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Placement Memorandum of "LB MULTI ASSET INCOME ETF"





We have expanded our bond market, introducing Sukuk, Green Bonds, ETFs, Venture Capital, Private Equity, and Impact Funds, diversifying investment opportunities.

- Prime Minister SHEIKH HASINA at the Bangladesh Trade & Business Summit in South Africa, August 2023

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Placement Memorandum of "LB MULTI ASSET INCOME ETF"

Fund Manager

LankaBangla Asset Management Company Limited

Registered Office Corporate Office

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

Praasad Trade Centre (4th Floor) 6 Kemal Ataturk Avenue Banani C/A, Dhaka-1213, Bangladesh.

Sponsor

LankaBangla Investments Limited

20, Kemal Ataturk Avenue Banani C/A, Dhaka-1213, Bangladesh.

Trustee

Bangladesh General Insurance Company Limited

42, Dilkusha C/A Dhaka-1000, Bangladesh.

Authorized Participants

LankaBangla Securities Limited

City Centre (13th Floor) 90/1 Motijheel, Dhaka-1000, Bangladesh.

Green Delta Securities Limited

Green Delta AIMS Tower (2nd Floor) 51-52 Mohakhali C/A, Dhaka-1213, Bangladesh.

United Financial Trading Company Limited

PFI Tower, (2nd floor), 56-57, Dilkusha C/A Dhaka-1000, Bangladesh.

> শেয়ার বাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন।

"Investment in capital market involves certain degree of risks. The investors are required to read the Placement Memorandum and risk factors carefully, assess their own financial conditions and risk taking ability before making their investment decisions."

The Fund Manager - LankaBangla Asset Management Company Limited (LBAMCL) accepts full responsibility for the accurateness and correctness of all the information contained in the placement memorandum at the date of publication.

If you have any query about this document, you may consult the Fund Manager.

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• Fund Directory

Fund Directory

Asset Manager		LankaBangla Asset Management Company Limited Praasad Trade Centre (4th Floor) 6, Kemal Ataturk Avenue, Banani C/A Dhaka-1213, Bangladesh Tel : +88 02 222274219-21 Fax: +88 02 222276159
Sponsor		LankaBangla Investments Limited Assurance Nazir Tower (Level 8) 65/B Kemal Ataturk Avenue, Banani Dhaka-1213, Bangladesh Tel: +880 2 55034853-5
Trustee		Bangladesh General Insurance Company Limited 42, Dilkusha C/A Dhaka-1000 Tel : +88 02 223383056-8 , +88 02 223386125
Custodian		BRAC Bank Limited Anik Tower, 220/B, Tejgaon Gulshan Link Road, Tejgaon Dhaka-1208, Bangladesh Tel: + 88 02 8801301-32; 09677551001-31 Fax: + 88 02 222298910
	1.	LankaBangla Securities Limited A.A. Bhaban (Level-5) 23 Motijheel C/A Dhaka-1000, Bangladesh Tel : +88 02 9563901
		161. +88 02 9563901
Authorized Participants	2.	Green Delta Securities Limited Green Delta AIMS Tower (2nd Floor) 51-52 Mohakhali C/A Dhaka-1213, Bangladesh Tel : + 88 02 222298340
		Green Delta Securities Limited Green Delta AIMS Tower (2nd Floor) 51-52 Mohakhali C/A Dhaka-1213, Bangladesh
		Green Delta Securities Limited Green Delta AIMS Tower (2nd Floor) 51-52 Mohakhali C/A Dhaka-1213, Bangladesh Tel : + 88 02 222298340 United Financial Trading Company Limited PFI (2nd Floor), 56-57, Dilkusha Dhaka-1000, Bangladesh

Definitions

Unless the context otherwise requires, the following terms whenever used in this Placement Memorandum shall have the following meanings, namely: -

- "Act" means the Bangladesh Securities and Exchange Commission Act, 1993 (Act. No. XV of 1993);
- "Actively managed ETF" means an ETF which does not represent any selective index;
- 3) "Accounting Date" means the date, December 31, in each year and any interim dates at which the financial statements of the Fund are drawn up. Provided, however, that the Asset Management Company may, with the consent of the Trustee and after obtaining approval of the Commission, change such date to any other date;
- 4) "Accounting Year" means a period ending on and including an Accounting Date and commencing (in case of the first such period) on the date on which the Fund Property is first paid or transferred to the Trustee and (in any other case) from the end of the preceding Accounting Period/Year;
- "Applicable Law" means the laws and any other instrument having the force of law in Bangladesh as they may be issued and remain in force from time to time;
- 6) "Arbitrage" means the practice of an authorized participant to take advantage between the price difference of the ETF's Net Asset Value (NAV) per unit and the transaction price per unit through creation of ETF units at NAV directly with the fund and sale of units in the secondary market; or through redemption of ETF units at NAV directly with the fund by purchasing from the secondary market;
- "Asset Management Company" or "Asset Manager" or "Fund Manager" or "AMC" means the LankaBangla Asset Management Company Limited or LBAMCL;

- "Authorized Participant" or "AP" (a registered stock broker and stock dealer, as defined under the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (স্টক ব্রোকার, স্টক ডিলার ও অনুমোদিত প্রতিনিধি) বিধিমালা, ২০০০, that has entered into an authorized participant agreement, and participates in the creation and redemption of ETF units);
- 9) "Authorized Participant Agreement" means an agreement entered into between an Authorized Participant and the Asset Management Company setting out the roles and responsibilities of each party and includes, among other things, the terms and procedures for the issuance and redemption of Creation Units;
- "Bangladesh Securities and Exchange Commission (BSEC)" or "Commission" or "BSEC" means the Securities and Exchange Commission of Bangladesh;
- "বিধিমালা" means the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচ্যুয়াল ফান্ড) বিধিমালা, ২০০১;
- 12) "BO Account" means Beneficiary Owners account;
- "Business Day" means any day on which Stock Exchange & Asset Management Company are open for business in Bangladesh;
- 14) "Central Depository" or "CDBL" means Central Depository Bangladesh Ltd. established under the ডিপজিটরি আইন, ১৯৯৯ (১৯৯৯ সনের ৬নং আইন);
- 15) "Constitutive Documents" means the principal documents and agreements governing the formation of a fund including the trust deed, placement memorandum, subscription agreement, investment management agreement, authorized participant agreement, prospectus, abridged offer document and all other related material documents;
- "Creation Unit" refers to a transaction block of minimum 100,000 ETF units between asset manager and authorized participant;
- 17) "Custodian" (a company for the time being appointed by the Sponsor, with the approval of the Asset Manager, to hold and protect the Fund Property, or any part thereof, as custodian, on behalf of the Trustee) means the BRAC Bank Limited;
- "Deed" or "Trust Deed" or "Agreement" means this Deed of Trust between the parties of the First and Second part;

- 19) "Distribution Account" or "Dividend Distribution Account" means the account (which may be a current, saving or deposit account) in which the amount required for distribution of income to Unit Holders shall be transferred. Interest, income or profit, if any, including those accruing on unclaimed dividends, in this account shall be transferred to the main account of the Fund from time to time, as part of the Fund Property for the benefit of the Unit Holders;
- 20) "Excess return" per unit is the fund's Total Return less the hurdle return, expressed in terms of Taka;
- 21) "Exchange Traded Fund" or "ETF" or "the Fund" means the LB MULTI ASSET INCOME ETF as designed, structured, operated and managed by the LankaBangla Asset Management Company Limited;
- 22) "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 assumes that the transaction 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. The Asset Management Company shall strictly follow the provision of International Financial Reporting Standards (IFRSs) to calculate fair value of any asset or liability;
- 23) "Government" means the Government of the People's Republic of Bangladesh;
- 24) "Guardian" means the Trustee of the "LB Multi Asset Income ETF";
- 25) "High-water mark" is the highest level in value the fund has reached net of fees;
- 26) "Hurdle Rate" means the yield of 10-year Bangladesh government bonds at the beginning of the calculation period;
- 27) "MD & CEO" means the Managing Director and Chief Executive Officer;
- 28) "Net Assets" means the excess of assets over liabilities of the Fund, computed in the manner specified in the বিধিমালা;
- "Net Asset Value (NAV) per unit" means value of the Fund arrived at by dividing the Net Assets by the number of units outstanding of the Fund;

- "Party" means any party of the First or the Second part, as the case may be;
- "Regulatory Authority" means the Bangladesh Securities and Exchange Commission;
- "Rules" means the Bangladesh Securities and Exchange Commission (Exchange Traded Fund) Rules, 2016;
- 33) "Sponsor" means LankaBangla Investments Limited;
- 34) "Total return" is the fund's Taka movement per unit during the Calculation Period (adjusted for any income or capital distributions and before any accrued performance fees during that Calculation Period). Adjustments shall be made for any capital re-organization such as unit divisions or consolidation;
- 35) "Trust" means the Unit Trust constituted by the Trust Deed in accordance with the provisions of the Trust Act, 1882 (Act II of 1882) and সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচ্যুয়াল ফান্ড) বিধিমালা, ২০০১;
- 36) "Trustee" means the Bangladesh General Insurance Company Limited (BGIC);
- 37) "Trust Property" means the property specified in the schedule of the Deed of Trust;
- 38) "Unit" means one undivided share of the Fund;
- "Unit Holder(s)" means unit holders of the Fund whose name appears on the record date as declared by the Asset Manager;
- 40) In this Placement Memorandum Document, except where the context otherwise requires, the singular shall include the plural and the vice versa and any gender shall include any other gender and the words and expressions have the similar meaning assigned so by the Securities and Exchange Commission (Exchange Traded Fund) Rules, 2016;
- 41) Words and expressions used and not defined in the Rules but defined in the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন আইন, ১৯৯৩ (১৯৯৩ সনের ১৫নং আইন), Securities and Exchange Ordinance, 1969 (Ordinance No. XVII of 1969), Trust Act, 1882 (Act II of 1882), Registration Act, 1908 (XVI of 1908), ডিপজিটরি আইন, ১৯৯৯ (১৯৯৯ সনের ৬নং আইন), কোম্পানী আইন, ১৯৯৪ (১৯৯৪ সনের ১৮নং আইন), ব্যাংক কোম্পানী আইন, ১৯৯১ (১৯৯১ সালের ১৪নং আইন) and আর্থিক প্রতিষ্ঠান আইন, ১৯৯৩ (১৯৯৩ সালের ২৭নং আইন) shall have the same meaning respectively assigned to them in those Acts and Ordinance.

Fund Highlights

Fund Name	LB MULTI ASSET INCOME ETF		
Type of Fund	Actively managed Exchange Traded Fund (ETF)		
Tenure of the Fund	Perpetual		
Fund Size	BDT 100 Crore		
Investment Objective Outperform the benchmark index return (Hurdle ra			
Benchmark Index	Yield of 10-Year Bangladesh Government Bond		
Sponsor	LankaBangla Investments Limited		
Sponsor Contribution	BDT 10 Crore		
Asset Manager	LankaBangla Asset Management Company Limited		
Asset Manager Contribution	BDT 2 Crore		
Lock-in Period	Investment of the Sponsor and Asset Manager will have a lock-in period of 02 (Two) years from the listing date of the fund. Sponsor shall maintain a continuous investment of 1/10th of its initial contribution		
Prospective	Institutional Investors, Mutual Funds, NRBs, General		
Investors	Public		
Trustee	Bangladesh General Insurance Company Limited		
Custodian BRAC Bank Limited			
Authorized (1) LankaBangla Securities Limited			
Participants (2) Green Delta Securities Limited			
(AP)	(3) United Financial Trading Company Limited		
Auditor	Hoda Vasi Chowdhury & Co. Chartered Accountants		
Tradability	Primary Market: When new ETF units are created or redeemed, Authorized Participants (APs) trade with the AMC. The AP transfers a basket of securities and/ or cash equivalents to AMC to receive ETF units during the creation process. Similarly, the AP receives a basket of securities and/or cash equivalents from the AMC in exchange of ETF units during the redemption process.		
	Secondary Market: Here ETF units are traded between investors themselves and/or between investors and APs. APs are required to minimize ETF market price and NAV at market deviations (maximum 10% deviation is allowed) in the secondary market through control of ETF unit demand and supply.		

	Asset Management Company shall be entitled to an annual asset management fees at the rate of 1% of net asset value (NAV) of the fund at the end of each quarter of a financial year. Management fees shall be calculated daily on the basis of the net asset value (NAV) of the Fund and accrued daily in the NAV per unit.
Management Fee	An Asset Management Company shall be entitled to an annual performance fee at the rate of 10% of the excess return of the fund above the hurdle rate (the yield of 10-year Bangladesh government bonds as at the first Business Day of the Calculation Period pro- rated for the number of days in the calculation period) over each 6-month period ending on 30 June and 31 December (each a "Calculation Period").
	Performance fees shall be subject to a high water mark requirement and an overall cap to be determined by the commission. It shall be estimated daily and accrued in the NAV per unit. Calculation of the fee shall be finalized and paid at the end of a calculation period.
Annual Dividend	At least 70% (Seventy percent) of the income will be distributed as dividend.
Dividend Distribution	The dividend will be distributed within 45 (forty-five) days from the date of declaration.
Тах	Investment in the Fund up to BDT 5 Lakhs would qualify for investment tax credit as per 6th schedule, part-3(7) of Income Tax Act 2023.
	Capital Gain Tax is fully exempted according to SRO no. 196-Law/Income tax/2015 dated 30 June 2015 of National Board of Revenue.
Reports and Accounts	Every unit holder is entitled to receive Annual Report together with the yearly and half-yearly statements of accounts as and when published.



ফান্ডের নাম	এলবি মাল্টি অ্যাসেট ইনকাম ইটিএফ
ফান্ডের ধরণ	সক্রিয়ভাবে পরিচালিত এক্সচেঞ্জ ট্রেডেড ফান্ড (ইটিএফ)
ফান্ডের মেয়াদ	বেমেয়াদী
ফান্ডের আকার	১০০ কোটি টাকা (১০ কোটি ইউনিটে বিভক্ত যার ইউনিটপ্রতি অভিহিত মূল্য ১০.০০ টাকা)।
বিনিয়োগের উদ্দেশ্য	বেঞ্চমার্ক সূচকের রিটার্ন (হার্ডল রেট) অতিক্রম করা।
বেঞ্চমার্ক সূচক	১০ বছর মেয়াদী বাংলাদেশ সরকারি ট্রেজারী বন্ডের রিটার্ন ।
উদ্যোক্তা (স্পন্সর)	লংকাবাংলা ইনভেস্টমেন্টস লিমিটেড
উদ্যোক্তার অবদান	১০ কোটি টাকা
সম্পদ ব্যবস্থাপক (অ্যাসেট ম্যানেজার)	লংকাবাংলা অ্যাসেট ম্যানেজমেন্ট কোম্পানি লিমিটেড
সম্পদ ব্যবস্থাপকের অবদান	২ কোটি টাকা
লক-ইন সময়	ফান্ডের তালিকাভুক্তির তারিখ হতে উদ্যোক্তা এবং সম্পদ ব্যবস্থাপকের অবদান ২ বছর লক-ইন থাকবে। উদ্যোক্তা তার প্রাথমিক বিনিয়োগের এক-দশমাংশ সর্বদাই বজায় রাখবে।
সম্ভাব্য বিনিয়োগকারী	ব্যাক্তি, প্রাতিষ্ঠানিক বিনিয়োগকারী, মিউচ্যুয়াল ফান্ড ও অন্যান্য সমষ্টিগত বিনিয়োগ স্কিমসমূহ, অনিবাসী বাংলাদেশী (এনআরবি)।
তত্ত্বাবধায়ক (ট্রাস্টি)	বাংলাদেশ জেনারেল ইন্সুরেন্স কোম্পানি লিমিটেড
হেফাজতকারী (কাস্টডিয়ান)	ব্র্যাক ব্যাংক লিমিটেড
অনুমোদিত অংশগ্রহণকারী (অথরাইজড পার্টিসিপ্যান্ট)	(১) লংকাবাংলা সিকিউরিটিজ লিমিটেড (২) গ্রীন ডেল্টা সিকিউরিটিজ লিমিটেড (৩) ইউনাইটেড ফিনাঙ্গিয়াল ট্রেডিং কোম্পানি লিমিটেড
নিরীক্ষক (অডিটর)	হুদা ভাসি চৌধুরী এন্ড কোম্পানি চার্টার্ড একাউন্ট্যান্টস

লেনদেনযোগ্যতা	প্রাইমারি মার্কেট: যখন নতুন ইটিএফ ইউনিট ইস্যু করা হয় (ক্রিয়েশন) বা ইউনিট পুন:ক্রয় (রিডিম) করা হয়, অনুমোদিত অংশগ্রহণকারী তখন সম্পদ ব্যবস্থাপকের সাথে লেনদেন করে। ইউনিট তৈরী প্রক্রিয়ায় অনুমোদিত অংশগ্রহণকারী ইটিএফ ইউনিট পেতে শেয়ারগুচ্ছ এবং/বা নগদ টাকা বা নগদ সমতুল্য সম্পদ-ব্যবস্থাপককে পাঠায়। একইভাবে, ইউনিট পুন:ক্রয় (রিডিম) প্রক্রিয়ায় অনুমোদিত অংশগ্রহণকারী ইটিএফ ইউনিট পুন:ক্রয় (রিডিম) প্রক্রিয়ায় অনুমোদিত অংশগ্রহণকারী ইটিএফ ইউনিট এর বিনিময়ে সম্পদ ব্যবস্থাপক হতে শেয়ারগুচ্ছ এবং/বা নগদ টাকা বা নগদ সমতুল্য পাবেন। সেকেভারি মার্কেট: এখানে ইটিএফ ইউনিট বিনিয়োগকারীদের মধ্যে এবং/বা বিনিয়োগকারী এবং অনুমোদিত অংশগ্রহণকারীর মধ্যে লেনদেন হয়। সেকেন্ডারি মার্কেটে ইটিএফ ইউনিটের চাহিদা ও যোগান নিয়ন্ত্রণের মাধ্যমে অনুমোদিত অংশগ্রহণকারীরা ইটিএফ এর বাজারমূল্য এবং নীট সম্পদের বাজারমূল্যের ব্যবধান নিয়ন্ত্রণে (সর্বোচ্চ ১০% ব্যবধান অনুমোদনযোগ্য) বাধ্য থাকবে।
ব্যবস্থাপনা ফী	আর্থিক বৎসরের প্রতি প্রান্তিক শেষে সম্পদ ব্যবস্থাপক ফান্ডের নীট সম্পদ মূল্যের ১% বার্ষিক সম্পদ ব্যবস্থাপনা ফী হিসেবে প্রাপ্য হবে। ফান্ডের নীট সম্পদ মূল্যের ভিত্তিতে সম্পদ ব্যবস্থাপনা ফী দৈনিক হিসেব করা হবে এবং তা দৈনিক ইউনিটপ্রতি নীট সম্পদ মূল্যে প্রতিফলিত হবে। ৩০ জুন এবং ৩১ ডিসেম্বর তারিখে সমাপ্ত প্রতি হিসাবকালে বেঞ্চমার্ক সূচকের রিটার্ন/হার্ডল রেট (হিসাবকালের প্রথম কার্য দিবসে ১০ বছর মেয়াদী বাংলাদেশ সরকারি ট্রেজারী বন্ডের উক্ত হিসাবকালের মোট দিবসের আনুপাতিক আয়) এর অতিরিক্ত আয় অর্জনের ফলে সম্পদ ব্যবস্থাপক সেই অতিরিক্ত আয়ের ১০% বার্ষিক পারফরম্যান্স ফী হিসেবে প্রাপ্য হবে। পারফরম্যান্স ফী একটি হাই-ওয়াটারমার্ক এবং কমিশন নির্ধারিত মাত্রা দ্বারা প্রতিপালিত হবে। পারফরম্যান্স ফী দৈনিক হিসেব করা হবে এবং তা দৈনিক ইউনিটপ্রতি নীট সম্পদ মূল্যে প্রতিফলিত হবে। এই ফী
বাৎসরিক লভ্যাংশ	আয়ের কমপক্ষে ৭০ শতাংশ লভ্যাংশ হিসেবে বন্টন করা হবে।
লভ্যাংশ বিতরণ	ঘোষণার ৪৫ দিনের মধ্যে লভ্যাংশ বিতরণ করা হবে।
ট্যাক্স	আয়কর আইন ২০২৩ এর ষষ্ঠ তফসিলের পার্ট ৩(৭) অনুসারে এই ফান্ডে ৫ লক্ষ টাকা পর্যন্ত বিনিয়োগ করমুক্ত থাকবে। জাতীয় রাজস্ব বোর্ডের ২০১৫ সালের ৩০ জুন তারিখে প্রকাশিত এসআরও নং ১৯৬-আইন/আয়কর/২০১৫ অনুযায়ী অর্জিত মূলধনী মুনাফা করমুক্ত থাকবে।
বার্ষিক প্রতিবেদন ও হিসাব	প্রত্যেক বিনিয়োগকারী মুদ্রণ সাপেক্ষে বার্ষিক প্রতিবেদনসহ বার্ষিক ও অর্ধ-বার্ষিক আর্থিক হিসাব বিবরণী প্রাপ্য হবেন।

Chapter One Preliminary

1.1 Publication of Placement Memorandum for Private Placement

LankaBangla Asset Management Company Limited received Registration Certificate from Bangladesh Securities and Exchange Commission under Securities and Exchange Commission Act, 1993 and Bangladesh Securities and Exchange (Exchange Traded Fund) Rules, 2016 and also received consent for issuing Placement Memorandum for private placement of LB Multi Asset Income ETF. A complete copy of the Placement Memorandum is available for inspection at Praasad Trade Centre (4th Floor), 6 Kemal Ataturk Avenue, Banani C/A, Dhaka-1213, the corporate office of LankaBangla Asset Management Company Limited (LBAMCL) – the Asset Manager of LB Multi Asset Income ETF, hereinafter referred to as the Fund.

1.2 Consent of Bangladesh Securities and Exchange Commission

Approval of the Bangladesh Securities and Exchange Commission has been obtained to the issue/offer of the fund under the securities and exchange ordinance, 1969 and the Bangladesh Securities and Exchange (Exchange Traded Fund) Rules, 2016. It must be distinctly understood that in giving this approval the commission does not take any responsibility for the financial soundness of the fund, any of its schemes or the issue price of its units or for the correctness of any of the statements made or opinion expressed with regard to them. Such responsibility lies with the asset manager, trustee, sponsor and/or custodian.

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

The Commission has accorded consent to issue the Placement Memorandum of 'LB Multi Asset Income ETF' under the Bangladesh Securities and Exchange Commission (Exchange Traded Fund) Rules, 2016, and subject to following conditions imposed under Section – 2CC of the Securities and Exchange Ordinance, 1969:

 Initial target size of the ETF shall be TK. 100.00 (one hundred) crore which may be increased to the extent up to twice of the initial fund size with due approval of the trustee; and the Trustee shall seek permission of the Commission for the next ceiling.

- 2. The Sponsor and the Asset Manager shall hold at least 10 (ten) percent and 2 (two) percent of the initial target size of the fund respectively. Mentionable here that the investment of the sponsor and asset manager shall have a lock-in of 02 (two) years since the listing date of the fund. Provided that the sponsor(s) shall maintain a continuous investment of 1/10 (one-tenth) of its initial contribution.
- 3. If the fund fails to collect commitments of at least 50% (fifty percent) of the fund's target size under Rule 6 (5) of Bangladesh Securities and Exchange Commission (Exchange Traded Fund) Rules, 2016 within a period of 6 (six) months from the date of registration, the asset manager shall refund the amount realized from the investors within 30 (thirty) 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.
- 4. Only the Asset Manager can seek approval for 'subscription through public offer' from the Commission who are able to collect the final commitments of at least 50% (fifty percent) of the fund's target size or the minimum fund size of TK. 500,000,000.00 (taka five hundred million) which is higher.
- 5. The face value per unit of the ETF will be TK. 10 (Taka ten only) and the private placement subscription will take place using the Electronic Subscription System (ESS).
- Private placement subscription period of the ETF will be 6 (six) months which is started on 03 October, 2023 and be ended on 03 March 2024, as per Rule 6 (5) of Bangladesh Securities and Exchange Commission (Exchange Traded Fund) Rules, 2016.
- 7. You are also advised to follow all the provisions of Bangladesh Securities and Exchange Commission (Exchange Traded Fund) Rules 2016, সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচ্যুয়াল ফান্ড) বিধিমালা, ২০০১ and other relevant securities related rules and regulations.
- 8. All conditions imposed under Section 2CC of the Securities and Exchange Ordinance, 1969 must be complied with and be incorporated in the body of Placement Memorandum.

1.3 Listing of the Fund

The ETF will be initially listed in Dhaka Stock Exchange Limited.

1.4 Availability of Documents for Inspection

Copy of this Placement Memorandum will be available at the office of the Asset Manager. This Placement Memorandum will also be available for viewing and downloading on the website (http://www.lbamcl.com) of the Asset Manager. Copy of Placement Memorandum 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 Placement Memorandum by paying the price as determined by the Asset Manager.

1.5 Subscription Period

The Bangladesh Securities and Exchange Commission (BSEC) will determine subscription period.

1.6 Declarations

Declarations about the responsibility of the Sponsor

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

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

Sd/- (lftekhar Alam) Chief Executive Officer LankaBangla Investments Limited

Declaration about the responsibility of the Trustee

We, as Trustee of the LB Multi Asset Income ETF, accept the responsibility and confirm that we shall:

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

Sd/- (Ahmed Saifuddin Chowdhury)

Managing Director & CEO

Bangladesh General Insurance Company Limited

Declaration about the responsibility of the Custodian

We, as the Custodian of the 'LB Multi Asset Income ETF' accept the responsibility and confirm that we shall:

- (a) Keep all the securities of the Fund in safe custody and shall provide the highest security for the assets of the Fund;
- (b) Preserve necessary documents and record so as to ascertain movement of assets of the Fund as per Rules.

Sd/- (Tarek Refat Ullah Khan) DMD & Head of Corporate Banking BRAC Bank Limited

Declaration about the responsibility of the Asset Management Company

This Placement Memorandum has been prepared by LankaBangla Asset Management Company Limited based on the Trust Deed, the Investment Management Agreement, the Bangladesh Securities and Exchange (Exchange Traded Fund) Rules, 2016 and other related agreements and examination of other documents as relevant for adequate disclosure of the Fund's objectives and investment strategies to the investors. We also confirm that:

- (a) The Placement Memorandum is in conformity with the documents, materials and papers related to the public offer;
- (b) All the legal requirements of the public offer have been duly fulfilled;
- (c) The disclosures made are true, fair and adequate for investment decision. Investors should be aware that the value of investments in the Fund could be volatile and no such guarantee can be made about the returns from the investments that the Fund will generate. Like any other equity investment, only investors who are willing to accept moderate degree of risk, should invest in the Fund. Investors are requested to pay careful attention to the risk factors as detailed in the 'Risk Factor' section and to take proper cognizance of the risks associated with any investment in the Fund.

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

1.7 Due Diligence Certificate of the Trustee

Due Diligence Certificate of the Trustee

Schedule -D, Rule 31(1)(c)

The Chairman

Bangladesh Securities and Exchange Commission

Securities Commission Bhaban,

Plot: E-6/C, Agargaon, Sher-e-Bangla Nagar, Dhaka-1207, Bangladesh

Sub: LB MULTI ASSET INCOME ETF

We, the under-noted trustee to the above-mentioned forthcoming fund, state as follows:

- We, while act as trustee to the above mentioned fund on behalf of the investors, have examined the draft placement memorandum or prospectus, legal and other documents and materials as relevant to our decision; and
- On the basis of such examination and the discussions with the asset manager and its officers, and other agencies; independent verification of the statements concerning objects of the fund and the contents of the documents and other materials furnished by the asset manager: -

WE CONFIRM THAT:

- (a) all information and documents as are relevant to the issue have been received and examined by us and the draft placement memorandum, draft trust deed and other constitutive documents 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 Bangladesh Securities and Exchange Commission (Exchange Traded Fund) Rules, 2016 have been complied with;
- (d) we shall act as trustee to the issue as mentioned above as per provisions of the trust deed to be executed with the sponsors and shall assume the duties and responsibilities as described in the trust deed and other constitutive documents;
- (e) we shall also abide by the Bangladesh Securities and Exchange Commission (Exchange Traded Fund) Rules, 2016 and conditions imposed by the Commission as regards of the fund;
- (f) we shall put our best effort for the benefit and sole interests of the unit holders of the fund; and
- (g) the above declarations are unequivocal and irrevocable.

Ahmed Saifuddin Chowdhury

Managing Director & CEO Bangladesh General Insurance Company Limited

1.8 Due Diligence Certificate of the Asset Manager

Due diligence certificate of the Asset Manager

Schedule -C, Rule 31(1)(c)

The Chairman

Bangladesh Securities and Exchange Commission

Securities Commission Bhaban,

Plot: E-6/C, Agargaon, Sher-e-Bangla Nagar, Dhaka-1207,

Bangladesh

Sub: LB MULTI ASSET INCOME ETF

We, the under-noted manager to the above-mentioned forthcoming exchange traded fund, state as follows:

We, while act as asset manager to the above mentioned exchange traded fund, declare and certify that the information provided in the application, including that provided in the attached sheets and documents enclosed, is complete and true in all respects;

- 1. We further certify that we shall inform the Bangladesh Securities and Exchange Commission immediately of any change in the information provided in the application and the documents attached with that; and
- 2. We warrant that we shall comply with and be bound by the Securities and Exchange Ordinance, 1969, Bangladesh Securities and Exchange Commission Act, 1993 (Act. No. XV of 1993), কোম্পানী আইন, ১৯৯৪ (১৯৯৪ সনের ১৮ নং আইন), the Bangladesh Securities and Exchange Commission (Exchange Traded Fund) Rules, 2016, 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 placement memorandum or 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 placement memorandum or prospectus are true, fair and adequate to enable the investors to make a well informed decision for investment in the proposed fund.

Masum Ali

Chief Executive Officer LankaBangla Asset Management Company Limited

Chapter Two Background



An Exchange Traded Fund (ETF) is a type of investment fund whose units are traded on a stock exchange, much like closed end mutual funds. However, ETFs have built in price discovery mechanism, are more liquid and have low cost structure compared to mutual funds. Typically, ETFs are designed to track anything from the price of an individual commodity to a large and diverse collection of securities. ETFs can even be structured to track specific investment strategies.

2.1 Types of ETF

Exchange Traded Funds can be broadly categorized into two categories based on their investment objectives and strategies:

Passive ETFs: Passive ETFs aim to replicate the performance of a specific benchmark or index. These ETFs hold a portfolio of assets that closely mirrors the composition of the chosen index. The goal is to track the index's returns as closely as possible.

Active ETFs: Active ETFs typically attempts to outperform a benchmark index return (Hurdle rate), using an active fund management approach that can adapt to changing market conditions.

2.2 Global ETF Market Size

The assets under management (AUM) of global ETFs increased from USD 204 billion in 2003 to USD 9.6 trillion in 2022 driven by a decade long bull rally of the developed markets coupled with various advantages of investing in ETF such as high liquidity, price transparency, low cost structure, etc.

This long bull run resulted in Investors being drawn to passive ETFs for its straightforward approach to investing and its ability to provide broad market exposure. These ETFs are often preferred by those who believe in the efficiency of markets and are comfortable with market returns, making them a cost-effective and low-maintenance choice for long-term investors.

However, active ETFs are now gaining traction among investors as they seek the potential for outperformance and a more hands-on approach to portfolio management. While actively managed ETFs are still a small portion of the total ETF market, they are becoming an increasingly popular tool for investors. By the first half of 2023, global active ETF AUM increased to USD 529 billion (over 5.3% of global ETF AUM) from USD 143 billion (2.4% of global ETF AUM) in 2019.

2.3 LB Multi Asset Income ETF

ETF is a new product in Bangladesh regulated by the BSEC under Bangladesh Securities and Exchange Commission (Exchange Traded Fund) Rules, 2016. With the objective of providing investors with an innovative investment vehicle with access to various asset classes LankaBangla Asset Management Company Limited is proud to introduce the first actively managed ETF of the country, "LB Multi Asset Income ETF".

2.4 Advantages of Investing in "LB Multi Asset Income ETF"

Investing in an Exchange Traded Fund should be an attractive proposition for prospective investors for the following reasons:

- (a) Price Discovery: Authorized participants, which are financial institutions, are required by law to participate in arbitrage opportunities to ensure that price difference between NAV at market price per unit and traded price per unit of ETF does not exceed 10%. This will ensure that the market price of ETF units will not significantly deviate from the NAV. Given the prevailing conditions in the closed end mutual fund sector, where funds on an average are trading at a 35% discount to their net asset value (at market), active ETFs are providing investors with an equitable representation of the fund's value.
- (b) Liquidity: ETFs often provide better liquidity than other investment options due to their ability to be traded throughout the trading day. Authorized participants help to ensure liquidity by buying and selling units continuously to ensure price discovery. Additionally, the diverse range of asset classes covered by active ETFs can attract a wider array of investors, enhancing trading activity and liquidity.
- (c) Superior Research: The Fund's performance will benefit from the LBAMCL's proprietary investment process and research tools for both fundamental and technical analysis; the AMC has a highly skilled inhouse research team who are experienced investment professionals dedicated to in depth analysis of Bangladesh Equity & Debt market and impact of the broader macro factors that influence the markets.
- (d) Outperformance Potential: The active management of an active ETF can potentially lead to better returns than a passive ETF that simply tracks an index. The benchmark for the LB Multi Asset Income ETF is the Yield of 10-Year Bangladesh Government Bond and the asset manager will continuously strive to outperform the benchmark.

- (e) Regulatory Benefits: The ETF will enjoy quota when applying for Initial Public Offering (IPO) and special tax benefits as per Income Tax Act, 2023.
- (f) Greater Transparency & Low Operational Overhead: Active ETFs are required to disclose their holdings monthly, which provide investors with greater transparency and allow them to see exactly what they are invested in. ETF offers lower cost structure relative to mutual funds which will essentially result in investors getting the benefit of active fund management at a lower cost.

	Particulars	ETF	Mutual Fund
ý: EEI	Initial Issue Expense	3.0%	5.0%
A A A	Fixed Management Fee	1.0%*	1.4%*
(Q)	Yearly Operational Expense	3.0%	4.0%
א∱ה ש	Amortization Period	5 years	7 years

*Approximate for BDT 100cr Fund

(3)

Chapter Three The Fund

3.1 Formation of the Fund

This is an actively managed exchange traded fund. The Trust Deed of the Fund was registered on September 04, 2023 under the Trust Act, 1882 and Registration Act, 1908. The Fund was registered by BSEC on October 03, 2023 under Bangladesh Securities and Exchange (Exchange Traded Fund) Rules, 2016.

3.2 Life of the Fund

The life of the fund will be perpetual in nature. Institutional, local and foreign, and individual investors, resident and non-resident, are eligible to invest in this Fund. The initial target size of the Fund will be Tk. 1,000,000,000 (Taka One Hundred Crore Only) divided into 100,000,000 (Ten Crore) Units of Tk. 10 (Taka Ten Only) each. Size of the Fund may be increased to the extent up to twice of initial fund size with due approval of the Trustee; and the Trustee shall seek permission of the Commission for the next ceiling, if any.

3.3 Fund Size and Face Value



Initial Fund size is Tk. 1,000,000,000 (Taka One Hundred Crore Only) divided into 100,000,000 (Ten Crore) Units.



3.4 Investment Objective of the Fund

The fund will adopt an active investment strategy. The objective of the fund is to outperform the benchmark index return (Hurdle rate: Yield of 10-Year Bangladesh Government Bond).

3.5 Investment Policy

- (a) The asset manager shall make such investments which are in conformity with the restrictions imposed for mutual funds under the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচ্যুয়াল ফান্ড) বিধিমালা, ২০০১ and any other restrictions imposed in the constitutive documents.
- (b) The investible fund shall not be invested in such securities where the issuer of the securities has relation in any form with the asset manager or the Trustee or the sponsor or the custodian of the Fund.

- (c) Subject to other provisions of the Rules, the ETF may invest moneys collected under the Fund, only in-
- 1. Securities, derivatives, debentures, bonds, or other financial products listed and actively trading with a stock exchange;
- Debentures, bonds, deposit products, or money market instruments which are issued or guaranteed by a government or a government body;
- Commodities or currencies where the Commission is satisfied that the prices at which such commodities or currencies are bought or sold are available to market users on timely manner and there is a regulated derivative markets which control price discovery of such commodities or currencies;
- 4. Indices over of any of the underlying instruments listed from (c) 1 to (c) 3.
- (d) An ETF shall not invest in a financial product which is
 - 1. A security in a listed investment company;
 - 2. A unit in a real estate-investment trust or similar fund;
 - 3. A unit in an infrastructure fund or trust;
 - 4. A unit in private equity fund;
 - 5. A financial product where the issuer has significant influence over the price or value of the underlying instrument;
 - 6. A financial product where the underlying instruments are shares of unlisted companies;
 - Units of shares of a managed fund for which net asset value are not disclosed daily;
 - 8. A financial product priced by a reference index which is not publicly available;

3.6 Investment Restriction

- (a) A fund shall not, under any circumstance, trade in units of mutual funds, or that of schemes of mutual funds, under the control of the same Asset Management Company.
- (b) The Asset Management Company shall not, for the purpose of inducing, dissuading, effecting, preventing, or in any manner influencing or framing to its advantage, the sale or purchase of any security, directly or indirectly:

The Fund

- 1. Create a false and misleading appearance of active trading in any security;
- 2. Effect any transaction in securities between mutual funds under the control of an Asset Management Company;
- 3. Directly or indirectly effect a series of transactions in any security creating the appearance of actively trading therein or of raising of price for the purpose inducing its purchase by others or depressing its price for the purpose of inducing its sale by others.
- (c) Not more than 10% 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.
- (d) The Fund shall not invest in more than 10% of paid up capital (or other securities such as bond or debenture) issued by any company.
- (e) The Fund shall not invest more than 10% of its total assets in shares, debentures or other securities of a single or a group of companies under the control of a parent company.

This condition shall not be applicable in case of investments in Government Securities.

3.7 Investment Approach and Risk Control

A top down and bottom-up approach may adopt the following investment approaches and risk control measures, namely: -

- (a) Investments will be pursued in selected sectors based on the analysis of business cycles, regulatory reforms, competitive advantage, etc.
- (b) Selective stock picking will be done from the selected sectors;
- (c) The Asset Management Company in selecting scripts will focus on the fundamentals of the business, the industry structure, the quality of management, sensitivity to economic factors, the financial strength of the company;
- (d) In addition, the Asset Management Company will study the macroeconomic conditions, including the political, economic environment and factors affecting liquidity and interest rates;

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- (e) Since disciplined investing requires risk management, the Asset Management Company would incorporate adequate safeguards for controlling risks in the portfolio construction process;
- (f) Risk will also be reduced through adequate diversification of the portfolio. Diversification will be achieved by spreading the investments over a range of industries / sectors.

3.8 Valuation Policy

The fund shall follow the provisions of Bangladesh Securities and Exchange Commission (Exchange Traded Fund) Rules, 2016 for the valuation methodologies used for the fund. The fund shall adhere to the following provisions at all times:

- (a) For listed securities, the average quoted market price on the stock exchanges on the date of valuation shall form the basis of any calculation of Net Asset Value of such securities in the portfolio of the Fund.
- (b) For securitized debts, debentures, margin or fixed deposits, the accrued interest on such instruments on the date of valuation shall be taken into account in any calculation of Net Asset Value of such securities in the portfolio of the Fund.
- (c) The fund shall fix the valuation method for the Scheme subject to the prior approval of the Commission.
- (d) The Fund shall follow the method approved by the Commission for valuation of the non-listed security, if any, and the Asset Management Company and the Trustee shall periodically review the non-listed investment, if any, and the Trustee shall periodically review the value of such investments. The auditors shall comment in the annual report of the Scheme of the Fund.
- (e) The valuation of listed securities not traded within previous one month will be made based on their reasonable value by the Asset Management Company and approved by the Trustee and commented upon by the auditors in the Annual Report of the Scheme of the ETF but shall not be more than the intrinsic value of the securities.
- (f) The valuation of non-listed securities will be made by the Asset Management Company with their reasonable value and approved by the Trustee and commented upon by the Auditors in the annual report of the Scheme.

- (g) Once non-listed securities are valued, the valued amount will be considered for purpose of valuing the Fund's assets in any interval of time until the securities are further revalued by the Asset Management Company.
- (h) Asset Management Company and Trustee will value the non-listed securities at least once in every three months.
- (i) In case of deferred expenses, accrued expenses for the period will be taken into account for determining total liabilities.
- (j) Net Asset Value (NAV) calculation

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, performance fee, annual fee, audit fee and safekeeping fee.

3.9 Allowable Fees and Expenses

The trustee shall recommend a set of operating expenses including initial issue expense, management fee, trustee fee, custodian fee, auditor's fee and so on to be charged against the fund:

- (a) Management fees.
- (b) Annual performance fee.
- (c) An Asset Management Company shall also be eligible to charge the following additional expenses against the fund in addition to the asset management fees:
 - An Asset Management Company shall be entitled to an initial issue cost not exceeding 3% of the collected fund to be amortized within a maximum period of five (05) years. In case of availability

of profits, the AMC can amortize the initial issue expense over a shorter period than five years.

- 2. Trustee fee.
- 3. Custodian fee.
- 4. Bank charges.
- 5. Annual fees payable to the Commission.
- 6. CDBL Fees.
- 7. Listing fees.
- 8. Audit Fees.
- 9. Costs for publication of reports and periodicals specifically related to the Fund.
- 10. Valid expense for organizing a unit holders' meeting in compliance with the Mutual Fund Rules—2001.
- (d) No selling/marketing expense shall be applicable for the issue of new units to investors.
- (e) Legal expenses shall not be charged against income of the Fund.
- (f) 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.
- (g) At initial recognition, an Asset Management Company shall measure a financial asset at its fair value plus transaction costs 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.
- (h) Total operating expense, including amortization of initial issue costs shall not exceed 3% (three percent) of net asset value (NAV) at fair value of the Fund.

3.10 Creation and Redemption Procedures

Creation Procedure: The Fund creates Units at its NAV in large blocks known as "Creation Units", and only with APs who have entered into contractual arrangements with the Fund and outside the secondary market. The size of the Creation Units will be as per Authorized Participants Agreement and the Asset Management Company may change Creation Unit Size after obtaining prior approval of the Trustee and the Commission. Any such change shall be intimated to the pertinent Stock Exchange within three (3) Business Days prior to the date of such change.

APs' can apply for the purchase of ETF units through delivery of the underlying portfolio securities and/or through equivalent cash. The requisite securities constituting the Portfolio Deposit have to be transferred to the (Fund's BO Account) while the Cash Component has to be paid to the Fund's Bank Account titled as "LB MULTI ASSET INCOME ETF". On confirmation by the Asset Manager, the equivalent Units of the Fund will be transferred to the BO account of the Authorized Participant (Units shall be created based on Creation Price calculated on the basis of NAV determined on the Business Day prior to the day of receipt of the duly completed Creation Application Form).

Redemption Procedure: Investors can sell the Units of LB MULTI ASSET INCOME ETF at market prices at any Exchange on which the Fund is listed, which may be above or below actual NAV of the Scheme. Only Authorized Participants can directly redeem Units with the Fund in Creation Unit Size. The Units shall be redeemed on all Business Days (Units can be redeemed based on Redemption Price calculated on the basis of NAV determined on the Business Day prior to the day of receipt of the duly completed redemption Application Form).

Subject to recommendation of the trustee and approval of Commission, an ETF may provide for a direct redemption mechanism for the secondary market investors in exceptional circumstances such as, but not limited to:

- (a) When an ETF is de-listed; or
- (b) When the secondary trading of ETF units is disrupted over an extended period; or
- (c) When the market price of the ETF units varies significantly from NAV per units; with the maximum threshold of such variance being 20% of the NAV at market price and such variation is persisting for at least a period of 30 days.

3.11 Dividend Policy

- (a) The accounting year of the Fund shall be January 01 to December 31.
- (b) In accordance with the ETF Rules and subject to approval of the Trustee, after closing of annual accounts, the fund shall give both option of cash distribution or dividend reinvestment plan (DRP - an option of dividend

distribution where investors are eligible to receive new ETF units against the amount of dividend accrued in his favour) to the investors of the Fund which shall not be less than 70% of annual profit of the Fund or as determined by the Commission from time to time.

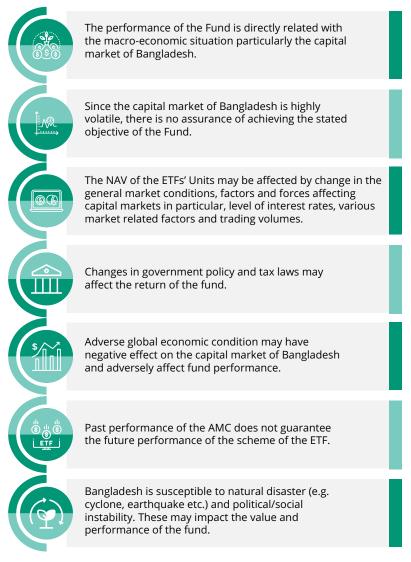
- (c) Provided that the Fund has not reported an accumulated loss (that is, negative retained earnings) in the annual audited financial statements as of the last balance sheet date.
- (d) Investors are always allowed to take dividend in any of the dividend distribution options by giving his confirmation to the asset manager (through an online form, to be made available in the asset manager's website) within 15 (fifteen) days of dividend declaration.
- (e) Investors those who failed to inform the asset manager within the above time frame about his choice of dividend options, he shall be considered as option taker of cash dividends. The dividend shall be automatically paid to nominated bank accounts of the unit holders.
- (f) Net income of the fund shall be measured following International Financial Reporting Standards (IFRSs) and after incorporating all valid income, expenses as well as provision for diminution in the fair value of investments in securities and other financial assets. Disclosures and reporting of the fund's income shall be made in accordance to the ETF Rules.
- (g) Trustee shall examine every item of expenses of an exchange traded fund (ETF) and determine their eligibility to be a valid charge against income of the Fund.
- (h) The Fund shall not issue reinvestment unit (RIU) under any circumstance and dividend shall never be paid out of other comprehensive income and/or unrealized capital gains.
- (i) The Fund shall create a dividend equalization reserve by appropriation from the income of the Scheme.
- (j) The Asset Manager shall dispatch the dividend entitlements at the expense of the fund within 45 (forty-five) days of the declaration of the dividend of the scheme or as stipulated by the ETF Rules or as directed by BSEC and submit a statement thereof to the Commission and the Trustee within the next 7 (Seven) days or in the manner determined by the ETF Rules or as directed by the BSEC.

Chapter Four Risk Factors

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The stock market is inherently risky in nature and investor should be aware of the following risk factors (not exhaustive) while investing in LB MULTI ASSET INCOME ETF.

Standard Risk Factors



Chapter Five Formation, Management and Administration

5.1 Sponsor of the Fund

LankaBangla Investments Limited (LBIL) was incorporated in Bangladesh with the Registrar of Joint Stock Companies and Firms (RJSCF), vide registration no. C 83568/10 dated 29 March 2010 as a Private Limited Company under the Companies Act, 1994. This Company is a fully owned subsidiary of LankaBangla Finance Limited. LBIL inherited its merchant banking operation from its parent company, LankaBangla Finance Limited, which was the first merchant bank to offer discretionary portfolio management services back in 1997. The Company has obtained Merchant Banking license (registration certificate no. MB-57/2010) from the Securities and Exchange Commission on 2 January 2011.

Sponsor Contribution: BDT 10 Crore (10% of the Initial Fund Size).

5.2 Trustee

Bangladesh General Insurance Company is one of the first general insurance company in Bangladesh in the private sector providing all classes of insurance in Bangladesh. The company was formed in 29th July 1985 with an authorized capital of Tk. 100 million divided into 1,000,000 ordinary shares of Tk. 100 each. The company runs the business operation under the supervision of board of Director and legal frame work of the insurance Act, 1938 and the insurance rules, 1958 as amended from time to time. BGIC is listed with both Dhaka and Chittagong Stock Exchanges.

Registration Number: SEC/Trustee/2009/15. Date: 08-July-2009.

5.3 Asset Manager

LankaBangla Asset Management Company Limited (LBAMCL) is the Asset Management wing of LankaBangla Group. LBAMCL is a fully owned subsidiary of LankaBangla Finance Limited, a leading Financial Institution (FI) in Bangladesh. The company received its license from Bangladesh Securities and Exchange Commission (BSEC) on June 24, 2012 to operate as a full-fledged asset management company. It also received registration certificate from BSEC on December 20, 2016 to act as an Alternative Investment Fund Manager.

AMC Contribution: BDT 2 Crore (2% of the Initial Fund Size).

Registration Number: SEC/Asset Manager/2012/17. Date: 24-June-2007.

Brief profiles of the directors and key personnel of the company are as follows:

Board of Directors:

Mr. M. Fakhrul Alam

Chairman

Mr. M. Fakhrul Alam is the Chairman of LankaBangla Asset Management Company Limited. He is also an Independent Director of LankaBangla Finance Limited, LankaBangla Securities Limited and LankaBangla Investments Limited. Mr. M. Fakhrul Alam obtained his post-graduation from the Institute of Business Administration (IBA), University of Dhaka.

Mr. Al-Mamoon Md. Sanaul Huq

Director

Mr Al-Mamoon Md. Sanaul Huq has 33 Years of professional experience in different Government Organizations, International Bank and private sector of Bangladesh. He worked as Comptroller General of Accounts, Ministry of Finance, Government of Peoples Republic of Bangladesh. He has vast experience in working Audit Department of Comptroller & Auditor General of Bangladesh. Mr. Huq has also worked as consultant with some international organizations like World Bank. He attended a number of trainings, workshops and seminars at home and abroad. Mr. Huq accomplished his post-graduation diploma in Management Accounting from Highbury College of Technology, Portmouth, UK. He has also completed his Bachelor of Science and Master of Science in Applied Chemistry from University of Dhaka.

Mr. Khwaja Shahriar

Director

Mr. Khawaja Shahriar has 18 years of professional experience in Banking and Finance Sector of Bangladesh. Currently he is working as Managing Director of LankaBangla Finance Limited. Prior to joining LankaBangla Finance Limited, Mr. Shahriar served BRAC Bank Limited in different positions including the Head of Corporate Banking, Head of Cash Management, Custodial Services & Probashi Banking. He also worked in GSP Finance Limited, Bangladesh Finance & Investment Company Limited, Uttara Bank Limited, AB Bank Limited and Green Delta Insurance Company Limited in various capacities. Mr. Shahriar completed his B A (hons) and MA in English from university of Dhaka. He also obtained his Bachelor of Business Administration in Banking and Finance from Monash University, Melbourne, Australia and Master of Business Administration from Victoria University, Melbourne, Australia.

Mr. Abul Kalam Mohammad Kamruzzaman

Director

Mr. Kamruzzaman has 15 years of professional experience in Banking & Finance Sector of Bangladesh. Currently he is working in LankaBangla Finance Limited as the Senior Executive Vice President & Head of Operations with responsibility of Asset Operations, Legal Affairs, Collection & Monitoring, Special Asset Management (SAM), Liability Operations and Treasury Operations. During his tenure in LankaBangla, he worked in almost all the functional areas of the company in different capacities. Mr. Kamruzzaman completed his post-graduation in Accounting from University of Dhaka. He has also completed his MBA from Institute of Business Administration, University of Dhaka and is a fellow member of the Institute of Cost & Management Accountants of Bangladesh (ICMAB).

Mr. Quamrul Islam

Director

Mr. Quamrul Islam, Executive vice President joined erstwhile Vanik Bangladesh Limited on October 7, 1997 which was later renamed as LankaBangla Finance Limited. During his tenure of office, he held different positions and looked after the functions of Finance and Treasury. Currently he is discharging the responsibility as Head of Treasury & Financial Institutions. Mr. Islam obtained his graduation with Honours and postgraduation in Accounting from the Faculty of Business Studies of Dhaka University. He started his career with "PRAN Group" one of the largest conglomerates of the country as a Management Trainee Officer in early 1997.

Mr. Shamim Al Mamun, FCA

Director

Mr. Shamim Al Mamun, FCA brings 10 years of professional experience in various institution. He is working as Chief Financial Officer of Lankabangla Finance since April 2013. Before joining this Company, he was the CFO & Company Secretary of Fareast Stocks & Bonds Limited. He is a Fellow member of the Institute of Chartered Accountants of Bangladesh (ICAB).

He obtained his Bachelor degree in Computer Science from American International University of Bangladesh (AIUB). He is also an ex-cadet and completed his secondary education from Sylhet Cadet College. Mr. Shamim possesses extensive competencies and experiences in Strategic Planning & Forecasting, Process design and Productivity improvement, Financial Governance & Modelling, Financial Reporting and Financial Management. He is also a resource person of ICAB in the capacity of providing training to students and in the process of educational development.

Mr. Khandaker Asad Ullah

Adviser (Full Time)

Mr. Khandaker Asad Ullah has joined LankaBangla Asset Management Company Limited on 18th February 2016 as Adviser. He has more than 25 years of experience in the capital market of Bangladesh, mainly at Dhaka Stock Exchange Limited (DSE) in various positions of great responsibility. Duringhislong and illustrious career in DSE he worked in several departments of Exchange and successfully completed numerous assignments including some significant and critical projects like Demutualization of the Exchange, DSE Automation Project, etc. Mr. Asad was the Head of Monitoring, Investigation & Compliance (MIC) Department of DSE for long time. Mr. Asad also performed duty as General Manager, Operations and looked after the most crucial sections of Operation Division of DSE like Surveillance, MIC, Market Operation, Listing and Research & Development. His last position at DSE was General Manager, Administration, the highest permanent grade at the Exchange. Mr. Asad holds Master's Degree in History from University of Dhaka.

Executive Team

Mr. Masum Ali

Chief Executive Officer

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

Mr. Simon Ibn Muzib

Assistant Vice President

Mr. Simon Ibn Muzib is an experienced Investment professional in Bangladesh Capital Market. His academic background is pre-dominantly finance based. His primary expertise lies in fund management, portfolio and risk analytics as well as operations and business development. Mr. Muzib is currently working at LankaBangla Asset Management Company Limited (LBAMCL) as Assistant Vice President in the Fund Management department. Prior to joining LBAMCL, he worked in Asian Tiger Capital Partners Asset Management Limited in the Investment Management department. Mr. Muzib completed his MSc in Financial Mathematics from University of Leeds and Bachelor's in Business Administration from North South University.

Azmal Hossain Rafi, CFA

Fund Manager

Azmal Hossain Rafi is a fund manager at LankaBangla Asset Management Company Limited (LBAMCL).He has been managing LankaBangla Al-Arafah Shariah Unit Fund since September 2020. He joined LBAMCL in 2017 as a research analyst and has extensively covered Telecommunication, Pharmaceuticals and FMCG sectors for identifying potential investment opportunities. Mr. Rafi is a CFA charter holder. He completed his MSc with distinction from Queen Mary University of London specializing in Investment and Finance.

Md. Rakibuzzaman

Operations and Compliance Officer

Md. Rakibuzzaman joined LankaBangla Asset Management Company Limited in May 2016 and is holding the position of Assistant Manager in Operations & Compliance Department. He is acting as the "Compliance Officer" of the company since March, 2021. Mr. Rakibuzzaman holds a BBA and MBA from University of Dhaka concentrating on Marketing.

Abdullah Al Shaekh

Investment Analyst

Abdullah Al Shaekh is a senior investment analyst LankaBangla Asset Management Company Limited (LBAMCL). He joined LBAMCL in 2016 and has been extensively covering Insurance, Mutual Fund, Footwear and Ceramic sectors for identifying potential investment opportunities. He completed his MBA and BBA from North South University majoring in Finance. He is a Chartered Financial Analyst (CFA) Level II Candidate for the May 2024 exam of CFA Institute. He has also been pursuing ACCA qualification and has completed 6 courses (out of 14 courses) from Association of Chartered Certified Accountants.

5.4 Custodian

BRAC Bank was founded on 4 July 2001 to reach the large number of unbanked people which were not covered by traditional bank. The main concept of the bank was to facilitate Small and Medium Enterprises. Taking inspiration from its parent organization BRAC, the largest NGO in the world, BRAC Bank introduced small ticket loans to the small and medium enterprises (SME), to specifically bring the grassroots entrepreneurs under the umbrella of formal banking service. Close to half of the bank's lending portfolio is comprised of small and medium enterprises – popularly known as the 'SME'.

Registration Number: SEC/Custodian/2009/21. Date: 15-Decemeber-2009.

5.5 Authorized Participants

LankaBangla Securities Limited

LankaBangla Securities Limited (LBSL) began as Vanik Bangladesh Securities Limited in 1997 with its activities confined only within the Chittagong Stock Exchange (CSE) Limited. A year later, it made a step ahead and introduced itself to the Dhaka Stock Exchange (DSE). Later on, Vanik Bangladesh Securities Limited rebranded itself as LankaBangla Securities Limited in 2005 following a restructuring of the company.

LankaBangla Securities Limited has achieved certificate for outstanding performance for being ranked 1st in terms of turnover for consecutive seventeen years from 2006 to 2021 at Dhaka Stock Exchange (DSE) & for sixteen years from 2005 to 2021 at the Chittagong Stock Exchange (CSE).

RJSCF Registration Number: C-33276(22)/97. Date: 3-July-1997.

Green Delta Securities Limited

Green Delta Securities Limited (GDSL), one of the leading Stock Brokerage house of the country, set foot in the capitalized brokerage business in the year 2006. Green Delta Securities is a 100% subsidiary of Green Delta Insurance Company Since the inception, GDSL has been ensuring the state of the art technology and placed itself in the league of leading brokerage companies in Bangladesh. GDSL, offers a full-fledged brokerage service for retail and institutional clients. GDSL has membership in both the bourses.

RJSCF Registration Number: C-54350(1356)/05. Date: 16-October-2005.

United Financial Trading Company Limited

United Financial Trading Company Limited (UFTCL) was incorporated in Bangladesh under RJSC as a private limited company in the year of 1997 under the Companies Act 1994. United Financial Trading Company Limited (UFTCL) is a TREC Holder of Dhaka Stock Exchange (DSE) TREC No. 227 & Chittagong Stock Exchange (CSE) TREC No. 043

RJSCF Registration Number: C-32854(1975)/97. Date: 4-May-1997.

5.6 Auditors

Hoda Vasi Chowdhury & Co Chartered Accountants has been appointed as the Auditor of the Fund for the first year. They are one of the reputed audit firms of the country. The Trustee shall appoint subsequent auditors.

Chapter Six Fees and Expenses

Initial issue and formation expenses are estimated not to be over 3% (three percent) of the collected fund size. The issue and formation expenses will be amortized within 5 (five) years on a straight line method. The estimated expenses for the issue and formation of the Fund are presented below with the assumption of Taka 1,000,000,000 (One hundred crore) to be collected:

SL	Type of Expenses	Percentage of Total Target Fund	Total (Taka)	Sub Total (Taka)	Description
1	Formation Fee Payable to AMC	1.00%	10,000,000	Set-fee	Formation Fee to AMC on Collected Fund of Approved Fund Size
2	Management Fee for Pre Scheme Formation Period	0.15%	1,500,000	On ETF	Management Fee for AMC for Pre-scheme Formation Period (Approximate) as per BSEC Directive (No.:SEC/ CMRRCD/2009-193/160)
3	Legal Expenses (Listing, Registration Fees etc.)	0.53%	5,270,000		
				1,100,000	BSEC Registration Fees (0.1% of initial fund size) + BSEC Application fee
				2,100,000	DSE Listing and Annual Fees (Initial Listing Fee Tk. 16,00,000 & Annual Fee Tk. 5,00,000)
				200,000	DSE Data Transmission Fee
				120,000	CDBL Fee
				1,750,000	Trust Deed Registration Fee
4	Printing & IPO subscription expenses	1.10%	11,000,000		

				1,500,000	Prospectus Design & Printing Expenses
				2,000,000	Publication of Abridged Version of Prospectus & IPO Notification in Daily Newspaper
				5,000,000	Road Show and Investment Campaign Expenses
				800,000	Printing of Forms and Other Marketing Related Documents
				200,000	Courier & Distribution Expenses
				1,500,000	Other Marketing Expenses
5	Other Expenses	0.02%	200,000		
				100,000	Post Issue Manager/ Data Entry, Data Processing and others
				100,000	Bank Charge, Excise Duty & Other Expenses
	Total Issue and Formation Expenses	2.80%	27,970,000		

* The above costs are made in best estimation, which may vary in actual.

Management Fee

Asset Management Company shall be entitled to an annual asset management fees at the rate of 1.0% of net asset value (NAV) of the fund at the end of each quarter of a financial year. Management fees shall be calculated daily on the basis of the net asset value (NAV) of the Fund and accrued daily in the NAV per unit.

An Asset Management Company shall be entitled to an annual performance fee at the rate of 10.0% of the excess return of the fund above the hurdle rate (the yield of 10-year Bangladesh government bonds as at the first Business Day of the Calculation Period pro-rated for the number of days in the calculation period) over each 6-month period ending on 30 June and 31 December (each a "Calculation Period").

Performance fees shall be subject to a high water mark requirement and an overall cap to be determined by the commission. It shall be estimated daily and accrued in the NAV per unit. Calculation of the fee shall be finalized and paid at the end of a calculation period.

Trustee Fee

The Trustee shall be paid an annual trustee fee which shall not exceed 0.20% (zero point two percent) of the Net Asset Value (NAV) at fair value of the fund, payable semi-annually during the life of the Fund.

Custodian Fee

The annual custodian fee will be 0.10% (zero point one percent) of the fair value of securities (both listed and non-listed) held by the Fund, payable semi-annually during the life of the Fund.

Fund Registration and Annual Fee

The Fund has paid 0.10% of the Initial Fund size i.e. Tk. 1,000,000 (Ten Lac) only to the BSEC as registration fee. In addition to that the Fund shall have to pay annual fee at the rate of 0.07% of the net asset value (NAV) at fair value of the fund.

CDBL Fee

A total of BDT 120,000 will be paid as CDBL Fee.

Listing Fee

The usual listing fees, annual renewal fees and other charges are to be paid by the Fund to the Stock Exchanges as per the DSE and CSE (Listing) Regulations, 2015.

Audit Fee

The audit fee shall be Tk. 60,000 (Sixty Thousand) only for the first year and Trustee shall fix fees for subsequent years.

Brokerage Fee

The Fund will pay to the stockbroker commission for executing the trades on behalf of the fund as per the agreement with the broker(s).

Other Expenses

As per the terms of the Bangladesh Securities and Exchange (Exchange Traded Fund) Rules, 2016 and Trust Deed, AMC may charge the expenses for fund launching. Those Expenses are reimbursable to the AMC.



Chapter Seven Private Placement Subscription

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7.1 Application Procedure

- (a) The asset manager will declare the face value per unit of the ETF before the start of private placement subscription.
- (b) The Private Placement subscription will take place using the Electronic Subscription System (ESS).

7.2 Private Placement Refund



In the event of failure to close the fund, the asset manager shall refund the amount realized from the investors without any deduction.



Amount refundable to the applicants shall be paid without any interest, through direct deposit to the applicant's bank account or refund warrant (account payee cheque from Escrow account opened with prior approval from the Commission) or pay order or bank draft to be sent by registered post/courier or delivered by hand within the time stipulated by the বিধিমালা or in accordance with the instructions of the Commission. A statement of the completion of the refund shall be submitted to the Commission as per the বিধিমালা.



In the event of failure to refund the amounts within the period stipulated in the বিধিমালা, the Asset Manager shall be liable to pay to the applicants the entire amounts with interest @18% per annum or as determined by the Commission within the next month from the expiry of the aforesaid period as per the বিধিমালা. Interest payable for late payment stated above, shall be paid from the account of the Asset Management Company.

Chapter Eight Reporting and Disclosures

The Fund shall fulfill the requirements of the provisions of the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচ্যুয়াল ফান্ড) বিধিমালা, 2001 relating to disclosures, preparation and adoption of financial statements and reporting to the Commission, exchange, or any other parties if not otherwise specified in these Rules.

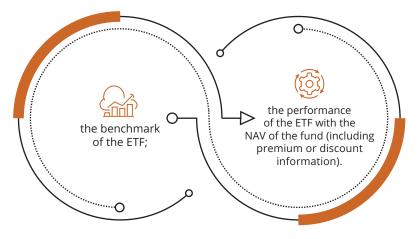
- (a) Publication of Annual Report and Summary Thereof: The Annual Report of the Fund or an abridged summary thereof shall be published through an advertisement as soon as may be but not later than 30 (Thirty) days from the date of closure of the relevant financial year provided that the Annual Report or an abridged summary thereof shall contain details as specified in Schedule VI and VII of the বিধিমালা and such other details as are necessary for the purpose of providing a true and fair view of the operations of the Scheme of the Fund and provided further that, whenever the report is published in summary form such publication shall carry a note that full Annual Report shall be available for inspection at the head office of the Asset Manager and if so required, a copy thereof shall be made available on payment of such nominal fees as may be specified.
- (b) Periodical disclosures: The Fund, the Sponsor, the Asset Management Company, the Trustee and the Custodian of the Fund shall make such disclosures or submit such documents as per requirements of the বিধিমালা and as they may be called upon to do so by the Commission.

Without prejudice to the generality of the above, the Asset Manager shall furnish the following periodic reports to the Commission, namely:

A copy of the Annual Report of the Fund within thirty days from the closure of each financial year; A quarterly statement of change of net assets of the Fund within fifteen days of the end of each quarter; A monthly portfolio statement, including changes from the previous periods for the Fund within seven days of end of each month.

(c) The asset manager and sponsor shall disclose their investment and disinvestment in the exchange traded fund to the Trustee when the investment or disinvestment is made, and to the investors in the annual reports.

- (d) If the management activities of the asset manager cause the last reported net asset value to move by more than ten percent, the asset manager will immediately disclose the net asset value to the stock exchange;
- (e) The Fund shall maintain own web site with a hyperlink to the exchange, which shall be freely accessible by the public and which shall provide on a daily basis the following information:



(f) The Fund shall disclose the following information in its own website along with a hyperlink to the Exchange:

Components	Frequency	Measurement	
ETF Transaction Price	Real time	Per unit	
Day End ETF transaction Price	Last trading day	Per unit	
Intra-day NAV (iNAV)	One-hour interval on trading day	Per unit	
Day end NAV (at cost price)	Each trading day	Per unit	
Day end NAV (at Market price)	Each trading day	Per unit	
Units Outstanding	Last trading day	No of units	
Units created	Last Week	No of units	
Units redeemed	Last Week	No of units	
Benchmark	Real Time	As declared in the constitutive documents.	

Chapter Nine

Capital Structure and Tax Status of Unit <u>Holders</u> The initial target size of the Fund will be Tk. 1,000,000,000 (Taka One Hundred Crore Only) divided into 100,000,000 (Ten Crore) Units of Tk. 10 (Taka Ten Only) each. Size of the Fund may be increased to the extent up to twice of initial fund size with due approval of the Trustee; and the Trustee shall seek permission of the Commission for the next ceiling, if any.

	Subscribers	Number of Units	Face Value (Tk)	Amount
Sponsor	LankaBangla Investments Limited	10,000,000	10	100,000,000
Asset Manager	LankaBangla Asset Management Company Limited	2,000,000	10	20,000,000
Minimum requirement from Private Placement*		50,000,000	10	500,000,000
Initial Public Offering (IPO)		38,000,000	10	380,000,000
Grand Total		100,000,000	10	1,000,000,000

*Subscription through private placement may be more than the minimum requirement

Tax Exemption

Investors shall enjoy tax exemption benefits under sixth schedule, part 3(7) of Income Tax Act, 2023.



Chapter Ten Rights of the Unit Holders

10.1 Voting Rights

All the unit holders shall have usual voting rights. Voting rights can be exercised in person or by proxy in a meeting held in connection with any 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 Bangladesh Securities and Exchange (Exchange Traded Fund) Rules, 2016. In case of show of hands, every Unit holder present in person or/and by proxy shall have only one vote and on a poll, every Unit holder present in person and/or by a proxy shall have one vote for every Unit of which he/she is the holder.

10.2 Transfer of Units

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

10.3 Dividend

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

10.4 Periodic Information

All the Unit holders of the Fund shall have the right to receive the annual report and audited accounts of the Fund. Moreover, the unit holders shall be informed of the NAV of the Fund on daily basis through the website of the Asset Manager and Dhaka Stock Exchange.

10.5 Accounts and Information

The Fund's financial year will be closed on 31 December every year. Annual report will be published within 30 (thirty) days from the closure of each accounting year. Furthermore, the NAV of the Fund, NAV per Unit, any suspension or alteration of the calculation of NAV of the Fund will be published by the asset manager as per বিধিমালা.

10.6 Beneficial Interest

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

Chapter Eleven Winding Up of the Fund

11.1 Procedure of winding up

The Commission, if thinks fit, may cancel the registration of a fund after informing the Trustee and providing the asset manager and the Trustee an opportunity of being heard if:

The Commission determines that such action is necessary in the interest of the unit holders; The 3/4th (three-fourth) majority unitholders propose to the Commission on reasonable ground(s), for winding up of the fund; and The Trustee satisfies the Commission, on reasonable ground(s) that continuation of the fund may be detrimental to the interest of its unitholders.

11.2 Manner of winding up

- (a) The Trustee shall call a meeting within 30 days from the notice date of the unit holders of the Fund 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 Fund. If it fails to have three-fourth majority mandate, the Commission shall have the power to supersede the mandate if situation demands such.
- (b) The Trustee shall dispose of the assets of the Fund in the best interest of the unit holders; provided that the proceeds of sale made in pursuance of the Rules, shall in the first instance be utilized towards discharge of such liabilities as are properly due under the Fund 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 Fund as on the date when the decision for winding up was taken.
- (c) 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 Fund 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 Fund.

11.3 Effect of winding up

- (a) Where the Commission decides to cancel the registration of a fund, the Commission shall instruct the Trustee to proceed for winding-up of the fund as per the process applicable for ETF in the ETF Rules;
- (b) The liquidation of assets and distribution of the fund upon revocation of the trust shall be made by the Trustee in accordance with the winding-up procedure applicable for ETF in the ETF Rules;
- (c) The trust shall stand extinguished after disposal of all assets and distribution of proceeds to the unit holders;
- (d) On and from the date of the notice of the winding up of the Fund, the Trustee or the Asset Management Company, as the case may be, shall:
 - i. Cease to carry on any business activities of the fund;
 - ii. Cease to create and redeem units of the fund.

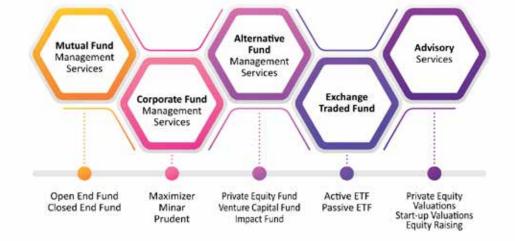
Chapter Twelve Inspection of the Fund

The Commission may appoint one or more persons as inspecting authority to undertake the inspection of the books of accounts, record and documents of the Fund, the Trustee, Asset Management Company and Custodian for any of the purposes specified in the বিধিমালা.

If any contradiction or confusion arises at any time about any clause or explanation of this Placement Memorandum, the Bangladesh Securities and Exchange Commission (Exchange Traded Fund) Rules, 2016 and সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচ্যুয়াল ফান্ড) বিধিমালা, ২০০১, will be conclusive for this Placement Memorandum and that all other documents executed in connection with this Placement Memorandum and provisions of this Placement Memorandum will be treated as have been changed accordingly. In case of any ambiguity or confusion, the Commission's decision shall be final and binding on all concerned.

শেয়ার বাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করন।





LankaBangla Asset Management Company Limited Praasad Trade Centre, 4th Floor 6 Kemal Ataturk Avenue Banani C/A, Dhaka 1213, Bangladesh E-mail: amcl@lankabangla.com Web: www.lbamcl.com

