ABRIDGED PROSPECTUS

VIPB FIXED INCOME FUND

AN OPEN-ENDED MUTUAL FUND SCHEME

Initial size of issue	Tk. 25,00,00,000.00 (taka twenty five crore)
Initial number of units	2,50,00,000 units (two crore and fifty lac units)
Initial offer price	Tk. 10.00 (taka ten per unit)
Sponsor's contribution	Tk. 2,50,00,000.00 (taka two crore and fifty lac)
Initial public offering	Tk. 22,50,00,000.00 (taka twenty two crore and fifty lac)
Initial subscription period	July 07, 2024 to august 20, 2024

Trustee:	Sponsor & Asset Manager:	Custodian:
Sandhani Life Insurance Co. Ltd.	VIPB Asset Management Company Limited	BRAC Bank PLC.
Registered Office: Sandhani Life Tower Rajuk Plot 34, Bangla Motor, Dhaka 1000.	Registered Office: Police Plaza Concord Tower 1, Level 11, Plot 2, Road 144, Gulshan 1, Dhaka 1212.	Registered Office: Anik Tower 220/B, Tejgaon Gulshan Link Road, Tejgaon I/A, Dhaka 1208.

Prospectus publication Date: July 03, 2024

This Offer Document sets forth concisely the information about the fund that a prospective investor ought to know before investing. This Offer Document should be read before making an application for the units and should be retained for future reference.

Investing in the VIPB Fixed Income Fund (hereinafter 'the Fund') bears certain risks that investors should carefully consider before investing in the Fund. Investment in the capital market and in the fund bears certain risks that are normally associated with making investments in securities including loss of principal amount invested. There can be no assurance that the Fund will achieve its investment objectives. The Fund value can be volatile, and no assurance can be given that investors will receive the amount originally invested. When investing in the Fund, investors should carefully consider the risk factors outlined in the document.

The Sponsor, Asset Management Company or the Fund is not guaranteeing any returns.

The particulars of the Fund have been prepared in accordance with বাংলাদেশ সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১ as amended till date and filed with Bangladesh Securities and Exchange Commission.

পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন।

EXECUTIVE SUMMARY

VIPB Asset Management Company Limited (VIPB AMCL henceforth) is launching its sixth open-ended mutual fund, **VIPB Fixed Income Fund** with an initial fund size of Tk. 25 crore. VIPB AMCL is both the sponsor and the asset manager of this fund. Sandhani Life Insurance Company Ltd and BRAC Bank PLC. will act as the trustee and the custodian of the fund respectively. This is a 'continuous offer' fund by nature, which facilitates the investors to subscribe and redeem units at their will.

An operational history of 15 years and a long track record of successful fund management have positioned VIPB AMCL in a very strong position. The company has so far been successful in establishing itself as one of the most credible fund managers in the country. The company claimed adherence to CFA Institute Asset Manager Code of Ethics and Standards of Professional Conduct in 2017. The company follows Value Investing philosophy based on company fundamentals. The core of the philosophy is to identify mispriced securities of the businesses that have economic moat, i.e., sustainable competitive advantages. The process involves rigorous macro and equity research, which also ensures that the identified businesses have high quality corporate governance.

Currently, the company has 5 open-ended mutual funds. Two of them were previously closed-end mutual funds that have been converted into open-ended mutual funds upon completion of their respective tenures and as approved by the investors of the funds. Amid the low stock market returns in Bangladesh since 2010, all five of the funds have significantly outperformed the index (DSEX) since their respective inceptions. Two longest running funds, VIPB SEBL 1st Unit Fund (formerly Southeast Bank 1st Mutual Fund) and VIPB NLI 1st Unit Fund (formerly NLI 1st Mutual Fund) have generated 9.60% and 10.98% annualized net return since their respective inception dates till June 2023. Three other funds namely VIPB Accelerated Income Unit Fund, VIPB Growth Fund and VIPB Balanced Fund have generated 8.17%, 5.20% and 9.08% annualized net return since their respective inceptions (up to June 2023). The funds have been paying cash dividends consistently.

Worldwide, fixed income mutual funds have a different kind of appeal as the funds are highly suitable for diversification. The lower correlation between other asset classes and fixed income assets plays a key role in deploying ideal asset allocation strategy. The objective of the VIPB Fixed Income Fund is to achieve superior risk adjusted return for its investors. The Fund will also offer tax benefits and access to IPO subscription to its Unitholders. Being a fixed income fund in nature, the Fund aims to generate stable and sustainable income. The company also aims to continue providing excellent investment management service for VIPB Fixed Income Fund.

Registered Office	**VIPB Asset Management Company Limited** Police Plaza Concord, Tower 1, Level 11, Plot 2, Road 144, Gulshan 1, Dhaka 1212 Tel: + 88 02 55045193-95 Fax: + 88 02 55045196 Website: www.vipbamc.com
Sponsor & Asset Manager	**VIPB Asset Management Company Limited** Police Plaza Concord, Tower 1, Level 11, Plot 2, Road 144, Gulshan 1, Dhaka 1212 Tel: + 88 02 55045193-95 Fax: + 88 02 55045196 Website: www.vipbamc.com
Trustee	**Sandhani Life Insurance Co. Ltd.** Sandhani Life Tower Rajuk Plot 34, Bangla Motor, Dhaka 1000 Tel: + 88 02 55168181-5, 9611197, 9664931, 9661241 Website: www.sandhanilife.com
Custodian	**BRAC Bank PLC.** Anik Tower 220/B, Tejgaon Gulshan Link Road, Tejgaon I/A, Dhaka 1208. Tel: + 88 02 8801301-32 Website: www.bracbank.com
Auditor	**Hoda Vasi Chowdhury & Co.** Chartered Accountants BTMC Bhaban (6th & 7th Foor), 7-9 Karwan Bazar Commercial Area Dhaka-1215, Bangladesh Tel: +88 02 48721255, 8189323-24, 58150218, 48110980 Website: www.hodavasi.com
Banker	**BRAC Bank PLC.** Anik Tower 220/B, Tejgaon Gulshan Link Road, Tejgaon I/A, Dhaka 1208. Tel: + 88 02 8801301-32 Website: www.bracbank.com
Selling Agents	The Asset Manager may appoint and cancel selling Agent(s) in future subject to approval of the Trustee and intimating the same to BSEC

FUND HIGHLIGHTS

Name	VIPB Fixed Income Fund
Nature	Open-ended mutual fund predominantly focused on fixed income securities
Life and Size of the Fund	Perpetual life and unlimited size
Sponsor	VIPB Asset Management Company Limited
Asset Manager	VIPB Asset Management Company Limited
Trustee	Sandhani Life Insurance Co. Ltd.
Custodian	BRAC Bank PLC.
Initial Size of the Fund	Tk. 25,00,00,000 (taka twenty five crore) divided into 2,50,00,000 (two crore and fifty lac) units of Tk. 10 (taka ten) each
Face Value	Tk. 10 (taka ten) per Unit
Objective	To generate risk adjusted investment returns, mostly from an array of high-quality investment grade fixed income securities (including floating rate debt instruments) issued by the Government, Government related entities and private sector entities (both for profit and not for profit).
Minimum Application Amount	Tk. 20,000.00/- per application (2,000 units) for individuals Tk. 50,000.00/- per application (5,000 units) for institutions Tk. 2,000 per month for SIP investors
Prospective investors	Individuals, foreign and local institutions, Non-Resident Bangladeshi (NRB), mutual funds and collective investment schemes are eligible to invest in this Fund.
Sale/ Surrender / Transfer of Units	Directly from the Asset Manager and/or designated Selling Agents
Transparency	NAV will be calculated on a weekly basis and shall be published on the website of the Fund manager (www.vipbamc.com) and as prescribed in the Rule
Dividend Policy	The fund will provide returns to unitholders in the form of dividends when applicable upon approval of the trustee.
Dividend Distribution	The dividend will be distributed within 45 (forty five) days from the date of declaration.
Transferability	The units of the Fund are transferable by way of inheritance/ gift and/or by specific operation of the law.
Encashment	The unit holders can surrender and encash their units to the Asset Manager and through the authorized selling agents appointed by the Asset Manager. The Asset Manager or selling agents shall be liable to repurchase the units on behalf of the Fund.
Tax benefit	The investment tax benefits of the Fund will be available to both SIP investors and one-off investors as offered by the country's Finance Act and Income Tax Act, 2023. Currently, the following benefits are available: ✓ Yearly investments of up to Tk. 500,000.00 (taka five lac) in the fund is allowed to be recognized as eligible investments under Clause 2(7)(b) of Sixth Schedule (Part 3) of Income Tax Act, 2023. ✓ Up to 15% of the investments in the fund can be claimed as tax rebate under Section 78 of the Income Tax Act, 2023. ✓ According to the Sixth Schedule (Part 1) of Income tax Act, 2023, the income of the Fund will be exempted from tax at the fund level.
Reports and Accounts	Every unit holder is entitled to receive audited annual financial statements and quarterly statements of accounts as and when published on the website (www.vipbamc.com) of the Asset Manager.

CHAPTER 1: PRELIMINARY

1.1 Publication of Prospectus for Public Offering

VIPB Asset Management Company Limited has received registration certificate from the Bangladesh Securities & Exchange Commission under Securities & Exchange Commission Act, 1993 and সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১ made thereunder and also received consent for issuing prospectus for public offering. A complete copy of the prospectus is available for public inspection at Police Plaza Concord, Tower 1, Level 11, Plot 2, Road 144, Gulshan 1, Dhaka 1212, the corporate office of VIPB Asset Management Company Limited, the sponsor and asset manager of VIPB Fixed Income Fund, hereinafter referred to as "the Fund".

1.2 Consent of the Bangladesh Securities and Exchange Commission

"APPROVAL OF BANGLADESH SECURITIES AND EXCHANGE COMMISSION HAS BEEN OBTAINED TO THE ISSUE/OFFER OF THE FUND UNDER THE SECURITIES AND EXCHANGE ORDINANCE, 1969 AND THE সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১. IT MUST BE DISTINCTLY UNDERSTOOD THAT IN GIVING THIS APPROVAL THE COMMISSION DOES NOT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL SOUNDNESS OF THE FUND, ANY OF ITS SCHEMES OR THE ISSUE PRICE OF ITS UNITS OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS MADE OR OPINION EXPRESSED WITH REGARD TO THEM. SUCH RESPONSIBILITY LIES WITH THE ASSET MANAGER, TRUSTEE, SPONSOR AND/OR CUSTODIAN."

1.3 Listing of Fund

The Fund, being an open-ended one, will not be listed in any stock exchange of the country; hence the units of the Fund will not be traded in the stock exchanges unless otherwise BSEC and stock exchanges make arrangement in future. In that case, public communication will be made upon BSEC's approval.

The securities will be kept in the dematerialized form in Central Depository Bangladesh Limited (CDBL) to facilitate the holding and transfer of the units of the Fund. Units of the Fund will always be available for sale and surrender/repurchase, except on the last working day of every week and during book closure period/record date of the Fund, at the corporate office of VIPB Asset Management Company Limited and the offices of authorized selling agents. The Asset Manager shall disclose selling price and surrender/repurchase price of units at the beginning of business operation on the first working day of every week as per the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১.

1.4 Availability of Documents for Inspection

1. Copy of this prospectus will be available at the registered office of the Asset Manager and offices of the authorized selling agents of the Fund. This prospectus will also be available for viewing and downloading from the website of Bangladesh Securities and Exchange Commission (www.secbd.gov.bd) and the website of the Asset Manager (www.vipbamc.com).
2. Copy of the trust deed will be available for public inspection during business hours at the office of the asset manager of the Fund. One will be able to purchase a copy of the trust deed by paying the price as determined by the Asset Manager.

1.5 Conditions imposed under the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১ and Section 2CC of the Securities and Exchange Ordinance, 1969

1. The Fund shall not account for any upward revaluation of its assets creating reserve without clearance from the Bangladesh Securities and Exchange Commission;
2. The Fund shall not be involved in option trading, short selling or carry forward transactions;
3. A confirmation of unit allocation, i.e., letter of entitlement, shall be issued at the cost of the Fund at par value of Tk. 10.00 (taka ten only) each within 90 (ninety) days from the approval of the sale of such units;
4. Money receipt/acknowledgement slip issued at the time of sale of units will be treated as 'the letter of allotment', which shall not be redeemable/transferable;
5. The annual report of the Fund/or its abridged version will be published within 45 (forty five) days of the closure of each accounting year of the Fund as per বিধি ৭৯ of সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১;
6. An annual report and details of investment and savings of the Fund shall be submitted to the Commission, Trustee and Custodian within 90 (ninety) days from the closure of the accounts as per বিধি ৭০(২)(খ) of সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১;
7. Half-yearly accounts/financial results of the Fund will be published in at least one English and another Bangla National daily newspaper within 30 (thirty) days from the end of the period as per বিধি ৭৩ of সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১;
8. Dividend shall be paid within 45 (forty five) days of its declaration, and a report shall be submitted to BSEC, Trustee and Custodian within 7 (seven) days of dividend distribution as per বিধি ৬৬ of সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১
9. Net Asset Value (NAV) of the Fund shall be calculated and disclosed publicly at least once a week as per বিধি ৬০(২.৩) of সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১;
10. The script wise detail portfolio statement consisting of capital market and other than capital market holdings of the fund shall be disclosed in the website of the AMC on quarterly basis within 30 (thirty) days of each quarter end as per BSEC Directive No. BSEC/CMRRCD/2009-193/09 dated September 06, 2020;
11. 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;
12. BSEC may appoint auditors for special audit/investigation on the affairs of the Fund, if it so desires;
13. The Fund shall maintain separate bank account(s) to keep the sale proceeds of units and to meet up day-to-day transactions including payment against repurchase of units. All transactions of the account shall be made through banking channels and shall be properly documented;
14. The prospectus/abridged version of the prospectus shall be published in one of the widely circulated Bengali national daily newspaper. Provided that information relating to publication of the prospectus be published in two national daily newspapers (one Bengali and one English) and one online newspaper;
15. If abridged version of the prospectus is published in the newspaper, complete prospectus shall be made available to the applicants;
16. Initial target size of the new Fund is Tk. 25,00,00,000.00 (taka twenty five crore). The sponsor shall hold at least 10% (ten percent) of the initial target size and shall disclose Sponsor's amount in the offer document/published prospectus. The size of the fund may be increased from time to time by the AMC subject to approval of the Trustee and with intimation to the Commission;
17. If the Asset Manager fails to collect minimum 40% of the initial target amount under বিধি ৪৮(২.৩) of সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১, will refund the subscription money within 30 days without any deduction. In case of failure, the asset manager will refund the same with a rate of return of 18% (eighteen percent) per annum from its own account within the next month;
18. On the achievement of 40% of the initial target amount, the fund will be allowed to transfer the money from Escrow Account to Operational Account and to commence investment activities of the fund with permission of the Trustee;
19. The AMC should ensure compliance of বিধি ৪৯(২.৩) of সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১;
20. Unit allocation of the Sponsor's contribution amounting to Tk. 2,50,00,000.00 (taka two crore and fifty lacs) only shall be subject to a lock-in period of 1 (one) year from the date of formation of the fund and then $1/10^{th}$ of the Sponsor's contribution only shall be subject to a lock-in period of full tenure of the Fund until liquidation;
21. A confirmation of unit allocation of Tk. 2,50,00,000.00 (taka two crore and fifty lac) value will be issued in favor of the Sponsor. The said confirmation letter shall be in the custody of the Trustee. No splitting of the units of Sponsor shall be made without prior approval of the Commission;
22. Annual fee of the fund shall be submitted to the Commission on the fund size i.e., year-end Net Asset Value at market price of the fund, on advance basis as per rules; and may adjust the fee in the next year, if necessary;
23. The subscription period of the Fund will be 45 (forty five) days that will start on …… and end on ……. as per ৪৭ of সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১. Regarding limitation of time on closure of subscription, the initial public subscription will remain open for 45 (forty five) days or for a period up to the achievement of the initial target amount, whichever is earlier;
24. The paper cutting of the published prospectus and all other published documents/notices regarding the Unit Fund shall be submitted to the Commission within 24 hours of the publication thereof;
25. The Asset Management Company shall submit 10 (ten) copies of printed prospectus to the Commission for official record;
26. The Asset Management Company shall ensure in writing to the Commission that the prospectus is published correctly and is a verbatim copy of the prospectus vetted by the Commission;
27. The Securities must be kept in the custodian account under the name 'VIPB Fixed Income Fund';
28. The AMC shall apply the spot buying rate (TT clean) of Sonali Bank prevalent on the date of opening of subscription for conversion of foreign currencies;
29. The AMC shall submit to the Commission a diskette containing the vetted prospectus and its abridged version;
30. All conditions imposed under section 2CC of the Securities and Exchange Ordinance, 1969 must be complied with and be incorporated in the body of the prospectus;
31. Detailed statements of quarterly portfolio and other assets shall be published in Fund managers website written one month from the end every quarter as per Directive No. BSEC/CMRRCD/2009-193/09 dated 06 September 2020;
32. After due approval by the Trustee regarding issue and formation expenses, the AMC shall submit in detail along with supporting documents to the Commission regarding issue and formation expenses within 15 (fifteen) days of the operation of the Fund. The Auditor of the fund shall also put opinion about the above expenses in the initial financial statements of the fund;
33. Statement along with the subscribers list, copies of agreements with Custodian and Selling Agents (if applicable) shall be submitted to the Commission within 15 (fifteen) days of the completion of the subscription;
34. The investment policy and guideline and information on constituents of Investment Committee of the fund approved by the Board shall be submitted to the Commission within 30 (thirty) days from the receipt of the Consent Letter. The investment policy and guideline shall include among other issues, the investment delegation power of Chief Executive Officer and the Committee separately and also the meeting resolution presentation process;
35. After due approval of the Trustee, the Asset Manager shall submit the Systemic Investment Plan (SIP) brochure to the Commission complying the Rules within 30 (thirty) days of issuance of Consent Letter.

1.6 General Information

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

1.7 Sale and Repurchase of Units

Sale and repurchase of units of VIPB Fixed Income Fund will commence at the office of VIPB Asset Management Company Limited, Police Plaza Concord, Tower 1, Level 11, Plot 2, Road 144, Gulshan 1, Dhaka 1212 and the designated Selling Agent(s) and/or Branch Offices at the opening of banking business hours on …… and continue until winding up of the Fund except book closure period as per Rules.

VIPB AMCL will maintain BO accounts with BRAC Bank PLC., the Custodian of VIPB Fixed Income Fund for creation and redemption of units of VIPB Fixed Income Fund. In case of sale/ purchase of units of the Funds by the investors, units will be transferred to the unit holders' BO accounts as per instruction of VIPB AMCL after the acceptance of demat setup by the Custodian.

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

1.8 Systematic Investment Plan (SIP)

A Systematic Investment Plan (or SIP) is a mode of investment through which someone can invest a fixed amount every month (or any other interval) in a mutual fund. As the term indicates, it is a 'systematic method' of investing a fixed amount of money periodically. The periodic interval can be weekly, bi-weekly, monthly, quarterly, semi-annually or even annually. When you invest steadily in this manner, it can become easier to meet your financial goals as the wealth grows over the course of time.

Benefits of Investing in SIP

i. **Long-term orientation:** Compounding occurs when the returns you earn on your investments start earning returns over a long-term. This is a fundamental concept of Finance, and its practical implications can have substantial impact. When you invest regularly through SIPs, your returns are reinvested. Over time, that may increase your potential returns manifold. An ideal way to maximize this gain is to invest for an extended period. This also means that you may benefit from investing as early as possible.

ii. **Low initial investment:** You can invest in VIPB Fixed Income Fund through a SIP with just Tk. 2,000 per month. This can be an affordable way to invest monthly without hurting the wallet.

iii. **Flexible tenure:** An investor can plan a SIP with investment horizon of any length. The periodic interval for making payment can be weekly, bi-weekly, monthly, quarterly, semi-annually or even annually. A SIP of a shorter tenure can be upgraded into a longer one at any point in time during the continuity of the former plan.

iv. **Cumulative Investment Plan (CIP) for SIP:** SIP investors can either choose to receive cash dividend or CIP. If CIP (i.e., dividend reinvestment process) is chosen instead of a cash dividend, investors will be credited with the units of the fund instead of cash dividend payment. Following the CIP conversion, the investor will be entitled to dividends on the total number of units in the immediate next year (if available).

v. **Tax benefits:** The investment tax benefits of the Fund will be available to both SIP investors and one-off investors as offered by the country's Finance Act and Income Tax Act, 2023. Currently, the following benefits are available:
   - ✓ Yearly investments of up to Tk. 500,000.00 (taka five hundred thousand) in the fund is allowed to be recognized as eligible investments under Clause 2(7)(b) of Sixth Schedule (Part 3) of Income Tax Act, 2023.
   - ✓ Up to 15% of the investments in the fund can be claimed as tax rebate under Section 78 of the Income Tax Act, 2023.
   - ✓ According to the Sixth Schedule (Part 1) of Income tax Act, 2023 the income of the Fund will be exempted from Tax at the fund level.

How to invest?

An investor may choose to invest through any of the following options:

i. The investor can invest through SIP by auto debit system provided against investor's bank account in favor of the bank account of 'VIPB Fixed Income Fund'.
ii. The investor may provide post-dated account payee bank cheque in favor of 'VIPB Fixed Income Fund' at a regular interval.

Once the bank account of the fund is credited; the unit holder will be issued with the confirmation of unit allocation against every purchase of units. Soon after, the units will be created and credited to the BO ID of the investor following the due process.

1.9 Declarations:

Declarations about the Responsibility of the Sponsor
চতুর্থ তফসিল - (১) এর (ছ) [বিধি ৪৩ (৩) দ্রষ্টব্য]

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

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

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

Declarations about the Responsibility of the Custodian
চতুর্থ তফসিল - (১) এর (ছ) [বিধি ৪৩ (৩) দ্রষ্টব্য]

We, as Custodian of the VIPB Fixed Income Fund (Fund), accept the responsibility and confirm that we shall:

i. Keep all the securities in safe custody and shall provide the highest security for the assets of the Fund which are duly kept under our custody; and
ii. Preserve necessary documents and records of the Fund provided by the Asset Manager as per সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১.

Sd/-
Mr. Tareq Refat Ullah Khan
DMD & Head of Corporate Banking
BRAC Bank PLC.

Declarations about the Responsibility of the Trustee
চতুর্থ তফসিল - (১) এর (ছ) [বিধি ৪৩ (৩) দ্রষ্টব্য]

We, as the Trustee of the VIPB Fixed Income Fund, accept the responsibility and confirm that we shall,

i. Be the guardian of the Fund, held in trust, for the benefit of the Unit holders in accordance with the Rules and the Trust Deed;
ii. Always act in the interest of the Unit holders;
iii. Take all reasonable care to ensure that the Fund floated and managed by the Asset Management Company is in accordance with the Trust Deed and the Rules;
iv. Make sure that there is no contradiction between the Prospectus, Trust Deed and সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১;
v. Make such disclosures by the Asset Management Company to the investors as are essential in order to keep them informed about any information, which may have any bearing on their investments; and
vi. Take such remedial steps as are necessary to rectify the situation where we have reason to believe that the conduct of business of the Fund is not in conformity with relevant rules.

Sd/-
Mr. Md. Mizanur Rahman
Company Secretary
Sandhani Life Insurance Company Limited

Declarations about the Responsibility of the Asset Manager
চতুর্থ তফসিল - (১) এর (ছ) [বিধি ৪৩ (৩) দ্রষ্টব্য]

This Prospectus has been prepared by us based on the Trust Deed, the Investment Management Agreement, the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১ and other related agreements and examination of other documents as relevant for adequate disclosure of the Fund's objectives and investment strategies to the investors. We also confirm that:

i. The prospectus is in conformity with the documents, materials and papers related to the issue;
ii. All the legal requirements of the issue have been duly fulfilled; and
iii. The disclosures made are true, fair and adequate for making investment decision.

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

Sd/-
Mr. Shahidul Islam, CFA
Chief Executive Officer
VIPB Asset Management Company Limited

1.10 Due Diligence Certificates:

Due Diligence Certificate by Sponsor
চতুর্থ তফসিল - (১) এর (ঝ) [বিধি ৪৩ (৩) দ্রষ্টব্য]

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

Subject: VIPB Fixed Income Fund

We, the Sponsor of the above-mentioned forthcoming Mutual Fund, state as follows:

1. We, as the Sponsor to the above-mentioned Fund, have examined the draft prospectus and other documents and materials as relevant to our decision; and
2. We warrant that we shall comply with the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১, Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015, Trust Deed of the Fund and the rules, orders, guidelines, directives, notifications and circulars that may be issued by the Commission from time to time in this respect.

WE CONFIRM THAT:

a) All information in the draft prospectus forwarded to the Commission are authentic and accurate;
b) We, as the Sponsor of the Fund, as mentioned above will act as per clause of the trust deed executed with the Trustee and shall assume the duties and responsibilities as described in the trust deed and other constitutive documents;
c) We shall also abide by the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১ and conditions imposed by the Commission in regards to the Fund; and
d) We shall act to our best for the benefit and interests of the unit holders of the Fund.

For Sponsor,

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

Due Diligence Certificate by Trustee
চতুর্থ তফসিল - (১) এর (ঝ) [বিধি ৪৩ (৩) দ্রষ্টব্য]

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

Subject: VIPB Fixed Income Fund

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

1. We, while act as the Trustee of the above-mentioned fund on behalf of the investors, have examined the prospectus and other documents and materials as relevant to our decision; and
2. We warrant that we shall comply with the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১, Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015, Dhaka Stock Exchange (Listing) Regulations, 2015 and Chittagong Stock Exchange (Listing) Regulations, 2015 (if the Fund is listed with the stock exchanges), Trust Deed of the Fund and the rules, orders, guidelines, directives, notifications and circulars that may be issued by the Commission from time to time in this respect.

WE CONFIRM THAT:

a) All information and documents as are relevant to the issue have been received and examined by us and the draft prospectus forwarded to the Commission have been approved by us;
b) We have also collected and examined all other documents relating to the Fund;
c) While examining the above documents, we find that all the requirements of the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১ have been complied with;
d) We shall act as the Trustee of the Fund as mentioned above as per the provisions of the Trust Deed executed with the Sponsor and shall assume the duties and responsibilities as described in the Trust Deed and other constitutive documents;
e) We shall also abide by সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১ and conditions imposed by the commission in regards to the Fund; and
f) We shall act to our best for the benefits and interests of the unit holders of the Fund.

For Trustee,

Sd/-
Mr. Md. Mizanur Rahman
Company Secretary
Sandhani Life Insurance Company Limited

Due Diligence Certificate by Custodian
চতুর্থ তফসিল - (১) এর (ঝ) [বিধি ৪৩ (৩) দ্রষ্টব্য]

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

Subject: VIPB Fixed Income Fund

We, the under-noted custodian to the above-mentioned forthcoming mutual fund (Fund), state as follows:

1. We, while acting as custodian to the above-mentioned fund on behalf of the investors, shall comply with the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১, Depository Act, 1999, Depository Regulation, 2000, Depository (User) Regulation, 2003, Trust Deed of the Fund and the Rules, guidelines, circulars, orders and directions that may be issued by the Bangladesh Securities and Exchange Commission from time to time in this respect.

WE CONFIRM THAT:

a) We will keep all the securities (both listed and Non-listed) and Assets of the "VIPB Fixed Income Fund" including FDR receipts in safe and separate custody as per বিধি ৪১ of সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১, and will provide highest security for the assets which are duly kept under our custody of the Fund;
b) We shall act as custodian of the Fund as mentioned above as per provisions of the custodian agreement executed with the asset management company and shall assume the duties and responsibilities as described in the trust deed of the mentioned Fund and other constitutive documents;
c) We shall also abide by the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১, and conditions imposed by the Commission in regards to the Fund; and
d) We shall act to our best for the benefit and sole interests of the unit holders of the Fund.

For Custodian,

Sd/-
Mr. Tareq Refat Ullah Khan
DMD & Head of Corporate Banking
BRAC Bank PLC.

Due Diligence Certificate by Asset Manager
চতুর্থ তফসিল - (১) এর (ঝ) [বিধি ৪৩ (৩) দ্রষ্টব্য]

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

Subject: VIPB Fixed Income Fund

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

1. we, while acting as the asset manager to the above-mentioned Mutual Fund, declare and certify that the information provided in the prospectus, is complete and true in all respects;
2. we further certify that we shall inform the Bangladesh Securities and Exchange Commission immediately of any change in the information of the Fund; and
3. we warrant that we shall comply with the Securities and Exchange Ordinance, 1969, the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১, Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015, Trust Deed of the Fund and the Rules, guidelines, circulars, orders and directions that may be issued by the Bangladesh Securities and Exchange Commission from time to time in this respect.

WE CONFIRM THAT

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

For the Asset Manager,

Sd/-
Mr. Shahidul Islam, CFA
Chief Executive Officer
VIPB Asset Management Company Limited

CHAPTER 2: BACKGROUND

2.1 Preamble to Formation of VIPB Fixed Income Fund

Open-ended mutual fund is widely popular throughout the world among all kinds of investors. It is highly accepted and regarded as an accessible investment vehicle offering relatively more flexibilities to the investors. The mutual funds that are focused on fixed income securities, provide additional benefits. Generally, a potential investor, who has profession in industries other than investment management, may lack two things for managing his investments directly and they are 'lack of time' and 'lack of expertise'. Mutual funds run by credible asset managers can be the ultimate solution for these investors.

A mutual fund is essentially a Trust that pools funds from investors (both individual and institution) and then invest in different securities across various asset classes. An open-ended mutual fund doesn't have any fixed tenure. It issues 'Units' against the money pooled from investors. The mutual fund units are priced based on the net asset value of the underlying securities (instead of demand and supply). Fixed income open ended mutual funds are focused on fixed income securities including bonds, bills etc. Due to the nature of their correlation with other asset classes, they can be an excellent diversification option. Investing in a fixed income mutual fund effectively means getting access to a professionally managed portfolio of high-quality fixed income securities that was built based on thorough research.

Mutual Fund Industry and Fixed Income Funds:

There are currently 64 Asset Management Companies in Bangladesh, licensed under BSEC. Out of the staggering number, 39 companies (approximately 61%) have at least one mutual fund operational, managing a total AUM of about BDT 160.6 bn (as of January 2024; **source** – IDLC Monthly Mutual Fund Review). Currently there are 125 funds operational and out of that 88 are open ended funds. The total AUM is just about 2.5% of the total Equity market capitalization. As of June 2023, Banglad