.24 The AMC should provide a quarterly valuation report for the non-listed investment to the trustee.

3.8 Accounting and Reporting for Provision for Diminution (or Appreciation) in Fair Value of Investments in Financial Assets

- 3.8.1 After the initial recognition of a financial asset, the Asset Management Company shall make provision for diminution in the fair value of investments in securities of a Mutual Fund whenever the fair value of a security is less than its acquisition cost. At subsequent balance sheet dates, if the fair value of the financial asset further decreases, a new provision to that extent shall accrue with respect to that particular financial asset. On the other hand, if the fair value rises since the previous balance sheet date but remains below the acquisition costs of the financial asset, a reversal of past provision to the extent of the rise shall be made and added to the earnings for the period of the fund.
- 3.8.2 Investments in financial assets shall be reported at fair value, not at acquisition cost, in the statement of financial position of a mutual fund.

- 3.8.3 If the fair value investments in a security exceeds the acquisition cost, the excess of the fair value over the acquisition cost shall be recognized as “other comprehensive income.” not to be offset against aggregate provision for diminution in the fair value of investments in other securities.
- 3.8.4 Other comprehensive income shall be reported as a part of the unit holders’ equity of the mutual fund.
- 3.8.5 Any financial asset, which is not actively trading in any organized stock exchange, shall be classified as a “Non-performing financial asset” if the issuer of the security fails to pay a return, either a dividend or an interest income, to the Asset Management Company in consecutive two financial years.
- 3.8.6 The fair value of a “non-performing financial asset” shall be done following International Financial Reporting Standards (IFRSs), supplemented by a full disclosure of inputs and methods of the valuation, and be subject to the approval of the Trustee of the Fund.
- 3.8.7 The external auditor shall comment on the fair valuation of investments in financial assets which are either unlisted or not actively trading in a stock exchange and on the quality of accompanying disclosure on investments in financial assets.

3.9 Net Asset Value (NAV) Calculation

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

Total NAV = VA - LT

NAV per unit = Total NAV / No. of units outstanding

VA = 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

LT = 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.

- 3.9.2 The Net Asset Value of a Fund shall be equal to the fair value of identifiable assets minus the fair value of liabilities of the Fund. Net Asset Value per unit shall be calculated by dividing the Net Asset Value by units outstanding of the Fund at the measurement date.
- 3.9.3 An Asset Management Company shall calculate Net Asset Value (NAV) per unit of a mutual fund at fair value on a weekly basis and be disclosed in the manner specified by the Commission.
- 3.9.4 An asset is identifiable if it either:
 - (a) Is separable, i.e., capable of being separated or divided from the entity, or sold, transferred, licensed, rented, or exchanged, either individually or together with a related contract, identifiable asset or liability, regardless of whether the entity intends to do so; or
 - (b) Arises from contractual or other rights, regardless of whether those rights are transferable or separable from the entity or from other rights and obligations.
- 3.9.5 Identifiable assets may include intangibles including monetary assets without physical substance but shall exclude fictitious assets such as unamortized issue cost, preliminary costs, and/or advances, deposits and prepayments which embody no future economic benefits and cash flows to the company.

- 3.9.6 Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement shall be done for a particular asset or liability. A fair value measurement assumes that the transition to sell the asset or transfer the liability takes place either in the principal market for the asset or in the absence of the principal market, in the most advantageous market for the asset or liability.
- 3.9.7 In order to do fair valuation of assets and liabilities of a fund, the Asset Management Company shall strictly comply with accounting recognition and measurement principles and disclosure provision of International Financial Reporting Standards (IFRSs) particularly including that of IFRS 13 (Fair Value Measurement).

3.10 Limitation of Expenses

- 3.10.1 All expenses should be clearly identified and appropriated to the Fund.
- 3.10.2 The Asset Management Company may charge Fund for Investment Management.
- 3.10.3 Asset Management Company shall amortize the initial issue costs of the Fund within a maximum period of five (05) years. In case of availability of profits, an Asset Management Company can amortize the initial issue expense over a shorter period than five years.
- Provided that the initial issue cost of a Mutual Fund, or any Scheme of a Mutual Fund, shall not exceed 3% of capital actually raised under the Fund or the Scheme of the Fund. The Asset Management Company shall furnish to the Commission a detailed breakdown of the initial issue cost in the prospectus/offer documents of the Fund.
- 3.10.4 The Trustee shall be paid an annual Trusteeship fee @0.10% of the Net Asset Value (NAV) at Fair value of the Fund on a semi-annual basis, during the life of the Fund.
- 3.10.5 The fees for Custodian services shall not exceed 0.08% per annum of the fair value of securities (both listed and non-listed) held by the Fund, to be calculated and paid on a semi-annual basis.
- 3.10.6 In addition to the fees mentioned here in above the Asset Management Company may charge the Scheme of the Fund with the following recurring expenses, namely;
- a) Bank charges
 - b) Annual fees payable to the Commission as per the Rule (11)
 - c) CDBL Fees
 - d) Listing Fees
 - e) Audit Fees
 - f) Costs for publication of reports and periodicals specifically related to the Fund.
 - g) Valid expense for organizing a unit holders' meeting in compliance with the Mutual Fund Rules-2001.
- 3.10.7 For an open-end mutual fund, no selling/marketing expense shall be applicable for the issue of new units to investors.
- 3.10.8 Legal expenses of an Asset Management Company shall not be a charge against income of a Mutual Fund.
- 3.10.9 An Asset Management Company shall not charge transaction costs (including brokerage commission) as an expense in the statement of profit or loss and other comprehensive income.
- 3.10.10 The expenses referred 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.

3.11 Price Fixation Policy and Sale and & Re-purchase 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 BSEC.

The asset manager shall calculate the Net Asset Value (NAV) per unit on last working day of every week as per formula prescribed in the বিসিআল 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 to the investors through at least one national daily, the website of the asset management company and the authorized selling agents of the Fund.

Sales and repurchases procedure is given below:

- I. The Units of **PLI AML 1st Unit Fund** may be bought/ surrendered through **PLI Asset Management Limited** and authorized selling agents appointed by the Asset Manager from time to time and any other procedure as prescribed by the Asset Manager. Surrendered of units is allowed only through PLI AML or the selling agents from which the units are originally purchased.
- II. During initial subscription minimum purchase amount for individual investors is 2,000 (Two Thousand) Units and for institutional investors is 5,000 (Five Thousand).
- III. Application for purchase of Units should be accompanied by an account payee cheque/pay order/bank draft in favor of "PLI AML 1st Unit Fund" for the total value of Units.
- IV. After clearance/encashment of cheque/draft/pay order, the applicant will be issued with a confirmation of Unit allocation against every purchase of Units he/she/the institutional investors applies for. If BO A/C is provided during the registration, the Units holder's will also be delivered to the Unit holders BO A/C
- V. Partial surrendered (fraction of units held under a Unit Allocation Confirmation) is allowed without any additional cost subject to minimum surrender quantity is 1,000 (One Thousand) unit 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. The redemption (or repurchase) of units of a Fund, or a Scheme of the Fund, shall be made on first-come-first-serve basis. In the event the redemption request on a particular day exceeds 5% of the total units outstanding of the fund, the Asset Management Company may defer the redemption request over 5% for a period of maximum 3 (three) working days. Provided that redemption in excess of 5% of total units outstanding shall also be done at repurchase price of the day when redemption requests were actually submitted to the asset manager.
- VII. All payments/receipts in connection with or arising out of transactions in the units shall be in Bangladeshi Taka.

3.12 Winding Up Policy

3.12.1 Procedure of Winding Up

- I. If the total number of outstanding Units held by the Unit holders after repurchase at any point of time fall below 25 (Twenty Five) percent of the actual Units issued, the Fund will be subject to winding 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 newspaper including a Bangla newspaper having circulation all over Bangladesh.

3.12.2 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 of 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 বিধিমালা 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.

3.12.3 Effect of Winding Up

On and the date of the notice 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-ended fund;
- II. cease to create and cancel Units of the open-ended fund'
- III. cease to issue and redeem Units of the open-ended fund.

3.13 Fund Management

PLI Asset Management Limited 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, Asset Manager shall discretionary authority over the the Fund's portfolio regarding investment decisions.

PLI Asset Management Limited will follow a professional investment management process. Investment recommendations will be originated from our foresight-driven sound buy-side investment research, where, the fundamental analysis should be sole method/technique in place. The investment decision will be taken by the Investment Committee (IC)

For investment decisions an Investment Committee (IC) shall be formed comprising of the following-

- Managing Director &CEO
- Chief Investment Officer
- DGM, Admin & HR
- Any other officials of PLI Asset Management Limited approved by the IC

The Managing Director & CEO will be heading the IC and will act in the best interest of the investor by being complaint with all governing rules and regulations and policies (including internal investment policy).

3.14 Measurement of Earnings and Payment of Dividends

- 3.14.1 The accounting year of the Fund shall be July 01 to June 30;
- 3.14.2 The Asset Management Company (AMC) shall present separately each material class of similar items in the statement of profit or loss and other comprehensive income for a period of a mutual fund or a scheme of the Fund.
- 3.14.3 The AMC shall clearly identify major heads of income and expenses (or gains or losses) as separate line items in the statement of profit or loss and other comprehensive income for a period of a mutual fund or a scheme of the Fund.
- 3.14.4 The AMC shall recognize income and expenses (or gains and losses) using the accrual basis of accounting.
- 3.14.5 The Fund shall not issue reinvestment unit (RIU) under any circumstance.
- 3.14.6 The Fund shall distribute minimum 70%, or as may be determined by the **বিস্তাৰা** 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 Fund shall create a dividend equalization reserve by appropriation from the income of the Scheme;
- 3.14.7 Net income for a financial period of the Mutual Fund shall be measured following International Financial Reporting Systems (IFRSs) and after incorporating all income, lawful expenses as well as provision for diminution in the fair value of investments in securities and other assets.
- 3.14.8 The Trustee shall examine every item of expenses of a mutual fund and determine their eligibility to be a charge against income of the Fund.
- 3.14.9 Adequate disclosure shall be made with respect to provision (or reversal of provision) for diminution (or appropriation) in fair value of investments in securities. The excess of fair value over cost of investments in securities, if true in aggregate, shall be reported as an 'other comprehensive income' in the Statement of Profit or Loss or Other Comprehensive Income and not be a part of earnings for the period.
- 3.14.10 Other comprehensive income shall be reported as a separate line item under the unit holders' equity and not be aggregated with any other reserve(s).
- 3.14.11 Surpluses arising simply from the valuation of investments shall not be available for dividend;
- 3.14.12 The Mutual Fund shall make a full disclosure of the provision for diminution in fair value of investments in the statement of changes in unit holders' equity specifically showing changes in the provision account during the period.
- 3.14.13 Dividend shall never be paid out of other comprehensive income and/or unrealized capital gains.
- 3.14.14 Without violating provisions of this directive, the mutual fund may create a dividend equalization reserve in order to stabilize payments of dividends in future.
- 3.14.15 Dividend warrants will be dispatched within 45 days from the declaration of such dividend.

CHAPTER 4: DESCRIPTION OF INVESTMENT RISK

Investing in the PLI AML 1st Unit Fund (hereinafter the Fund) involves certain risks normally associated with making investments in securities. These can fluctuate to increase or decrease level. On redemption, there is no assurance that the investors will receive the amount originally invested. The Fund is suitable for investment by investors who understand the risks involved and who are willing and able to survive the loss of their investments. When investing in the Fund, the investors should carefully consider the risk factors outline bellow, which are not necessarily exhaustive or mutually exclusive.

1. General Risk

There is no assurance that the Fund will be able to meet its investment objectives and investors could potentially incur losses, including loss of principal when investing in the Fund. Investment in the Fund is not guaranteed by any government agency, the Sponsor or the AMC. Mutual Funds and securities investments are subject to market risks and there can be no assurance or guarantee that the Fund's objectives will be achieved. As with any investment in securities, the Net Asset Value of the Fund may go up or down depending on the various factors and forces affecting the capital markets. Past performance of the Sponsors and their affiliates and the AMC do not indicate the future performance of the Fund. Investors should study this offer document carefully in its entirety before investing.

2. External Risk Factor

Performance of the Fund is substantially dependent on the macroeconomic situation and in the capital market of Bangladesh. Political and social instability may have an adverse effect on the value of the Fund's assets. Adverse natural climatic condition may impact the performance of the Fund.

3. Market Risk

Bangladesh capital market is volatile and prices of other securities can fluctuate significantly. The Fund may lose its value or incur a sizable loss on its investment due to such market volatility. Stock market trends indicate that prices of majority of all the listed securities move in unpredictable direction which may affect the value of the Fund. Furthermore, there is no guarantee that the market prices of the units of the Fund will fully reflect their underlying Net Asset Values.

4. Concentration Risk

Due to the limited number of listed in both the stock exchanges (DSE and CSE), it may be difficult to invest the Fund's assets in a widely diversified portfolio as and when required to do so. Due to a very thin secondary fixed income/debt market in Bangladesh, it would be difficult for the Fund Manager to swap between asset classes, if and when required. Limited options in the money market instruments will narrow the opportunity of short term or temporary investments of the Fund which may adversely impact the returns

5. Dividend Risk

Despite care investment selection of companies in the Fund, if the companies fail to provide the expected dividend or fail to disburse dividends declared in a timely manner that will impact income and the overall return of the Fund.

6. Underlying Liquidity Risk

For investing in pre-public offer placement securities i.e. in the unlisted equity securities by the Fund, may involve liquidity risk. Market conditions and investment allocation may have an impact on the ability to sell securities during periods of market volatility. Debt securities, while somewhat less liquid, lack a well-developed secondary market, which may restrict the selling ability of the Fund, and may lead to the Fund incurring losses till the security is finally sold. While securities listed on the stock exchange carry lower liquidity risk, the ability to sell these investments is limited by the overall trading volume on the stock exchanges and may lead to the Fund incurring losses till the security is finally sold.

7. Investment Strategy Risk

Since the Fund will be an actively managed portfolio, it is subject to management strategy risk. Although the AMC will apply its investment process and risk minimization techniques, when making investment decisions for the Fund, there can be no guarantee that such process and techniques will produce the desired outcome.

8. Credit Risk

Since the Fund will seek to invest as per the Mutual Fund Regulations (2001) in both equity and fixed income securities, the credit risk of the fixed income issuers is also associated with the Fund. Investment in fixed income securities, the credit risk of the fixed income issuers is also associated with the Fund. Investment in fixed income securities is subject to the risk of an issuer's inability to meet interest and principal payments on its obligations and market perception of the creditworthiness of the issuer.

9. Interest Rate Risk

The Net Asset Value (NAV) of the Fund is expected to increase consequent upon a fall in interest rate while it is supposed to fall with a rise in the interest rate to the extent it is invested in Debt and Money Market securities. Also, zero coupon securities do not provide periodic interest payments to the holders and hence these are more sensitive to changes in interest rates. So, if the Fund Manager opts for investing in zero coupon securities offering attractive yields that would increase the risk of the portfolio also.

10. Issuer Risk

In addition to market and price risk, value of an individual security can, in addition, be subject to factors unique or specific to the issuer, including but not limited to management malfeasance, lack of accounting transparency, management performance, and management decision to take on financial leverage. Such risk can develop in an unpredictable fashion and can only be partially mitigated, and sometimes not at all, through research or due diligence. To the degree that the Fund is exposed to a security whose value declines due to issuer risk, the fund's value may be impaired.

Mutual Funds do not guarantee any predetermined returns.

CHAPTER 5: FORMATION, MANAGEMENT AND ADMINISTRATION

5.1 Sponsor of the Fund

PLI AML 1st Unit Fund Constituted under the Trust Act 1882 (II of 1882). Popular Life Insurance Company Limited has become the Sponsor of the Fund to develop the Capital Market Under the Securities and Exchange Commission (Mutual Fund) Rules 2001.

Popular Life Insurance Company Ltd is a leading and prominent life insurance company in the country's insurance sector having all kinds of lucrative life insurance products and services. It is a third-generation life insurance company which was established by a group of renowned and enthusiastic business entrepreneurs of the country.

The company was incorporated as a public limited company on September 26, 2000 under The Companies Act, 1994 and commenced its journey in the same year. The company obtained the certificate of registration from the Chief Controller of Insurance, Department of Insurance on October 04, 2000. Currently the company has been operating business as per legal framework of the revised Insurance Act, 2010 under the supervision of Insurance Development and Regulatory Authority (IDRA), Ministry of Finance.

Popular Life Insurance Company Ltd (PLICL) started its operation with a paid-up capital of TK 30 million against an authorized capital of TK 250 million being sponsored by a group of individuals linked to reputed business concern. Both authorized and paid-up capital have been enhanced to Tk.5000 million and Tk. 604.28 million respectively as on 31st December, 2017. The company has been listed with Dhaka Stock exchange and Chittagong stock exchange on July 10, 2005 and the shares of the company are traded under "A" category in both stock exchange.

5.2 Trustee of the Fund

In order to ensure maximum trust and confidence of the investors, supervisory bodies and the persons concerned towards the Fund, the ICB Capital Management Limited will act as the Trustee of the Fund.

As a part of the of the restructuring program ICB under Capital Market Development Program (CMDP) initiated by Government of Bangladesh and the Asian Development (ADP), ICB Capital Management Limited has been established as Subsidiary of ICB to carry out Merchant Banking activities including issue management, underwriting and portfolio management. The company was incorporated under the Company Act 1994 on 5 December 2000 and registration from Bangladesh Securities and Exchange Commission (BSEC) was obtained on 16 December 2001. The company has started its operation from 01 July 2002 by issuance of gazettee notification by the government.

The Trustee Shall constitute Committee with a minimum of two members, which shall be responsible for discharging the obligations of the Trustee and the first such Committee shall be constituted with the following members, namely:-

1. Chief Executive Officer, ICB Capital Management Ltd.
2. Additional Chief Executive Officer, ICB Capital Management Ltd.
3. Head of Department Trustee & Custodian, ICB Capital Management Ltd.

5.3 Custodian of the Fund

BRAC Bank Ltd, a banking company, incorporated under Companies Act, 1994 and registered with the Bangladesh securities & Exchange Commission on December 15, 2009 to act as Custodian, engaged in, among others, custodial services having required capabilities, qualifications and adequate skills in its concerned field of activities.

5.4 Asset Manager of the Fund

PLI Asset Management Limited is a subsidiary company of Popular Life Insurance Company Limited, a company listed with both Dhaka Stock Exchange and Chittagong Exchange. As a part of its commitment towards the development of capital market, PLICL has taken the initiative to expand its operation in the segment fund management through its subsidiary, PLI Asset Management Limited. As a new generation Asset Management Company, PLI Asset Management Limited registered with BSEC on June 03, 2021. PLI AML incorporated on February 19, 2019 under Company Act 1994 and its registered office at 9/E, DSE Annex Building (8th Floor) Motijheel Commercial Area, Dhaka-1000. PLI Asset Management Limited is the Fund Manager of "PLI AML 1st Unit Fund" and ensure to provide the best professional service to its Unit holders.

5.4.1 Investment Management Process

a) Top Down Approach

➤ Economic Analysis

- Analyze domestic and global Macroeconomic Indicators;
- Forecast Economic outlook of domestic and global Economy;
- Review Monetary & Fiscal Policies and analyze their implication on macroeconomic status;

➤ Industry Analysis

- Identify the prospective industries aligned with positive economic outlook;
- Understand the business dynamics of the industry the key driving forces;
- Review the economic history of the industry in other countries with comparable economic status;

➤ Company Analysis

- Understand the business dynamics of the covered company;
- Comprehensively understand the Financials of the covered company;
- Interview top level officials of the targeted companies to have complete understanding on their future outlook and strategic vision;
- Apply multiple valuation models and estimate the intrinsic price of the stock;

b) Supplementary Analysis

The Capital Market of Bangladesh is in an emerging phase and is neither strongly efficient nor very weak at present. Thus, the importance of the following supplementary analysis is very high.

➤ Technical Analysis

- Analyze the stock price data to identify key arbitrage opportunities;
- Distinguish stocks which are fundamentally strong and hold position outlook with other stocks;

➤ Quantitative analysis

- Build Time Series Econometric model to forecast the future price movement dynamics;

5.4.2 Portfolio Management Policy:

1. Optimum sector -wise allocation of fund is the key factor of Portfolio Management Process.
2. Invest in sectors with positive outlook but maintain the Regulation of Mutual Funds 2001.
3. Focus on the nature of the Fund and make decision which is suitable for the total portfolio.
4. Must consider the Market impact for the Investment Decision. Both buying and selling decision must have a significant implication on the overall market dynamics.
5. Market Manipulation and utilizing nonpublic insider information is strictly forbidden.

The ethical standard and level of confidentiality of the Investment Manager and its research team are very important for the investors of the fund and for the integrity of the capital market.



5.4.3 Brief Profiles of Key Personnel of the Company:

(1) Mahammed Hafiz Uddin, Managing Director & CEO

Mr. Mohammed Hafiz Uddin has obtained MBA & BBA degrees from the University of Dhaka in Finance & Banking. Mr. Hafiz has a long 18 years of working experience in the area of Capital Market Operations. After completing his MBA from DU, he started working with Lankabangla Securities Ltd. as Executive. In 2010 he joined Mercantile Bank Securities Ltd. as Principal Officer to Chief Executive officer (CC), after that he worked at MIDAS Investment Ltd. as CEO. In 2022 Mr. Hafiz joined at the PLI Asset Management Limited as Managing Director & CEO. He has a vast experience in the field of Capital market like Stock Broking, Merchant Banking & Fund/Asset Management. He was engaged in the different training session/attending seminar within the country and abroad. Mohammed Hafiz Uddin is one of great leader of the Bangladesh Capital Market Operations.

(2) Md. Jamal Uddin, Chief Investment Officer

Mr. Md. Jamal Uddin has good experience in executing and confirming client-initiated stock, mutual fund, and fixed income securities transactions in clients' investment accounts. Also driving business growth and capitalizing on new revenue potential. He had provided limited research and counseling services to strengthen client relationships.

He can effectively explain BSEC rules and regulations to clients to minimize potential violations. Conducting a partnership with technical support in line with documented procedures is his great specialty. Mr. Jamal has completed B.Sc. in (EEE) from BUET. He has a long experience in the field of capital market operations.

(3) Tareqe Bin Siraj, Company Secretary & Head of HR

Mr. Tareqe Bin Siraj has more than 15 years of experience in national and multinational corporations in Human Resources Management. He is also proficient in operation management, administration and conflict mitigation among the employees. In 2021 he joined PLI Asset Management Limited as Company Secretary & Head of Admin & HR.

He has obtained MBA in HRM from IBA of Jahangirnagar University. Earlier, he has completed B.Sc. & M.Sc. in Geological Sciences from Jahangirnagar University. Mr. Tareqe is passionate to work in the field of Capital Market to enrich his knowledge in this area.

(4) Md. Al Amin, Compliance Officer

Mr. Md. Al Amin is currently working as a Compliance Officer, contributing in Operations & Compliance Department. Having keen interest in Capital market and Financial Industry, he started his career at AMARSTOCK Limited as Accounts and Admin Officer where he learnt Basic and Advance Technical Analysis. In 2019 Mr. Al Amin joined at Blue-Wealth Assets Limited as executive.

Earlier, he has completed BBA & MBA in Accounting and Information Systems from Comilla University. Md. Al Amin also obtained Post Graduate Diploma in Capital Market (PGDCM) from Bangladesh Institute of Capital Market.

5.5 Auditors

Fames & R at Sharaq Mac, House #3/1 & 3/2 (Flat: A2), Bijoy nagor, Dhaka-1000 shall be first Auditor of the Fund and auditor shall be paid a service fee of Tk. 35,000.00 (Thirty-five thousand) only, excluding VAT as per Finance Act 2013, for the first year.

5.6 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 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 stationary relating to its smooth and fair operation. Major expenses of the fund are details as follow:

5.6.1 Issue and Formation Expenses:

Initial issue and formation Expenses are estimated not to be over 3 (three) percent of the collected amount BDT 50,00,00,000/- (BDT Fifty Crore) only. The issue and formation expense will be amortized within 5 (five) years on a straight line method. The estimate expenses for issue and formation of the Fund are present below:

Estimated Issue and Formation Expenses					
SL. NO	Types of Expenses	Total Tk.	SubTotal/ Details	% of total fund	Description
1.	Formation fee payable to the AMC	5,000,000	Set-fee	1%	Formation fee to AMC on collected fund approved fund size
2.	Legal Compliance & related Expenses (Application fees etc.)	1,415,300	100,000	0.28%	Application fee to BSEC
			1,000,000		BSEC Registration Fee (0.2% of the Initial Fund size)
			15,000		Trust Deed Registration Expense-Govt.Fees
			100,000		Trust Deed Registration Expense- Professional Fees
			75,000		CDBL Fee (Distribution of 5 crore Units x 0.00015
			2,500		CDBL Documentation Fee
			40,000		CDBL Annual Fee
			6,000		Depository Connection Fee for 12 months
			75,000		Procurement of CDBL vEDAS PC
			1,800		BO Account Maintenance Fee to Custodian (BRAC Bank)
3.	Printing, Publication & Marketing	1,750,000	400,000	0.35%	Publication of Abridged Version of Prospectus and Notification of Subscription
			500,000		Printing of Prospectus and Application Forms
			500,000		Printing of Forms, Flyers, Scheme brochures and other marketing Documents
			50,000		Courier & Distribution Expenses
			300,000		Online marketing
4.	Other/Miscellaneous Expense	180,000	150,000	0.04%	Payment VAT & TDS to Govt. Treasury
			30,000		Internet Connection for CDBLPC
	Total Expenses	8,345,300		1.67%	

* The above costs are made in best estimates, which may vary at actual. The trustee shall approve the formation expenditure and will inform BSEC within 15 days of such formation meeting.



5.6.2 Management Fee:

As per সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (সিউসিআলফাড) বিধিমালা, ২০০৯ the Fund shall pay a management fee to the Asset Management Company @2.50 percent per annum of weekly average NAV up to Tk.5.00 crore and @2.00 percent per annum for additional amount of the weekly average NAV up to 25.00 crore over Tk. 5.00 crore and @1.50 percent per annum for additional amount of the weekly average NAV up to Tk. 50.00 crore over 25.00 crore and @1 percent per annum for additional amount of the weekly average NAV over Tk.50.00 crore, accrued and payable quarterly.

5.6.3 Trustee Fee

The Trustee shall be paid an annual Trusteeship fee @0.10% of the Net Asset Value (NAV) at Fair value of the Fund on a semi-annual basis, during the life of the Fund.

5.6.4 Custodian Fee

The fee for Custodian services will be 0.08% 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 expense viz (a) transaction fee BDT 200 per transaction; (b) local duties and fees like stamp duty on transaction, stamp duty on transfer deed; (c) levies, brokerage, registrar's fees, local counsel/representation, external auditors at the each client's request, depository fees etc. The fee for Custodian services will be realized semi-annually.

5.6.5 CDBL Fee

The fixed annual fee of CDBL will be Tk. 20,000 (Twenty Thousand) only plus VAT. Annual Central Depository (CDS) connection fee will be Tk.6,000 (Six Thousand) only plus VAT.

5.6.6 Fund Registration and Annual Fee

The Fund has paid Tk.10,00,000 (Ten Lac) only to the Bangladesh Securities and Exchange Commission as registration fee. In addition, the fund will have to pay @ 0.10 percent of the fund value or Tk.1,00,000 (One Lac), whichever is higher, as annual fee in terms of the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (সিউসিআলফাড) বিধিমালা, ২০০৯.

5.6.7 Commission Payable to Selling Agent(s)

The fund shall pay commission to the authorized selling agent(s) to be appointed by the Asset Manager @1.0 percent per transaction amount of sales and redemptions which may change in future with the approval of the Trustee.

5.6.8 Audit Fee

The auditor fee will be Tk. 35,000 (Thirty Five Thousand only) plus applicable VAT, for the first accounting year and the Trustee will fix fees for subsequent years.

5.6.9 Brokerage Fee

The fund will pay to stock broker commission of 0.18%-0.30% of the total amount transaction Howla, Laga, CDBL fees and any other associated costs.

5.6.10 Operational Expenses

Total operating expense, excluding amortization of initial issue costs and provision for diminution in the fair value of investments, of a Mutual Fund, a scheme of a fund, shall not exceed 4% (Four Percent) of net asset value (NAV) at fair value of the Fund.

5.6.11 Amortization of Issue and Formation Expenses

Asset Management Company may amortize the initial issue costs of the Fund within a maximum period of five (05) years. In case of availability of profits, an Asset Management Company can amortize the issue expense over a period which is smaller than five years.

CHAPTER 6: SIZE OF THE FUND, TAX ADVANTAGES AND RIGHTS OF UNIT HOLDERS

6.1 Size of the Issue

6.1.1 Popular Life Insurance Company Limited, the sponsor has already subscribed Tk. 250,000,000 (Twenty Five Crore) only worth of Units equivalent to 25,000,000 (Two Crore Fifty Lac) Units of Tk. 10 (Ten) each at par on 29 December, 2022 the effective date as per সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়ালফান্ড) বিধিমালা, ২০০৯.

6.1.2 Pre -IPO Placement and IPO

The initial size of the Fund shall be Tk. 500,000,000 (Taka Fifty Crore) only divided 50,000,000 (Five Crore) Units of Tk. 10 (Ten) each which may be increased from time to time by the Asset Manager subject to the 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	No. of Units	Face value	Amount (TK)	Status
Sponsor Popular Life Insurance Co. Ltd.	25,000,000	10	250,000,000	Subscribed
General Investors	25,000,000	10	250,000,000	Yet to be Subscribed
Total	50,000,000	10	500,000,000	

6.2 Tax Advantage of PLI AML 1st Unit Fund

6.2.1 **Tax Advantage on Income:** Income from a mutual fund or a unit fund up to Tk. 25,000.00 (Twenty Five Thousand) is exempted from tax per clause 22A of Schedule (Part A) Under Income Tax Ordinance, 1984.

6.2.2 **Investment Tax Credit:** According to the current Income Tax Ordinance (ITO) 1984, section 44 (2) (c) amended in 2016, amount of allowable investment is actual investment or 25% of the total (taxable) income or BDT 150,00,000.00 which is lowest.

6.3 Rights of the Unit Holders:

The right attached to the units of the Fund are as follows:

- Voting Rights:** All the Unit holders shall usual voting right. 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 (মিউচুয়ালফান্ড) বিধিমালা, ২০০৯. In case of show hands, every Unit holders present in person or/and by proxy shall have only one vote for every Unit of which/he/she is the holder.
- Transfer of Units:** Units of the Fund are transferrable by way of inheritance/gift/and/or/ by specific operation of law.
- Dividend:** All the unit holders have equal but proportionate right with respect to dividend. Dividend will be paid in Bangladeshi Taka only.
- Periodic Information:** All the unit holders of the Fund shall have the right to the Annual Report & Audited Accounts of the Fund. The Fund will calculate their NAV at the end of each week. Weekly NAV of the Fund is to be notified to the Unit holders through website of the Asset Manager (www.pliambd.com) and a press release to 1 (one) daily national newspaper which covers capital markets news.
- Accounts and Information:** The Fund's financial year will be closed on June 30th of every calendar year or as determined by the Commission. Annual report or abridged version of audited financial Statements in line with schedule VI of the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়ালফান্ড) বিধিমালা, ২০০৯ will be published within 45 (Forty-five) days from closure of each accounting year.

6.4 Beneficial Interest

- The Unit holders shall preserve only the beneficial interest in trust properties on pro rata basis of their ownership of the fund.
- Furthermore, the NAV, NAV per Unit, any suspension or alteration of calculation of NAV of the Fund will be published/notified by the Asset Management Company from time to time.

CHAPTER 7: UNIT SUBSCRIPTION

7.1 Terms and Conditions of Unit Subscription

- i. The Units of PLI AML 1ST UNIT FUND may be bought and surrendered/repurchased through PLI Asset Management Limited and authorized Selling Agents appointed by PLI Asset Management Limited from time to time.
- 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 Bangladesh) and not by a firm, minor or persons of unsound mind.
- iii. Joint application by two persons is acceptable. In such cases, registration and issuance of Confirmation of Unit Allocation will be in favor of principal applicant while dividend and other benefits, if any, will be addressed to bank account of principal applicant mentioned in the application form /bank account mentioned in BO account. 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 amount for individual investors is 2,000 (Two thousand) Units and for institutional investors is 5,000 (five thousand) Units.
- v. Application for purchase of Units should be accompanied by an account payee cheque/pay order/bank draft in favor of 'PLI AML 1st Unit Fund' for the total value of the Units.
- vi. After clearance/encashment of cheque/draft/pay order, 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 in demat form.
- vii. Partial surrender is allowed without any additional cost subject to minimum quantity is 1,000 (One thousand) units for individuals and 5,000 (Five thousand) units for institutions. Upon partial surrender, the Unit holders will be issued with a new Confirmation of Unit Allocation representing the balance of his/her/their units holding
- viii. The Units may be transferred by way of inheritance/gift/and/or by specific operation of law. In case of transfer, the Fund will charge a nominal fee as decided by the Asset Manager 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 holders under Cumulative Investment Plan (CIP) as the application gives option in 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 of the Units applied in Bangladeshi Taka.



CHAPTER 8: BANKER & SELLING AGENTS

8.1 Banker

Al-Arafah Islami Bank Limited has been appointed to act as the Bankers' of the Fund by the Asset Manager. The public subscription money collected from investors will be remitted to act following bank Account:

Account Name	PLI AML 1 st Unit Fund
Account Number	0421220001924
Bank Name	Al-Arafah Islami Bank Limited
Branch	Dilkusha
Routing Number	015271903

8.2 Selling Agents

8.2.1 Name of Selling Agents

The following organization has been appointed to act as the selling agents of the mutual fund by the asset manager:

Sl. No.	Name of the Selling Agents	Type of Business
1.	Popular Life Securities Limited	Brokerage House

The Asset Manager in future may appoint other organizations as its agents or cancel the agent named above subject to approval of the Trustee and with due intimation to the BSEC. In addition to that, individuals will also be eligible to work as selling agents to be appointed by AMC.

8.3 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/Repurchase Form
- iv. Transfer Form