দলিল নং - IV-০৫, ক্রমিক নং - ৭৫৯ তারিখ - ২৭/০২/২০২৪

গণপ্রজাতন্ত্রী বাংলাদেশ সরকার

৳১০০ ৳১০০

একশত টাকা

১৬৮৩
০২/০৪/২০২৪

অবিকল নকল
সাব-রেজিষ্ট্রার, ধানমন্ডি
০৩/০৪/২০২৪

খফ ৭৭৬৭৬৮৬
দলিল নং - IV-০৫
ষ্ট্যাম্প টাকা - ১০০/=
কার্যিক = ৩৭ খানা

রেজিষ্ট্রেশন বিধিমালার ২০ নং বিধি মোতাবেক ও ১৮৯৯ সনের ষ্ট্যাম্প আইনের বিধান মতে যথোপযুক্ত স্ট্যাম্প যুক্ত ষ্ট্যাম্প মওকুপ/ষ্ট্যাম্প প্রয়োজন নাই।
(১) (ক) তফসিল অনুযায়ী গ্রহন যোগ্য নং ৬৩
যুক্ত বিল
এ - ২৫০০/=
এন - ১৫৬০/=

Zia Uddin Ahmed, Ph.D
Chairman
VIPB Asset Management Co. Ltd.

Md. Mizanur Rahman
Company Secretary
Sandhani Life Insurance Co. Ltd.

সাব-রেজিষ্ট্রার অফিস
ধানমন্ডি, ঢাকা

প্রাপ্ত নং ৭৫৯
মূলে নকলনবিশগণের পারিশ্রমিক
বাবদ ২৬৪০/- টাকা পাওয়া গেল
মো: আব্দুল হোসেন
সাব-রেজিষ্ট্রার অফিস
ধানমন্ডি, ঢাকা
২৭/২/২০২৪

TRUST DEED

VIPB FIXED INCOME FUND

THIS DEED of Trust is made at Dhaka on the 27th day of February of the Christian era 2024.

সা: মো: আব্দুল হোসেন
সাব-রেজিষ্ট্রার
ধানমন্ডি, ঢাকা।
২৭/২/২০২৪

BETWEEN

VIPB Asset Management Company Limited, having registered office at Suite 11(H), Police Plaza Concord, Tower 1, Level 11, Road 144, Gulshan Avenue, Gulshan-1, Dhaka-1212, represented by its Chairman, Mr. Zia Uddin Ahmed, PhD, hereinafter referred to singly, severally and collectively as the "SPONSOR", (which expression shall, unless it be repugnant to the subject or context or meaning thereof, include their representatives, successors-in-interest and assigns) of **the FIRST PART**

AND

Sandhani Life Insurance Company Limited, having its registered office at Sandhani Life Tower, Rajuk Plot No. 34, Bangla Motor, Dhaka-1000, represented by its Company Secretary, Mr. Md. Mizanur Rahman, hereinafter referred to as the "TRUSTEE", (which expression shall, unless it be repugnant to the subject or context include its representatives, successors-in-interest, and assigns) as the **SECOND PART.**

২০২৪ সনের রেজিষ্ট্রেশন ফি বাহর ১ নং ৭৫৯ ক্রমিকের দলিলের উপর প্রদেয় রেজিষ্ট্রেশন বাবদ ৪০৬০/- টাকা ১২৮৩৭৯৬ নং পে-অর্ডার এ ২৭/০২/২০২৪ তারিখে সোনালী ব্যাংকের রেজিষ্ট্রেশন কমপ্লেক্স শাখায় পরিশোধিত।
সা: মো: আব্দুল হোসেন
সাব-রেজিষ্ট্রার অফিস
২৭/০২/২০২৪

২০২৪ সনের রেজিষ্ট্রেশন ফি বাহর ১ নং ডিমিউনেট
অনাহার্য - ২৪৯৯০৭/-
১৬০৪০০২
ট্রেজারী/সাব-ট্রেজারী/ব্যাংক ২৮/৩/২০২৪
মো: আব্দুল হোসেন
সাব-রেজিষ্ট্রার, ধানমন্ডি
ঢাকা
২৮/৩/২০২৪

"দেশপ্রেমের শপথ নিন, দুর্নীতিকে বিদায় দিন"

Zia Uddin Ahmed, Ph.D
Chairman
VIPB Asset Management Co. Ltd.

Md. Mizanur Rahman
Company Secretary
Sandhani Life Insurance Co. Ltd.

WHEREAS, the party of the First Part is a leading asset management company in Bangladesh, engaged in fund management, having required capabilities and adequate skills in its concerned field of activities and offices and network of branches all over Bangladesh and are qualified and capable to be the Sponsor of the proposed 'VIPB Fixed Income Fund'.

AND

WHEREAS, the party of the second part is a leading insurance company so far engaged in Micro Insurance for the Poor People, Ordinary Life Policy for the General, Group Insurance for the Corporate, Education Policy for the Students, Hajj Policy for the Religious People and are qualified and capable to act as the Trustee of the proposed 'VIPB Fixed Income Fund'.

NOW, THEREFORE, with the intent to create an investment product for the benefit of the investors, and for the development of the capital markets of Bangladesh and in consideration of mutual covenants and arrangements hereinafter set forth, it is hereby mutually agreed between the parties hereto as follows:

1. OBJECTIVES

TO CREATE A TRUST TO LAUNCH AN OPEN-ENDED MUTUAL FUND IN THE BANGLADESH CAPITAL MARKET WITH THE NAME AND TITLE OF "VIPB FIXED INCOME FUND" UNDER THE TERMS OF THIS DEED AS DETAILED HEREINAFTER:

1.1 The Open-Ended Mutual Fund shall be constituted in the form of a trust created by virtue of this Deed of Trust in accordance with the provisions of Trust Act, 1882 (Act II of 1882) and under the provisions of the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচ্যুয়াল ফান্ড) বিধিমালা, ২০০১ (hereinafter referred to as the বিধিমালা).

1.2 This instrument of trust shall be registered duly under the provisions of the Registration Act, 1908 (Act no. XVI of 1908).

1.3 The party of the First Part shall Sponsor an Open-ended Mutual Fund for the general investors, both individual and institutional.

Zia Uddin Ahmed, Ph.D
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VIPB Asset Management Co. Ltd.

Md. Mizanur Rahman
Company Secretary
Sandhani Life Insurance Co. Ltd.

1.4 The party of the Second Part shall act as the Trustee of the Open-ended Mutual Fund to be sponsored by the parties of the First Part under the provision of the বিধিমালা.

1.5 VIPB Asset Management Company Limited, having its registered office at Suite 11(H), Police Plaza Concord, Tower 1, Plot 2, Level 11, Road 144, Gulshan Avenue, Gulshan-1, Dhaka-1212, shall be the Asset Management Company or Manager of the Mutual Fund under the provisions of the বিধিমালা.

1.6 The Asset Management Company shall conceive, design, structure, seek registration and manage the Mutual Fund sponsored by the party of the First Part under the Trusteeship of the party of the Second Part as per the provisions of the বিধিমালা.

1.7 BRAC Bank PLC., having its registered office at Anik Tower, 220/B, Tejgaon Gulshan Link Road, Tejgaon I/A, Dhaka 1208, shall be the CUSTODIAN of the Fund as per the বিধিমালা and the Asset Management Company shall, subject to the approval of the Trustee, enter into an agreement with the Custodian for such services to the Fund in exchange of agreeable fees.

1.8 This Trust Deed shall constitute the basis of the Investment Management Agreement of the Fund, as provided for in the বিধিমালা.

1.9 The Asset Management Company shall start operation of the Fund in Bangladesh, on approval from the Regulatory Authority under the applicable law, rules, regulations, etc.

1.10 The party of the First Part, i.e., the Sponsor, shall on the effective date make over to the Fund a sum of Tk. 2,50,00,000 (taka two and half crore) to initiate the mutual fund i.e., "VIPB Fixed Income Fund".

1.11 The Trust Fund shall be a body corporate with powers to acquire, hold and dispose of property and to enter into contract and may sue and may be sued in its own name. The Asset Management Company shall perform the management activities of the Fund and all obligations and responsibilities mentioned in the name of the Fund shall be considered to be accomplished by the Asset Management Company on behalf of the Fund.

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Md. Mizanur Rahman
Company Secretary
Sandhani Life Insurance Co. Ltd

2. GENERAL PROVISIONS

2.1 Definitions

Unless the context otherwise requires, the following terms whenever used in this Trust Deed Agreement shall have the following meanings, namely:

2.1.1 "বিধিমালা" means the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচ্যুয়াল ফান্ড) বিধিমালা, ২০০১;

2.1.2 "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;

2.1.3 "Asset Management Company" or "Asset Manager" or "Fund Manager" or "AMC" means the VIPB Asset Management Company Limited;

2.1.4 "Central Depository" or "CDBL" means Central Depository Bangladesh Ltd. established under the ডিপজিটরি আইন, ১৯৯৯ (১৯৯৯ সনের ৬নং আইন);

2.1.5 "MD" means the Managing Director;

2.1.6 "CEO" means the Chief Executive Officer;

2.1.7 "Custodian" means BRAC Bank PLC.;

2.1.8 "Deed" or "Trust Deed" or "Agreement" means this Deed of Trust between the parties of the First and Second part;

2.1.9 "Effective Date" means the date of registration of this Trust Deed;

2.1.10 "Government" means the Government of the People's Republic of Bangladesh;

2.1.11 "Guardian" means the Trustee of "VIPB Fixed Income Fund";

2.1.12 "Mutual Fund", "Open-ended Mutual Fund", or "the Fund", or "Unit Fund' means the "VIPB Fixed Income Fund" as designed, structured, operated and managed by the VIPB Asset Management Company Limited and sponsored as per provisions of the বিধিমালা by the parties of the FIRST PART under this Trust Deed;

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2.1.13 "Net Assets" or "Net Asset Value (NAV)" means the excess of assets over liabilities of the Fund, computed in the manner specified in the বিধিমালা;

2.1.14 "Net Asset Value (NAV) per unit" means per unit value of the Fund arrived at by dividing the Net Assets by the number of units outstanding of the Fund;

2.1.15 "Party" means any party of the FIRST or the SECOND PART, as the case may be;

2.1.16 "Regulatory Authority" means the Bangladesh Securities and Exchange Commission (BSEC);

2.1.17 "Scheme" means the "VIPB Fixed Income Fund";

2.1.18 "Bangladesh Securities and Exchange Commission (BSEC)" or "Commission" or "BSEC" means the Bangladesh Securities and Exchange Commission;

2.1.19 "Sponsor" means VIPB Asset Management Company Limited;

2.1.20 "Trust" means the Unit Trust constituted by this Trust Deed in accordance with the provisions of the Trust Act, 1882 (Act II of 1882);

2.1.21 "Trustee" means the Sandhani Life Insurance Company Limited;

2.1.22 "Unit" means one undivided share of the Fund;

2.1.23 "Unit Holder(s)" means unit holders of the Fund whose name appears on the register of the Fund for the time being;

2.1.24 In this Deed, 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 সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচ্যুয়াল ফান্ড) বিধিমালা, ২০০১;

2.1.25 Words and expressions used and not defined in the বিধিমালা 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



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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;

2.1.26 "Trust Property" means the property specified in the schedule to this Deed of Trust.

2.2 Relations between the Parties

2.2.1 Nothing contained herein shall be construed as establishing a relation of master and servant or of agent and principal as between the parties hereto.

2.3 Governing Law

2.3.1 The terms of this Deed shall not be amended without the prior approval of the unit holders of the Scheme of the Fund by simple majority of the present unit holders at a meeting called for the purpose of amendment with 15 (fifteen) days' notice and without the prior approval of the Commission and this Deed, its meaning and interpretation, and the relation between the parties shall be governed by the applicable laws, rules and regulations and customs and practices of the capital market and Bangladesh Securities and Exchange Commission (BSEC).

2.3.2 Notwithstanding anything contained in this Trust Deed, any amendment in the form of rectification, suspension, addition, deletion or revocation of any terms or clause or provision of this Deed at any time, prior or subsequent to registration of this Deed, ordered and enforced by the Bangladesh Securities and Exchange Commission (BSEC) shall be deemed to have been incorporated in the Deed and such provisions in the Deed shall stand amended to the extent of the inconsistency as if it has been effected by the parties hereto without prejudice to the rights for appeal of the parties.

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2.4 Registered Address

2.4.1 The Registered Address of the Trustee shall be the office of Sandhani Life Insurance Company Limited, Sandhani Life Tower, Rajuk Plot No. 34, Bangla Motor, Dhaka-1000 and the registered office of VIPB Asset Management Company Limited, Suite 11(H), Police Plaza Concord, Tower 1, Level 11, Road 144, Gulshan Avenue, Gulshan-1, Dhaka-1212.

3. THE FUND

3.1 Main Features of the Fund

3.1.1 There shall be one Scheme of the Fund namely "VIPB Fixed Income Fund" unless otherwise any other Scheme constituted, organized, and managed by the Asset Management Company with due approval of the Trustee and the BSEC.

3.1.2 The Fund shall be an open-ended in nature and the initial target size of the Scheme shall be Tk. 25,00,00,000 (taka twenty-five crore) which may be increased from time to time by the Asset Management Company on requisition from the investors with due approval of the Trustee and notification to the BSEC.

3.1.3 A registration fee as payable to the Commission under the বিধিমালা for establishing the fund and for registration fees of this Deed shall be paid from the Fund by the Asset Management Company.

3.1.4 The FIRST PART shall provide 10% of the Fund as the minimum subscription amount of the Fund equal to a sum of Tk. 2,50,00,000 (taka two crore and fifty lacs) on effective date and the rest shall be raised by the Asset management Company through sale of unit certificates as per the Rules of the Authority.

3.1.5 The Asset Management Company may constitute, organize, manage the Fund, and will issue the unit certificates in any denomination of the par value of Tk. 10 each.

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3.1.6 The Asset Management Company shall calculate the Net Asset Value (NAV) per Unit on last working day of every week as per formula prescribed in the বিধিমালা.

3.1.7 The Asset Management Company shall disclose the sale price and repurchase price (or surrender price) per unit of the Fund, calculated on the basis of the Net Asset Value (NAV) per unit at fair value in a manner that all possible investors may be notified.

3.1.8 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 each working day.

3.1.9 The difference between sale price and repurchase/surrender price shall not exceed 1% (one percent) of the NAV per unit at fair value of the mutual fund.

3.1.10 In case of holidays the Asset Management company shall notify the unit holders and the prospective investors about the days of operation of the Fund in a manner which they may deem fit.

3.1.11 The unit holders may surrender their unit certificates during the business hour as specified by the Asset Management Company. The fund shall be liable to repurchase the units at the surrender value determined by the Asset Management Company.

3.1.12 Purchase and surrender of units of the Fund shall remain closed by the Asset Management Company during the accounting book closure period and first three weeks of July unless the Commission decides otherwise.

3.2 Investment Policy

3.2.1 Subject to other provisions of the Rules, a mutual fund may invest moneys 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;

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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 the 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.

3.2.2 Not more than 70% (seventy percent) of total assets of the Fund shall be invested in capital market instruments. Of this, at least 50% (fifty percent) shall be invested in listed securities that are actively trading in stock exchanges. Investments in Government Securities shall not be considered as an exposure to capital market instruments.

3.2.3 Not less than 30% (thirty percent) of the total asset of the Fund shall be invested in fixed income securities including Government Securities or Government-backed Securities.

3.2.4 Non-listed securities that enjoy "investment grade" credit rating by recognized credit rating agencies are eligible for investments by a mutual fund. The fund can invest in unlisted corporate securities only after a prior approval of the Commission.

3.2.5 All money collected under the Fund shall be invested only in encashable/transferable instruments, securities whether in money market or capital market or privately placed pre-IPO equity, preference shares, debentures, or securitized debts.

3.2.6 The Fund shall get the securities purchased or transferred in the name of the Fund.

3.2.7 Only the Asset Management Company will make the investment decisions and place orders for securities to be purchased or sold for the Scheme's portfolio.

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3.3 Restrictions on Investments and/or Trading in Securities

3.3.1 A 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.

3.3.2 No Asset management Company shall, 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:

a) create a false and misleading appearance of active trading in any security;

b) effect any transaction in securities between mutual funds under the control of an Asset Management Company;

c) directly or indirectly effect a series of transaction in any security creating the appearance of actively trading therein or of raising of price for the purpose of its purchase by others or depressing its price for the purpose of inducing its sale by others;

3.3.3 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 approval of the Commission.

3.3.4 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.

3.3.5 The Fund shall not invest more than 10% (ten percent) of its total assets in shares, debentures or other securities of a single company 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.

3.3.6 The Fund shall not invest more than 25% (twenty-five percent) of its total assets in shares, debentures, or other securities in any one industry.

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3.3.7 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.

3.3.8 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.

3.3.9 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.

3.3.10 The Fund shall not involve in option trading or short selling or carry forward transaction.

3.3.11 The Fund shall not buy its own unit(s).

3.4 Investment Approach and Risk Control

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

3.4.1 Investments will be pursued in selected sectors based on the analysis of business cycles, regulatory guidelines, competitive advantage, etc.

3.4.2 Selective securities picking will be done from different selected sectors. 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, key earnings and cash flow drivers, credit rating, capital structure etc.

3.4.3 In addition, the Asset Management Company will study the macro-economic conditions, including the political, economic environment and factors affecting liquidity, interest rates and various risks.

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3.4.4 Since disciplined investing requires risk management, the Asset Management Company would incorporate adequate safeguards for controlling risks in the portfolio construction process.

3.4.5 Security specific risks will be reduced through adequate diversification of the portfolio by spreading the investments over a range of industries/sectors, issuers, duration and term structure. Liquidity risk will be managed by prudent investment across the yield curve. Regular review of creditworthiness will be undertaken for securities to manage credit risks.

3.5 Valuation Policy

3.5.1 For listed securities, the closing 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.

3.5.2 For securitized debts, debentures, margin or fixed deposits, the accrued interest on such instruments on the date of valuation shall be taken into account in any calculation of Net Asset Value of such securities in the portfolio of the fund.

3.5.3 The Fund shall fix the valuation method for the Scheme subject to the prior approval of the Commission.

3.5.4 The Fund shall follow the method approved by the Commission for valuation of the non-listed investment, if any, and the Asset Management Company and the Trustee shall periodically review the non-listed investment, if any, and the Trustee shall periodically review the value of such investments. The auditors shall comment on such investments in the annual report of the Scheme of the Fund.

3.5.5 The valuation of listed securities not traded within previous one month will be made based on their reasonable value by the Asset Management Company and approved by the Trustee and commented upon by the Auditors in the Annual Report of the scheme of the Mutual Fund but shall not be more than the intrinsic value of the securities.

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3.5.6 The valuation of non-listed securities will be done by the Asset Management Company with their reasonable value and approved by the Trustee and commented upon by the Auditor in the annual report of the Scheme.

3.5.7 The Asset Management Company and the Trustee will value the non-listed securities at least once in every quarter.

3.5.8 In case of deferred expenses, accrued expenses for the period will be taken into account for determining total liabilities.

3.5.9 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, 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.

3.5.10 After initial recognition of a financial asset, an 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 characteristics of the financial assets

3.5.11 An 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.

3.5.12 After initial recognition, that is, at subsequent balance sheet dates, an 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.

3.5.13 After initial recognition of a financial liability, an AMC shall classify and measure, subject to the approval of the Commission, all financial

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Md. Mizanur Rahman
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Sandhani Life Insurance Co. Ltd.

liabilities at fair value through profit or loss, or amortized costs and comply with provisions of IFRSs. An AMC shall have the option, at initial recognition, to irrevocably designate a financial liability to be measured at fair value through profit or loss.

3.5.14 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.

3.5.15 At initial recognition, an AMC may elect to present in other comprehensive income subsequent changes in the fair value of an investment in a security which is not held for trading. The AMC shall however recognize in profit or loss any dividends from investments in equity instruments that are not held for trading.

3.5.16 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.

3.5.17 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 of accounting policies as to the fair valuation of investments in securities.

3.5.18 Independent external auditor shall give opinion as to the fair value of investments in securities and/or financial instruments of the Fund. The

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external auditor shall specifically comment on assumptions and inputs used for the valuation of investments in unlisted securities of the Fund.

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

3.6.1 After the initial recognition of a financial asset, an 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.

3.6.2 Investments in financial assets shall be reported at fair value, not at acquisition costs, in the statement of financial position of a mutual fund.

3.6.3 If the fair value of 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.

3.6.4 Other comprehensive income shall be reported as a part of the unit holders' equity of the Mutual Fund.

3.6.5 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.

3.6.6 The fair value of a 'non-performing financial asset shall be done following International Financial Reporting Standards (IFRSs),

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supplemented by a full disclosure of inputs and methods of the valuation, and be subject to the approval of the Trustee of the Fund.

3.6.7 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.

3.7 Accounting for Net Asset Value per Unit of the Fund and Fair Valuation of Financial Instruments

3.7.1 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.

3.7.2 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.

3.7.3 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.

3.7.4 Identifiable assets may include intangibles including monetary assets without physical substance but shall exclude fictitious assets such as unamortized issue costs, preliminary costs, and/or advances, deposits and prepayments which embody no future economic benefits and cash flows to the company.

3.7.5 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 transaction to sell the asset or transfer the liability takes place either in

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the principal market for the asset or in the absence of the principal market, in the most advantageous market for the asset or liability.

3.7.6 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 provisions of International Financial Reporting Standards (IFRSs) particularly including that of IFRS 13 (Fair Value Measurement).

3.8 Measurement of Earnings and Payment of Dividends

3.8.1 The accounting year of the Fund shall be 1st July to 30th June;

3.8.2 The Fund shall distribute minimum 70% (seventy percent), or as may be determined by the বিধিমালা 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.

3.8.3 Net income for a financial period of a mutual fund shall be measured following International Financial Reporting Standards (IFRSs) and after incorporating all valid income, eligible expenses as well as provision for diminution in the fair value of investments in securities and other financial assets;

3.8.4 Trustee shall examine every item of expenses of a mutual fund and determine their eligibility to be a valid charge against income of the Fund;

3.8.5 Adequate disclosure shall be made with respect to provision (or reversal of provision) for diminution (or appreciation) 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 and Other Comprehensive Income and not be a part of earnings for the period.

3.8.6 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).

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VIPB Asset Management Co. Ltd.

Md. Mizanur Rahman
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Sandhani Life Insurance Co. Ltd.

3.8.7 A 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.

3.8.8 The Fund shall not issue reinvestment unit (RIU) under any circumstance.

3.8.9 Dividend shall never be paid out of other comprehensive income and/or unrealized capital gains.

3.8.10 Without violating provisions of this Directive, a mutual fund may create a dividend equalization reserve in order to stabilize payments of dividends in future.

4. RIGHTS, DUTIES AND OBLIGATION OF THE PARTIES OF THE FUND

4.1 The Sponsor

4.1.1 VIPB Asset Management Company Limited shall be the Sponsor of the Fund.

4.1.2 The Sponsor shall cause to constitute the Mutual Fund by virtue of this Trust Deed.

4.1.3 The Sponsor shall appoint the Trustee of the Mutual Fund by virtue of this Trust Deed, who shall hold the property of the Fund in trust for the benefit of the Fund and the unit holders of the Fund in accordance with the বিধিমালা.

4.1.4 The Sponsor shall appoint the Custodian, who shall provide custodial service to the Scheme of the Fund in accordance with the বিধিমালা.

4.1.5 The Sponsor shall appoint the Asset Management Company, who shall manage the converted open-ended Mutual Fund for the benefit of the Fund and the unit holders of the Fund in accordance with the বিধিমালা.

4.1.6 The Sponsor shall contribute an amount of Tk. 2,50,00,000 (taka two crore and fifty lakhs) on the effective date on demand from the Asset Management Company to initiate the Trust.

Zia Uddin Ahmed, Ph.D
Chairman
VIPB Asset Management Co. Ltd.

Md. Mizanur Rahman
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Sandhani Life Insurance Co. Ltd.

4.1.7 The Sponsor shall, if required by the Commission, furnish such other information or clarification in addition to the information given with the application as may be considered necessary for grant of registration of the open-ended Fund.

4.1.8 The Sponsor, unless otherwise act as asset management company, shall not participate in any decision-making process for any investment by the Scheme of the Fund.

4.1.9 The Sponsor may cause to effect change of the Trustee and the Asset Management Company as per procedure laid down in the বিধিমালা and subject to prior approval of the Commission, on substantiated reasonable grounds of breach of trust as enumerated in this Deed by the incumbent Trustee or the Asset Management Company.

4.1.10 Notwithstanding anything contained in this Trust Deed, the Sponsor shall preserve the inherent right to legal recourse against the Trustee or the Asset Management Company in the event of substantiated reasonable grounds of breach of trust as enumerated in this Deed by the incumbent Trustee or the Asset Management Company.

4.2 **The Trustee**

4.2.1 Sandhani Life Insurance Company Limited shall be the Trustee of the Fund by virtue of this Trust Deed.

4.2.2 The Trustee shall be the guardian of the Fund, held in Trust for the benefit of the unit holders, in accordance with the বিধিমালা and this instrument of Trust.

4.2.3 The Trustee shall always act in the best interest of the unit holders.

4.2.4 The Trustee shall take all reasonable care to ensure that the Scheme of the Fund floated and managed by the Asset Management Company are in accordance with the Trust Deed and the বিধিমালা.

4.2.5 The Trustee shall receive a quarterly report from the Asset Management Company and submit a half-yearly report to the Commission on the activities of the Scheme of the Fund.

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VIPB Asset Management Co. Ltd.

Md. Mizanur Rahman
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Sandhani Life Insurance Co. Ltd.

4.2.6 The Trustee shall provide or cause to provide information to the unit holders of the Scheme of the Fund and the Commission by the Asset Management Company as per বিধিমালা or as may be specified by the Commission.

4.2.7 The Trustee shall cause to 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.

4.2.8 The Trustee shall have a right to call books of accounts, records, documents, and such other information considered necessary from the Asset Management Company as is relevant in the management of the affairs concerning the operation of the open-ended Mutual Fund.

4.2.9 The Trustee shall forthwith take such remedial steps as are necessary to rectify the situation where they have reasons to believe that the conduct of business of the Scheme of the Fund is not in conformity with the বিধিমালা and keep the Commission informed of the same with full particulars.

4.2.10 The Trustee shall have the power to initiate the process of annulment of the appointment of the Asset Management Company under specific events of breach of trust and investment management terms only, with the approval of the Commission and in accordance with the provisions of the বিধিমালা.

4.2.11 The Trustee shall furnish to the Commission particulars of the interest that they may have in any other company, institution or financial intermediary or anybody corporate by virtue of their positions as director, partner, managers or which they may be associated with in other capacities.

4.2.12 The Trustee, in carrying out their responsibilities as Trustee of the Fund, shall maintain arm's length relationship with other companies, institutions of financial intermediaries or any corporate with which they may be associated.

4.2.13 The Trustee shall not participate in any decision-making process for investments of the Fund and its Scheme.

Zia Uddin Ahmed, Ph.D
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VIPB Asset Management Co. Ltd.

Md. Mizanur Rahman
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Sandhani Life Insurance Co. Ltd.

4.2.14 The Trustee shall cause to appoint an auditor for the Scheme of the Fund who shall be different from the auditors of the Asset Management Company and the Trustee shall regularly monitor the performance and activities of the auditors.

4.2.15 The Trustee shall be responsible to ensure that calculation and entry of any income due to be paid to the Scheme of the Fund and also any income received for the holders of the units and the reports of accounts of the Scheme are in accordance with the Trust Deed and the বিধিমালা.

4.2.16 The Trustee shall call for a meeting of the unit holders of the Scheme of the Mutual Fund whenever required to do so by the Commission in the interest of the unit holders of the particular Scheme of the Fund or on a requisition of three-fourth of the unit holders of the Fund or when the Trustee decides to wind-up or pre-maturely redeem, the units or modify, in the best interest of the unit holders of that Scheme.

4.2.17 The Trustee shall be responsible for the acts of commissions and omissions by its employees or the persons whose services have been obtained by it and the Trustee shall not be absolved of any civil liability to the Mutual Fund for their willful acts of commission and omissions while holding such position or office.

4.2.18 The Trustee shall constitute a 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:

a) Chairman, Sandhani Life Insurance Company Limited

b) CFO, Sandhani Life Insurance Company Limited

c) Company Secretary, Sandhani Life Insurance Company Limited

4.2.19 In order to protect the interest of the unit holders, the Trustee Committee from time to time shall call meeting in the office of the Trustee or in the office of the Asset Manager. The committee shall call at least one meeting in every 3 (three) months. The committee may advise the Asset Manager to produce necessary papers, documents in the meeting as applicable.

Zia Uddin Ahmed, Ph.D
Chairman
VIPB Asset Management Co. Ltd.

Md. Mizanur Rahman
Company Secretary
Sandhani Life Insurance Co. Ltd.

4.2.20 Any subsequent proposed change in the composition of the Committee constituted by the Trustee shall be communicated to the Commission and the Asset Management Company. Such changes shall only take effect only on approval from the Commission.

4.2.21 The Trustee shall be paid an annual Trusteeship fee @ 0.07% of the Net Asset value (NAV) at Fair Value of the Fund on semi-annual in advance basis, during the life of the Fund.

4.2.22 The Trustee shall not be removed without prior approval of the Commission and shall not retire until such time a new Trustee takes over under due process as laid down in the বিধিমালা.

4.2.23 The Trustee shall hold all capital assets of the Scheme of the Fund in trust on behalf of the unit holders.

4.2.24 The unit holders shall preserve only the beneficial interest in the trust properties on pro rata basis of their ownership of the Scheme.

4.3 **The Asset Management Company**

4.3.1 VIPB Asset Management Company Limited shall be the Asset Management Company of the Scheme of the Fund and this Deed shall constitute the basis of the Investment Management Agreement with the Sponsor as required by the provisions of the বিধিমালা.

4.3.2 The Asset Management Company shall be responsible for structuring, operation and management of the Scheme of the Fund as approved by the Trustee and the Commission and in accordance with the provisions of the Trust Deed and the বিধিমালা.

4.3.3 The Asset Management Company shall take all reasonable steps and exercise all due diligence and ensure that the investment of the Scheme of the Fund is not contrary to the provisions of the Trust Deed and the বিধিমালা.

4.3.4 The Asset Management Company shall be responsible for the willful acts of the commissions and omissions by its employees or the persons whose services have been obtained by the company and the Asset Management Company shall not be absolved of any civil liability to the Fund for their willful acts of commission and omissions while holding

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VIPB Asset Management Co. Ltd.

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Sandhani Life Insurance Co. Ltd.

such position or office and no loss or damage or expenses incurred by the Asset Management Company or their officers or any person delegated by them, resulting from such willful commission or omission, shall be met out of the Trust property.

4.3.5 The Asset Management Company shall not act as trustee of any Mutual Fund and shall not undertake any other business or activities, without prior approval of the Commission, which may adversely affect the interest of the Fund.

4.3.6 The Asset Management Company shall submit to the Trustee and the Commission quarterly activity and compliance reports on 31st March, 30th June, 30th September and 31st December within 15 (fifteen) days from the end of each quarter or at any intervals as may be required by the Trustee or the Commission.

4.3.7 The Asset Management Company shall ensure that no application form, or sales literature or other printed matters issued to prospective buyers, or advertisement, or report and or announcement (other than announcement of prices or yields) addressed to any unit holder, or to the public, or to the press or other communication media or to any stakeholder, is issued or published with contents and statement or matter extraneous to the Trust Deed or Prospectus approved by the Commission or the Trustee, as the case may be.

4.3.8 The Asset Management Company shall prepare and distribute the prospectus, annual and periodical reports of the Scheme of the Fund and shall maintain all sorts of communications with investors and other stakeholders as per বিধিমালা and shall undertake advertising and other promotional activities.

4.3.9 The Managing Director/Chief Executive Officer and other officers of the Asset Management Company shall be the authorized signatories of the depository and custodial accounts of the Fund with the banks and financial institutions, stock exchanges, central depository and other similar institutions and the transfer Deed of the securities owned by the Scheme of the Fund.

Zia Uddin Ahmed, Ph.D
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VIPB Asset Management Co Ltd.

Md. Mizanur Rahman
Company Secretary
Sandhani Life Insurance Co. Ltd.

4.3.10 The Asset Management Company shall furnish any information and documents to the CDBL as may be required under ডিপজিটরি আইন, ১৯৯৯, ডিপজিটরি প্রবিধানমালা, ২০০০ and ডিপজিটরি (ব্যবহারিক) প্রবিধানমালা, ২০০৩.

4.3.11 The Asset Management Company shall be expected to meet such expenses and make provisions for office space, personnel including security analysts and portfolio managers, regulatory compliance and reporting services, accounting services and such other services.

4.3.12 The Asset Management Company is authorized to charge all applicable expenses of the Fund to the Fund account as per the বিধিমালা, but any loss or damage or expenses resulting from negligence by the Trustee or the Asset Management Company or any of their officers or any person delegated by them shall not be met out of the trust property.

4.3.13 Fees related to issue and formation shall be applicable as per সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচ্যুয়াল ফান্ড) বিধিমালা, ২০০১.

4.3.14 A requisition meeting of two third of the unit holders of any Scheme of the Fund, under the procedure laid down in the বিধিমালা, can propose termination of the appointment of the Asset Management Company, and the Trustee, with prior approval of the Commission, can terminate the Asset Management Company with prior approval of the Commission keeping informed the Commission about the same within three working days from the date of termination.

4.3.15 The Asset Management Company can discontinue its function at any time with prior written consent of the BSEC and the Trustee.

4.3.16 An Asset Management Company shall not be allowed to launch a new mutual fund, or a new scheme of a mutual fund, if it fails to pay annual fees as stipulated in the Sub-Rule 5.3 of this Trust Deed.

4.4 The Custodian

4.4.1 BRAC Bank PLC. shall be the Custodian of the Scheme of the Fund.

4.4.2 The Custodian shall keep the securities for the assets of the Fund in safe custody and shall provide highest security for the assets of the Fund.

Zia Uddin Ahmed, Ph.D
Chairman
VIPB Asset Management Co. Ltd.

Md. Mizanur Rahman
Company Secretary
Sandhani Life Insurance Co. Ltd.

However, the Custodian shall not be held responsible for any fund assets held outside of its custody.

4.4.3 The Custodian, among others, shall preserve the following documents and information client wise:

a. Details of acquisition and disposal of securities;
b. Details of receipt and disbursement of Funds;
c. Details about the right of the client on the securities held on behalf of the client;
d. Details about registration of securities;
e. Ledger of accounts of the client;
f. Details about the order received from and given to the client;

4.4.4 The Custodian shall provide directly to the Auditors any information that may be required, in writing, by the Auditors.

4.4.5 The fees for Custodian services will be 0.07% per annum of total assets held by the fund, calculated on the average market value for listed securities and on the average face value for all other assets. The fee for custodial services will be realized semi-annually. Besides this, the fund will bear all other expenses viz (a) validation fee of Tk. 350.00 plus applicable VAT per instance; (b) local duties and fees like stamp duty on transactions, stamp duty on transfer deed, (c) levies, brokerage, registrar's fees, local counsel/representation, external auditors at the client's request, depository fees etc.

4.4.6 Any charges payable by the fund to any other authorities or beneficiaries (CDBL charges, BO charges, etc.) through the Custodian, then the Fund will bear the same at actual basis.

5. EXPENSES OF THE FUND

5.1 The initial issue expenses in respect of the Fund shall not exceed 3% (three percent) of the collected amount of the fund raised under the Scheme or any ceiling as determined by the AMC which is approved by the Commission and the Trustee. The Asset Management Company shall furnish a detailed breakdown of such expenses in the prospectus/offer document of the Fund.

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VIPB Asset Management Co. Ltd.

Md. Mizanur Rahman
Company Secretary
Sandhani Life Insurance Co. Ltd.

5.2 Total operating expense, excluding amortization of initial issue costs and provision for diminution in the fair value of investments, of a mutual fund or a scheme of a fund, shall not exceed 4% (four percent) of net asset value (NAV) at fair value of the Fund during any accounting year.

5.3 Every mutual fund, or a scheme of the Fund, registered under this Rules shall pay annual fees, by a pay order or bank draft, at the rate of 0.10% of the net asset value (NAV) at fair value of the Fund, or the scheme of the Fund, or Tk. 100,000, whichever is higher, to the Commission within 90 days from the end of the financial year.

Provided that in case of a failure to pay the annual fees within the aforesaid deadline, the Asset Management Company, not the mutual fund, shall be liable to pay a fine equivalent to the half of the annual fees for a delay of every month or a part thereof.

6. BANKERS OF THE FUND

6.1 Any commercial bank/schedule bank shall be the Banker of the Fund.

6.2 The fund will maintain its operating bank account(s) with the Custodian. All the payments will be made solely through this (these) account(s). However, the fund will be able to maintain deposits with other banks and non-banking financial institutions.

6.3 The Asset Management Company shall be authorized to open such accounts with prior written approval from the Trustee.

6.4 All bank, depository and custodial accounts of the Fund shall be operated under joint signatures.

6.5 No director or shareholder of the Asset Management Company, except the Chief Executive Officer, shall be a signatory of any account of any Scheme of the Fund.

6.6 The Board of Directors of the Asset Management Company shall designate authorized joint signatories of all accounts of the Scheme of the Fund from amongst their Managers and/or Officers with the consent of the Trustee.

6.7 A set of specimen signatures of the authorized signatories of the accounts of the Scheme of the Fund shall be kept with the Trustee.

Zia Uddin Ahmed, Ph.D
Chairman
VIPB Asset Management Co. Ltd.

Md. Mizanur Rahman
Company Secretary
Sandhani Life Insurance Co. Ltd.

6.8 The Asset Management Company shall open separate bank accounts for dividend distribution, if any, of the Fund for each financial year. Notwithstanding anything in this Trust Deed, the beneficial ownership of the balances in the accounts shall vest with the unit holders.

7. AUDIT OF ACCOUNTS

7.1 The Mutual Fund shall have its accounts of it Scheme audited by an auditor qualified to audit the accounts of a company under section 212 of the Companies Act, 1994 (Act No. 18 of 1994) and the audit report shall be in conformity with the Securities and Exchange Rules, 1987.

7.2 The auditor of the Fund must be from the list approved by BSEC and must have acceptable international affiliation or association.

7.3 Hoda Vasi Chowdhury & Co., Chartered Accountants (HVC), having office at BTMC Bhaban (6th & 7th Floor), 7-9, Karwan Bazar Commercial Area, Dhaka - 1215, has been appointed as the auditor of the Fund for the first year and the auditor shall be paid a service fee of Tk. 35,000 (Taka thirty-five thousand) only, without VAT for the first year. Subsequent auditors shall be appointed by the Trustee.

The firm is one of the leading and oldest professional services firms in Bangladesh and is in service for about 50 years. Until 2014, HVC acted as an Independent Correspondent Firm to Deloitte Touche Tohmatsu (DTT) in Bangladesh. HVC is currently working as a "preferred firm of PwC for conducting statutory audit of PwC global clients in Bangladesh".

7.4 The auditor of the Scheme of the Fund shall be different from the auditors of the Asset Management Company and that of the Trustee and Sponsor.

7.5 The Trustee shall appoint auditor for the Fund with reasonable fees, where the incumbent auditor 'if any' shall be eligible for re-appointment for up to maximum three consecutive terms of one year each. Thereafter, the auditor shall only be eligible for appointment after the lapse of at least one year. The Asset Management Company may at any time, with the concurrence of the Trustee,

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VIPB Asset Management Co. Ltd.

Md. Mizanur Rahman
Company Secretary
Sandhani Life Insurance Co. Ltd.

and shall, if directed by the BSEC, remove the auditor and appoint another auditor in its place.

7.6 The auditor shall furnish the Audit Report within maximum of 30 days from the date of closing of accounts and forward their report to the Trustee and such report shall form part of the Annual Report of the Mutual Fund.

7.7 The Audit Report shall state that they have obtained all information and explanations which, to the best of their knowledge and belief, were necessary for the purpose of the audit; and that the balance sheet, the revenue account and the cash flow statement give a true and fair view of the Scheme, state of affairs and surplus or deficit in the Fund and cash flow for the accounting period to which they relate, and that the financial statements and notes thereto furnished in due conformance with generally accepted accounting principles and procedures and also the Bangladesh Accounting Standards (BASs) and that the audit and examination made with International Standards on Auditing (ISA) accepted by ICAB and that full and fair disclosures are made in the financial statements.

7.8 Notwithstanding anything contained hereinabove or in বিধিমালা, the Commission shall have the power to appoint an auditor to investigate into the books of accounts or the affairs of the Fund, Trustee or Asset Management Company or Custodian on the basis of the report of any investigating authority constituted by the Commission under the বিধিমালা. The Auditor so appointed by the Commission shall have the same powers of the inspecting authority as provided for in the বিধিমালা.

8. GENERAL OBLIGATION OF THE FUND

8.1 Maintenance of proper Books of Accounts and Records

8.1.1 Subject to the provisions of the বিধিমালা, the Fund shall keep and maintain proper books of records and documents; provided that books of accounts should be such as to explain its transactions and disclose at any point of time the financial position of the Scheme of the Fund and in particular give a true and fair view of the state of affairs of the Fund and provided further that the Asset Management Company shall intimate the

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Chairman
VIPB Asset Management Co. Ltd.

Md. Mizanur Rahman
Company Secretary
Sandhani Life Insurance Co. Ltd.

Commission the place where the books of accounts, records and documents are maintained.

8.1.2 The Fund shall also follow the accounting policies and standards so as to provide appropriate details of the Scheme-wise disposition of the assets of the Fund at the relevant accounting date and the performance during the period together with information regarding distribution or accumulation of income accruing to the unit holder in a true and fair manner and in conformity with disclosure norms.

8.2 Base Currency

8.2.1 The Base currency of the Fund shall be Bangladeshi Taka (BDT). However, the investments may be denominated in Bangladeshi Taka or (subject to applicable laws) any other foreign currency.

8.3 Accounting year

8.3.1 The accounting year for the Scheme of the Fund shall end on 30th June of every calendar year or as determined by the Commission.

8.4 Classification of earnings

8.4.1 An 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.

8.4.2 An 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.

8.4.3 An AMC shall recognize income and expenses (or gains and losses) using the accrual basis of accounting.

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Sandhani Life Insurance Co. Ltd.

8.5 Limitation of expenses

8.5.1 An Asset Management Company shall be entitled to asset management fees which will be calculated once a week on the basis of net asset value (NAV) at fair value of a mutual fund at the end of each quarter of a financial year and according to rates as per the Rules.

8.5.2 Asset management fees shall be payable on a quarterly basis.

8.5.3 An Asset Management Company shall also be eligible to charge the following additional expenses against a mutual fund in addition to the asset management fees as defined in Rule 65(2) of the বিধিমালা:

a. An 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 AMC 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% (three percent) 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 document of the Fund.

b. The Trustee shall be paid an annual Trusteeship fee @ 0.07% of the Net Asset value (NAV) at Fair Value of the Fund on semi-annual in advance basis, during the life of the Fund.

c. Custodial fees as mentioned in the clause 4.4.5;
d. Bank Charges.
e. Annual fees payable to the Commission as per the Rule (11) of the বিধিমালা:;
f. CDBL fees;
g. Listing fees (if any);
h. Audit Fees;
i. Costs for publication of reports and periodicals specifically related to the Fund;
j. Valid expense for organizing a unit holders' meeting in compliance with the বিধিমালা.

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Company Secretary
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8.5.4 For an open-end mutual fund, no selling/marketing expense shall be applicable for the issue of new units to investors.

8.5.5 The expense referred to hereinabove and any other fees payable or reimbursable to the Asset Management Company or the Trustee shall be charged to the open-end Mutual Fund.

8.5.6 Legal expenses of an Asset Management Company shall not be a charge against income of a Mutual Fund.

8.5.7 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.

8.6 Borrowing Policy

8.6.1 As per provisions of the বিধিমালা, the Fund is neither permitted to borrow for finance any investment nor allowed to advance/guarantee any term loan for any purpose. However, if the competent authority withdraws or relaxes these restrictions during the lifetime of the Fund, if necessary, with the consent of the Trustee, it may well opt for borrowing from any legal source as well as advance/guarantee term loan at a competitive rate.

8.7 Distribution of Dividend and limits thereof

8.7.1 In accordance with the বিধিমালা subject to the approval of the Trustee and as per the declaration of the dividend in the prospectus or offer document after closing of annual accounts, the Fund will distribute cash dividend among the unit holders of the relevant Scheme which shall not be less than 70% (seventy percent) of annual profit of that Scheme or as determined by the Commission from time to time. The Fund shall declare and pay dividend in cash or Cumulative Investment Plan (CIP), if requested by the investor, to the unit holders form the distributable profit, if any.

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8.7.2 Unit holders, whose names will appear in the CDBL register on the record date to be announced each year, will be eligible to receive the declared dividend.

8.7.3 The Asset Management Company 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 বিধিমালা or as directed by BSEC and submit a statement thereof to the Commission and the Trustee within 7 (seven) days of the completion of the dividend disbursement or in the manner determined by the বিধিমালা or as directed by the BSEC. Expenses related to above shall be met form the Fund.

8.8 Reserve for revaluation of investments

8.8.1 Before declaration of dividend the Asset Management Company shall make a provision with agreement of the auditors for revaluation of investments caused from loss if market value of investments goes below their acquisition cost, and the method of calculation of this provision must be incorporated in the notes of accounts.

8.9 Publication of annual report and summary thereof

8.9.1 The Annual Report of the Scheme of the Fund or an abridged summary thereof shall be published through an advertisement as soon as may be but not later than 45 (forty-five) 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 Management Company and if so required, a copy thereof shall be made available on payment of a nominal fees as specified.

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8.10 Periodical disclosures

8.10.1 The Fund, its asset manager, trustee, custodian, and sponsor shall make such disclosures or submit such documents as may be called upon to do so by the Commission.

8.10.2 Without prejudice to the generality of the directions in the Sub-Rule 8.10.1 of this Trust Deed above, the Fund shall furnish to the Commission the following reports, namely;

a) Duly audited annual financial statements including statement of financial position, statement of profit or loss and other comprehensive income, statement of cash flows, statement of changes in unit holders' equity, and accompanying accounting policies and notes to the financial statements of the fund, and for each scheme of the Fund, once a year, within 03 (three) months from the end of the financial year;

b) Quarterly un-audited financial statements within within 30 (thirty) days from the end of the quarter of the financial year;

c) A quarterly portfolio statement, including changes therein from the previous period, for a mutual fund, or a Scheme of a mutual fund, within 30 (thirty) days from the end of each quarter.

d) For an open-end mutual fund, the Asset Management Company shall publish a quarterly statement to the Commission, within 7 (seven) days from the end of the quarter, reporting new units sold, capital fund received, units repurchased, and capital redeemed for every business day of the quarter.

8.10.3 A mutual fund shall, before expiry of 30 (thirty) days from the end of each quarter, 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.

8.10.4 A mutual fund shall, within 30 (thirty) days from the end of a quarter, publish its un-audited quarterly financial statements on its website.

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8.11 Annual report to be forwarded to the Commission

8.11.1 The Asset Management Company shall within 90 (ninety) days from the closure of each financial year forward to the Commission a copy of the Annual Report and other information including details of investments and deposits held by the Unit Fund so that the entire portfolio of the Mutual Fund is disclosed to the Commission.

8.12 Half yearly disclosures

8.12.1 Un-audited half yearly accounts/financial results of the Fund will be submitted to the Commission and the concerned Stock Exchange(s) and be published on the company website within 30 (thirty) days from the end of the period; provided that the half yearly accounts / financial results shall contain details as specified in schedule VII of the Rules and such other details as are necessary for the purpose of providing a true and fair view of the operation of the Unit Fund.

8.13 Amount to be raised

8.13.1 The initial target amount to be raised in respect of the Scheme of the fund is Tk. 25,00,00,000 (taka twenty-five crore) only, including the Sponsor's contribution of Tk. 2,50,00,000 (taka two crore and fifty lakhs) only.

8.14 Issue of Unit Certificate

8.14.1 All unit holders of the Fund shall be issued with the unit certificate by the Asset Management Company at the cost of the Fund, in any denomination of par value of Tk. 10 each within the time frame as stipulated in the বিধিমালা.

8.14.2 The Asset Management Company may determine the minimum and the maximum limits of unit holding of a unit holder from time to time and may impose any restriction on sale of units to any person or institution for the benefit of the Fund, with permission of the Trustee and in accordance with applicable laws.

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8.14.3 The CEO/Head of Finance/Company Secretary/one Director of the Asset Management Company shall be the joint signatory for the certificates of the unit of the Fund.

8.15 Surrender and Transfer of Unit Certificates

8.15.1 The unit certificates of the Fund shall be freely redeemable and transferable by way of inheritance/gift and/or by specific operation of the law. The unit holders may surrender their unit certificates during the business hour as specified by the Asset Management Company.

8.15.2 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% (five percent) of the total units outstanding of the Fund, the Asset Management Company may defer the redemption request over 5% (five percent) for a period of maximum 3 (three) working days.

Provided that redemption in excess of 5% (five percent) of total units outstanding shall also be done at repurchase price of the day when redemption requests were actually submitted to the asset manager.

8.16 Fixation of Price of Units

8.16.1 The sale and repurchase/surrender price of units will be determined by the Asset Management Company based on NAV at fair value. The difference between sale price and repurchase/surrender price shall not exceed 1% (one percent) of the NAV per unit at fair value of the mutual fund.

8.17 Public availability of the Trust Deed

8.17.1 This Trust Deed shall be available to wider public for collection, at a reasonable fee, and inspection during normal business hours from the corporate office of VIPB Asset Management Company Limited. The Trust Deed may also be viewed or downloaded from the web site of the Asset Management Company.

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9 WINDING UP OF THE FUND

9.1 Procedure of winding up

9.1.1 If the total number of outstanding unit certificates held by the unit holders after repurchase at any point of time falls below 25% (twenty-five percent) of the actual certificate issued, the Fund will be subject to wind up.

9.1.2 The Fund may be wound up on the happening of any event, which, in the opinion of the Trustee with approval from the Commission, requires the Scheme to be wound up.

9.1.3 The Scheme may also be wound up if the Commission so directs in the interest of the unit holders.

9.1.4 Where a Scheme is to be wound up in pursuance to the above, the Trustee and the Asset Management Company shall give simultaneously separate notice of the circumstances leading to the winding up of the Scheme to the Commission and if winding up is permitted by the Commission, shall publish in two national daily newspapers including a Bangla newspaper having circulation all over Bangladesh.

9.2 Manner of winding up

9.2.1 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 as such.

9.2.2 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 Rules, shall in the first instance be utilized towards discharge of such liabilities as are properly due under the Scheme and after making appropriate provision for meeting the expenses connected with such winding up, the balance shall be paid to the unit holders in proportion to their respective interest in the assets of the Scheme as on the date when the decision for winding up was taken.

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9.2.3 Within 30 (thirty) days from the completion of the winding up, the Trustee shall forward 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.

9.3 Effect of winding up

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

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

10 INSPECTION OF THE FUND

10.1 Right of inspection by the Commission

10.1.1 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 Trust Deed, the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচ্যুয়াল ফান্ড) বিধিমালা, ২০০১ will be conclusive for this Trust Deed and that all other documents executed in connection with this Mutual Fund and provisions of this Trust Deed 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.



SCHEDULE OF PROPERTY OF THE TRUST

A sum of Tk. 2,50,00,000 (Taka two crore and fifty lakhs) only is hereby paid to the Trust by the Sponsor of the Trust mentioned herein above, to initiate the Trust.

IN WITNESS WHEREOF the Sponsor has caused its common seal to be affixed to these presents and the Trustee has hereto set its hands the day and year above written.

The party of the First Part, the SPONSOR:

sd-Illegible-

Mr. Zia Uddin Ahmed, PhD
Chairman
VIPB Asset Management Company Limited

The party of the Second Part, the TRUSTEE

sd/-

Mr. Md. Mizanur Rahman
Company Secretary
Sandhani Life Insurance Company Limited

WITNESS:

1 sd-Illegible-

Md. Shahidul Islam
Chief Executive Officer
VIPB Asset Management Company Limited

2 sd-Illegible-

Rashedul Hasan Yasin
Sr. Manager, Finance & Fund Operations
VIPB Asset Management Company Ltd.

WITNESS:

1 sd-Illegible-

Ajit Kumar Sen
Deputy Manager
Share Department
Sandhani Life Insurance Co. Ltd.

2 sd-Illegible-

Md. Nahid Parvez
Asst. Manager, Trustee
Sandhani Life Insurance Co. Ltd.