PROSPECTUS

If you have any queries about this document, you may consult your bank manager, lawyer, professional accountant or other relevant professional advisers

VIPB BALANCED FUND

AN OPEN-ENDED MUTUAL FUND SCHEME

Initial size of issue: BDT 10,00,00,000 (Taka Ten Crore); Initial number of units: 1,00,00,000 units (One Crore units) Initial offer price: BDT 10.00 (Taka Ten per unit); Sponsor's contribution: BDT 1,00,00,000 (Taka One Crore) Initial public offering: BDT 9,00,00,000 (Taka Nine Crore); Initial subscription period: 10 November, 2020 to 24 December, 2020



Sandhani Life Insurance Co. Ltd.

Registered Office: Sandhani Life Tower, Rajuk Plot No-34, Bangla Motor, Dhaka-1000. **PROSPECTUS PUBLICATION DATE: 01.11.2020**

iv. make such disclosures by the Asset Management Company to the investors as are essential in order to keep them informed about any information, which may have any bearing on their investments; and v. take such remedial steps as are necessary to rectify the situation where we have reason to believe that the conduct of business of the Fund is not in conformity with relevant rules.

Declarations about the Responsibility of the Asset ManagerThis Prospectus has been prepared by us based on the Trust Deed, the Investment Management Agreement, the শিক্টরিটিজ
ও এল্লচেন্ত কমিন্দা (মিউচুয়াল ফাড) বিষৈল্যা, 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,

BRAC BANK

Custodian:

BRAC Bank Limited Registered Office:

Anik Tower, 220/B, Tejgaon Gulshan Link Road, Tejgaon I/A, Dhaka-1208.

Suite 11(H), Police Plaza Concord, Tower 1, Level 11, Road 144, Gulshan 1, Dhaka 1212

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 Balanced 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

nte discussions of the first the document.

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

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

The posterior of the Fund have been prepared in accordance with সিকিউটোঙ্গি ও এইটেড কমিশন (মিউটুয়াল ফাড) বিধিয়ালা, ২০০১, as The particulars of the Fund have been prepared in accordance with সিক্তান্তিক ও এন্ততে কামল (মিড্যুয়াল কৃত) Iridমালা, ২০০১, as amended till date and filed with Bangladesh Securities and Exchange Commission. The investors are advised, in their own interest, to carefully read the contents of the Prospectus, in particular the risk factors before making any investment decision.

পুজিবাজারে বি	নিয়োগ ঝুকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন।					
FUND HIGHLIGHTS						
Name	VIPB Balanced Fund					
Nature	Open-ended Mutual Fund					
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 Company Limited					
Custodian	BRAC Bank Limited					
Initial Size of the Fund	BDT 10,00,00,000 (Taka ten crore) divided into					
initial Size of the Fund	1,00,00,000 (one crore) units of Tk. 10 (Taka ten) each					
Face Value	Tk. 10 (Taka ten) per Unit					
	The objective of the Fund is to provide attractive risk adjusted					
Objective	return to the unit holders by investing the proceeds in the					
	capital market and money market.					
Minimum	Tk. 20,000.00/- per application (2,000 Units) for individuals					
Application Amount	Tk. 50,000.00/- per application (5,000 Units) for institutions					
B	Individuals, institutions, Non-Resident Bangladeshi (NBR),					
Prospective investors	mutual funds and collective investment schemes are eligible to invest in this Fund.					
Sale/ Surrender / Transfer of Units	Over the Counter (OTC) of the Asset Manager and designated Selling Agents					
	NAV will be calculated on a weekly basis and shall be					
Transparency	published on the website of the Fund manager					
	(www.vipbamc.com) and as prescribed in the Rule					
	Individuals – both resident and non-resident, institutions –					
Target Group	both local and foreign, mutual funds and collective investment					
	schemes are eligible to subscribe the Units of the Fund.					
	Minimum 70% (seventy persent) of realized profit of the Fund					

poon local and toreign, mutual funds and collective investment schemes are eligible to subscribe the Units of the Fund. Minimum 70% (seventy percent) of realized profit of the Fund. Minimum 70% (seventy percent) of realized profit of the Fund will be distributed as dividend in Bangladeshi Taka or CIP (if requested by the investor) only in each accounting year. The dividend warrant will be distributed within 45 (Forty Five) days from the date of declaration.

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

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 agent shall be liable to re-purchase the units on behalf of Fund. Income shall be tax free up to certain level, which is permitted as per Finance Act. Investment in the Fund would qualify for investment tax credit under section 44(2) of the Income Tax Ordinance 1984.

The income of the Fund will also be exempted from Tax. Every Unit holder is entitled to receive annual report along with the yearly and half-yearly statements of accounts as and when published from the website (www.vipbamc.com) of the Asset Manager. Asset Manager

CHAPTER 1: PRELIMINARY

Dividend Policy

Dividend Distribution Transferability Encashment

Reports and Accounts

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 শিকটালিটিজ ও এক্ষুচেঞ্চ কমিন্দ্ৰন (মিউচুন্নাল ফাড) 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 Suite 11(H), Police Plaza Concord, Tower 1, Level 11, Road 144, Gulshan 1, Dhaka 1212, the corporate office of VIPB Asset Management Company Limited – the asset manager of VIPB Balanced Fund, hereinafter referred to as "the Fund".

1.2 Consent of the 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 OBDINANCE, 1969 AND THE পিকটবিটিজ ও এক্সডের কমিলন (মিউট্টারাল ফাচ) বিধিমালা,
২০০১. IT MUST BE DISTINCTLY UNDERSTOOD THAT IN GIVING THIS APPROVAL THE COMMISSION DOES NOT TAKE ANY
RESPONSIBILITY FOR THE FINANCIAL SOUNDINESS OF THE FUND, ANY OF ITS SCHEMES OR THE ISSUE PRICE OF ITS UNITS OR
FOR THE CORRECTNESS OF ANY OF THE STATEMENTS MADE ON OPINION EXPRESSED WITH REGARD TO THEM. SUCH
RESPONSIBILITY LIES WITH THE ASSET MANAGER, TRUSTEE, SPONSOR AND/OR CUSTODIAN."

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

The securities will be kept in dematerialize 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 the VIPB Asset Management 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 বিশিষ্টালা.

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

1.4 Availability of Documents for Inspection
 1. Copy of this prospectus will be available at the registered office of the Asset Manager and offices of the authorized selling agents of the Fund. This prospectus will also be available for viewing and downloading from the website of Bangladesh Securities and Exchange Commission website (www.secbd.org) 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 of the Fund.

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

1. The Fund shall not account for any upward revaluation of its assets creating reserve without clearance from the Bangladesh Securities and Exchange Commission;

2. The Fund shall not be involved in option trading, short selling or carry forward transactions;

3. A confirmation of Unit Allocation shall be issued at the cost of the Fund at par value of Tk. 10.00 (Taka ten) each within 90 (ninety) days from the date of sale of such Units;

4. Money receipt /acknowledgement slip issued at the time of sale of Units will be treated as allotment, which shall not be redomestally transferable.

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;
An annual report and details of investment and savings of the Fund shall be submitted to the Commission, Trustee and

cial results of the Fund will be published in at least one English and one Bengali national daily

Custodian within 90 (ninety) days from the closure of the accounts;

1. Half-yearly accounts/financial results of the Fund will be published in at least one English and one Bengali national daily newspaper within 30 (thirty) days from the end of the period;

2. 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;

3. Net Asset Value (NAV) of the Fund shall be calculated and disclosed publicly at least once a week;

10. Details statements of quarterly status of portfolio and other assets shall be published in asset manager website within one month of the end of the quarter;

11. After initial public subscription, the sale and repurchase/surrender price of Units will be determined by the Asset Management Company as per the Rule. NAV calculated on a date shall form the repurchase price of Units by rounding up the amount and shall be effective up to next calculation of NAV of the Fund. The difference between sales price and surrender value shall not be over Tk. 0.30 (thirty paisa) per unit and may increase up to 5% of the sale price at the decision of the Board of Directors of the Asset Management Company;

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 channel and shall be properly documented;

14. The prospectus/shridged version of the prospectus shall be published in one of the widely circulated Bengali national daily newspapers. Provided that information relating to publication of prospectus in the form of advertisement be published in two national daily newspapers (Bengali and English);

15. If approved, abridged version of the prospectus will be published in the newspaper and complete prosp

f the Fund; of the Fund will be increased from time to time by the Asset Manager subject to approval of the Trustee and

with intimation to the Commission;

18. All the publications related to prospectus and all other published documents/notices regarding the Unit Fund shall be submitted to the Commission within 24 hours of the publication thereof;

19. The Asset Management Company shall submit 40 (forty) copies of printed prospectus to the Commission for official record within 7 (seven) days of prospectus approval;

20. 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;

21. The AMC shall submit to the Commission a diskette containing the vetted prospectus;

22. If the Fund manager fails to collect the minimum 40% of the initial target amount under section 48 of the পিছেবিটিছ ও এমিচেচে বিভিন্ন বিভিন্ন (১০০১), it will refund the subscription money within 30 days from the closure of subscription without any deduction. In case of failure, the Fund manager will refund the summer will refun

On achievement of 40% of the initial target amount, the Fund is allowed to commence investment activities of the Fund with permission of the Trustee;
 Confirmation of Unit Allocation of the sponsor's contribution amounting to Tk 1,00,00,000/- (Taka one crore) only shall be subject to a lock-in for a period of minimum three years from the date of formation of the Fund and after that period, 90% holding may be transferred, with approval of the BSEC, to any institution elligible to be a sponsor of a mutual fund.
 A Confirmation of Unit Allocation amounting Tk. 1,00,00,000/- (10% of the Fund) will be issued in favor of the sponsor. The said unit allocation confirmation letter shall be in the custody of the Trustee. No splitting of the Confirmation of Unit Allocation letter shall be made without prior approval of the Commission.
 After approval by the Trustee regarding issue and formation expenses, the AMC shall submit in details to the Commission regarding issue and formation expenses within 15 (fifteen) days of fund operation;
 Annual fee of the fund shall be submitted to the Commission on the Fund size i.e. year-end NAV at market price of the fund on advance basis as per wewaypiy; and may adjust the fee in the next year if necessary;
 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.

General Information
 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.

No person is authorized to give any information to make any representation not contained in this prospectus ar given or made, such information or representation must not be relied upon as having been authorized by VIPE Management Company Limited.

3. The issue as contemplated in this document is made in Bangladesh is subject to the exclusive jurisdiction of the court ladesh. Forwarding this prospectus to any person residing outside Bangladesh in no way implies that the issue in accordance with the laws of that country or is subject to the jurisdiction of the laws of that country.

Sale and repurchase of Units of VIPB Balanced Fund will commence at the counter of VIPB Asset Management Company Limited, Suite 11(H), Police Plaza Concord, Tower 1, Level 11, Road 144, Gulshan 1, Dhaka 1212 and designated Selling Agent(s) Branch Offices at the opening of banking business hours on 10/11/2020 and continue until winding up of the Fund except book closure period as per Rules.

VIPB AMCL will maintain BO accounts with BRAC Bank Limited, the Custodian of VIPB Balanced Fund for creation redemption of units of VIPB Balanced Fund. In this case sale/purchase of unit funds by the investor, units will be transft to the unit holders BO accounts as per instruction of VIPB AMCL after the acceptance of demat setup by the custodian

In this 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.

Declarations about the Responsibility of the Sponsor

Declarations about the Responsibility of the Sponsor

The Sponsor, VIPB Asset Management Co. Limited, accepts full responsibility for his institution's contribution / portion the authenticity and accuracy of the information contained in this prospectus and other documents regarding VIPB Balanced Fund. To the best of the knowledge and belief of the Sponsor, who has taken all reasonable care to ensure that all the conditions and requirements concerning this public offer and all information contained in this document, drawn up by virtue of the Trust Deed of the Fund by the entrusted Asset Management Company have been met and there is no other information or 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 make

Chief Executive Officer VIPB Asset Management Company Limited

Declarations about the Responsibility of the Custodian
We, as Custodian of the VIPB Balanced Fund, accept the responsibility and confirm that we shall:
i. Keep all the securities in safe custody and shall provide the highest security for the assets of the Fund; and
ii. Preserve necessary documents and record so as to ascertain movement of assets of the Fund as per পিৰুত্তিৰাটিজ ও এক্সচেঞ্চ
কমিশন (মিউচুয়াল ফাছ) বিধিমালা, ২০০১.

Sd/-Tareq Refat Ullah Khan Haad of Corporate Banking BRAC Bank Limited

Declarations about the Responsibility of the Trustee

We, as Trustee of the VIPB Balanced 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; always act in the interest of the Unit holders; take all reasonable care to ensure that the Fund floated and managed by the Asset Management Company are in accordance with the Trust Deed and the Rules;

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

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.

Sd/-Shahidul Islam, CFA Phof Executive Officer Shadement Company Limited 1.9 Due Diligence Certificate:

Company Secretary Sandhani Life Insurance Company Limited

Bangladesh Securities and Exchange Commission

Securities Commission Subject: VIPB Balanced Fund

Subject: VIPB Balanced 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 পিকটবিটিঙ ও অনুতেও কমিদন (মিউচুয়াল কাড) বিদিয়ালা, ২০০১, Bangladesh Securities and Exchange Commission (public issue) Rules, 2015, Trust Deed of the Fund and the rulen orders, orders, guidelines, directives, notifications and circulars that may be issued by Commission from time to time in this respect.

WE CONFIRM THAT:
a) All information in the draft prospectus forwarded to the Commission is authentic and accurate;
b) We as sponsor of the Fund as mentioned above will act as per clause of the trust deed executed with the 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 Presides ও এপ্সতেও কমিশন (মিউচুয়াল খাত) বিধিমালা, ২০০১ and conditions imposed by the Commission as regards of the Fund; and
d) We shall act to our best for the benefit and interests of the unit holders of the Fund.

SG/-Shahidul Islam, CFA Chief Executive Officer VIPB Asset Management Company Limited Due diligence certificate by Trustee চতুর্থ তফসিল- (১) এর (জ) [বিধি ৪৩ (৩) দুষ্টব্য]

The Chairman

Bangladesh Securities and Exchange Commission

Commission Rhahan

Securities Commission Bhaban E-6/C, Agargaon Sher-e-Bangla Nagar Administrative Area Dhaka-1207, Bangladesh

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

1. We, while act as trustee to the above-mentioned fund on behalf of the investors, have examined the draft prospectus and other documents and materials as relevant to our decision; and

2. We warrant that we shall comply with the দিকিউরিটিজ ও এরতের কমিন্দ (মিউচ্যুরাল ফাড) বিধিমালা, ২০০১, Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015, Dhaka Stock Exchange (Listing) Regulations, 2015, Chittagong Stock Exchange (Listing) Regulations, 2015, Tints 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) 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 পিকিউরিটিজ ও এক্সচেন্ত কমিশন (মিউচুয়াল ফান্ড) বিধিয়ালা, ২০০১, have been complied with;
d) We shall act as trustee of the fund as mentioned above as per provisions of the trust deed executed with the sponsor and shall assume the duties and responsibilities as described in the Trust Deed and other constitutive documents;
e) We shall also abide by the পিকিউরিটিজ ও এক্সচেন্ত কমিশন (মিউচুয়ালা ফান্ড) বিধিয়ালা, ২০০১, and conditions imposed by the Commission as regards of the Fund; and
f) We shall act to our best for the benefit and sole interests of the unit holders of the Fund;

For Trustee

Md. Mizanur Rahman Company Secretary Sandhani Life Insurance Company Limited

Due diligence certificate by Custodian চতুৰ্থ তফসিল- (১) এর (জ) [বিধি ৪৩ (৩) দ্রষ্টব্য]

Bangladesh Securities and Exchange Commission

Subject: VIPB Balanced Fund

We, the under-noted Custodian to the above-mentioned forthcoming mutual fund, state as follows:
We, while act as custodian to the above-mentioned fund on behalf of the investors, shall comply with the পিৰুইনিটিছ ও এল্লেচ্চের্কাশন (মিউচুয়াল কাড) বিধিমালা, ২০০১, Depository Act, 1999, Depository Regulation, 2000, Depository (User) Regulation, 2003, Trust Deed of the Fund and the Rules, guidelines, circulars, order and directions that may be issued by the Bangladesh Securities and Exchange Commission from time to time in this respect

WE CONFIRM THAT:a) We will keep all securities (both) listed and unlisted and Assets of the "**VIPB Balanced Fund**" including FDR receipts in safe and separate custody as per wewa 41 of সিকিউরিটিজ ও এক্সচেঞ্ভ ওমিশন (মিউচুয়াদা ফাড) বিধিমালা, ২০০১ and will provide highest

a) We will keep all securities (both) listed and unlisted and Assets of the "VIPB Balanced Fund" including FDK receipts in safe and separate custody as per wewa 41 of Priesofilos e agragos কৰ্মিশন (Pelspiner wis) Giffarin, ২০০১ and will provide highest security for the assets of the Fund; b) We shall act as custodian of the fund as mentioned above as per provisions of the custodian agreement executed with the asset management company and shall assume the duties and responsibilities as described in the trust deed of the mentioned fund and other constitutive documents;

c) We shall also abide by the Presider e এক্সচেড কমিশন (মিউচ্যাল ফাঙ) বিদিমালা, ২০০১, and conditions imposed by the Commission as regards of the fund; and

d) We shall act to our best for the benefit and sole interests of the unit holders of the fund;

Taren Refat Ullah Khan

Head of Corporate Banking BRAC Bank Limited Due diligence certificate by Asset Manager

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

Subject: VIPB Balanced Fund

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

1. We, while act as asset manager to the above mentioned mutual fund, declare and certify that the information provided in the prospectus, is complete and true in all respects;

2. We further certify that we shall inform the Bangladesh Securities and Exchange Commission immediately of any change

in the information of the fund; and . We warrant that we shall comply with the Securities and Exchange Ordinance, 1969, the শিকটাটিজ ও এম্ব্যুচজ (খিউড্যামা স্পাচ) শিবিখালা, ২০০১, Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015, Dhaka Exchange (Listing) Regulations, 2015, Chittagong Stock Exchange (Listing) Regulations, 2015, Trust Deed of the and the Rules, guidelines, circulars, orders and directions that may be issued by the Bangladesh Securitie Exchange Commission from time to time in this respect.

WE CONFIRM THAT

a) The draft prospectus forwarded to the Commission is in conformity with the documents, materials and papers relevant to the Fund;

b) All the legal requirements connected with the said fund have been duly complied with; and

c) The disclosures made in the draft prospectus are true, fair and adequate to enable the investors to make a well-informed decision for investment in the proposed fund.

Shahidul Islam, CFA

Chief Executive Officer VIPB Asset Management Company Limited

2.1 Preamble to Formation of VIPB Balanced FundOpen-ended mutual fund is widely popular throughout the world among all kinds of investors. It is highly accepted and praised investment vehicle offering a lot more flexibilities to the investors. Globally at present, most of the mutual funds are open-ended ones. The scenario in Bangladesh has changed a lot over the last couple of years as a good number of open-ended funds were launched. At present there are 54 open-ended mutual funds (as of December, 2019) operational in the market. More funds are in the pipeline waiting to get the approval from the regulators.

HAPTER 2: BACKGROUND

VIPB Asset Management, one of the leading asset management firm in the country, launched its first open-ended fund named VIPB Accelerated Income Unit Fund in 2016. The fund got tremendous response from both individual and institutional investors. The fund was the best performer in 2017 among all mutual funds operational in Bangladesh. This sort of performance record isn't new for VIPB Asset Management. Even when the market went through a critical time since the market crash of 2010-11, the company continued to show robust performance in managing its two closed-end mutual funds. That successful track record inspired the company to launch an open-ended mutual fund and eventually the fund carried the success story further. VIPB Asset Management Company Limited also lunched its second open-ended Mutual Fund name VIPB Growth Fund on April 2018. VIPB Asset Management Company Limited believes that it would be able to perform similarly in case of the proposed VIPB Balanced Fund as well.

The parties to the fund are: VIPB Asset Management Company Limited as the Sponsor & the Asset Manager, Sandhani Life Insurance Company Limited as the Trustee and BRAC Bank Limited as the Custodian of the Fund.

2.2 Advantages of Investing in VIPB Balanced Fund Generally, investment in mutual funds provides certain incremental advantages when compared to investment made directly in the capital market. Highlighted below are some of the advantages the investors may benefit from when investing in VIPB Balanced Fund: Mutual funds generally lower investment risks for small and retail investors through diversification into multiple sectors,

ompanies, securities, and via investing in various asset classes. The fund manager will attempt to maximize return for a given level of risk and always conduct a balance in its risk-return tradeoff.

Mutual funds through its diversified pool of investments will provide small investors access to returns of the wider market, which will be very costly for retail investors to achieve individually.

Greater participation of mutual funds will add to enhanced liquidity to the overall market and, since most mutual funds are long term investment vehicles, this will create price stability and better price discovery and reduce short term velocities in the market.

The Fund's performance will benefit from the VIPB Asset Management Company Limited proprietary investment

process and research tools for both fundamental and technical analysis; AMC has a highly skilled in-house research team who are experienced investment professionals dedicated to research the stock market, its scripts and the impact of the broader macro-economic factors that impact the market. In Bangladesh, mutual funds enjoy a 10% (ten percent) reserved quota for all Initial Public Offerings (IPOs). IPOs in Bangladesh have historically performed very well relative to the market index and have positively contributed to mutual funds reserved. mutual fund performance. The investors will be able to save significantly in transaction costs as he/she will have access to a large number of

The investors will be able to save significantly in transaction costs as he/she will have access to a large number of securities by purchasing a single unit of the mutual fund.
 Income will be tax free up to Taka 25,000 as permitted under the Finance Act.
 Investment in the Fund will qualify for investment tax credit under section 44(2) of the Income Tax Ordinance 1984.
 Management and operations of mutual funds are subject to strict regulations from the BSEC and the Sponsor appointed Trustee, both of whom closely monitor the performance of the fund. The laws governing mutual funds require exhaustive disclosure to the regulator and general public.
 VIPB Balanced Fund offers the investors to choose between receiving cash dividends and cumulative investment plan (CIP). The latter allows the fund manager to reinvest the dividend in the market.
 Price of the Units of the fund won't be determined by demand and supply, rather by Net Asset Value (NAV).

CHAPTER 3: THE FUND

3.1 Formation of the Fund The Trust Deed of the Fund was registered on December 4, 2019 under the Trust Act, 1882 and Registration Act, 1908. The Fund was registered by the BSEC on January 13, 2020 under the পিকিউৱিটিজ ও এন্নতেঞ্চ কমিশন (মিউচুয়াল ফাড) বিধিয়ালা, ২০০১.

3.2 Life of the Fund
The Fund will be an open-ended mutual fund with a perpetual life. Institutional, local & foreign individual, resident & non-resident investors are eligible to invest in this Fund. The initial target size of the Fund will be Tk 10,00,00,000 (Taka Ten Crore) only divided into 1,00,00,000 (One Crore) Units of Tk 10 (Taka Ten) each. Size of the Fund will be increased from time to time by the Asset Manager subject to approval of the Trustee and with due intimation to the BSEC.

3.3 Face Value and DenominationFace value of each Unit will be Tk. 10 (Taka Ten) only. Initially, unit holders of the Fund shall be issued with a Confirmation of Unit Allocation letter by the Asset Manager at the cost of the Fund in any denomination but not less than 2,000 (Two Thousand) units for individuals and 5,000 (Five Thousand) units for institutions.

3.4 Investment Objective
The objective of the fund is to generate healthy returns for the valued unit holders maintaining efficient risk management and making prudent investment decisions.

3.5 Investment Policies
1. The Fund shall invest subject to the wewagyly and only in those securities, deposits and investments approved by the Bangladesh Securities and Exchange Commission (BSEC) and/or any other competent authority in this regard.
2. Not less than 60 (Sixty) percent of the total assets of the Scheme of the Fund shall be invested in capital market instruments out of which at least 50 (Fifty) percent shall be invested in listed securities.
3. Not more than 25 (Twenty Five) percent of the total asset of the Scheme of the Fund shall be invested in Fixed Income Securities (FIS).

Securities (FIS).

4. Not more than 15 (Fifteen) percent of the total asset of the Scheme of the Fund shall be invested in pre-IPOs at a time.

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.

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

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.

8. The Asset Management Company shall choose broker(s) for the purpose of purchase and sale of securities for the Fund's 9. Settlement of transaction shall take place as per the customs and practice of the relevant laws

3.6 Investment Restrictions In making investment decision the following restrictions should be taken due consideration:

The Fund shall not invest more than 10 (Ten) percent of its total assets in any one particular company. The Fund shall not invest in more than 15 (Fifteen) percent of any company's paid up capital. The Fund shall not invest more than 20 (Twenty) percent of its total assets in shares, debentures or other securities of a single company or group.
iv. The Fund shall not invest more than 25 (Twenty Five) percent of its total assets in shares, debentures or other securities

iv. The Fund shall not invest more than 25 (Twenty Five) percent of its total assets in shares, debentures or other securities in any single industry.
v. The Fund shall not invest in, or lend to, another Scheme under the same Asset Management Company.
vi. The Fund shall not acquire any asset out of the trust property, which involves the assumption of any liability that is unlimited or shall result in encumbrance of the trust property in any way.
vii. The Fund or the Asset Manager on behalf of the Fund shall not give or guarantee term loans for any purpose or take up any activity in contravention of the wewagylv.
viii. The Fund shall buy and sell securities on the basis of deliveries and shall, in all cases of purchases, take delivery of securities and in all cases of sale, deliver the securities on the respective settlement dates as per the custom and practice of the stock exchanges and shall in no case put itself in a position whereby it has to make short sale or carry forward transaction.

forward transaction.

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

x. The Fund shall not buy its own Unit.

3.7 Valuation Policy
The Fund intends to determine its NAV per Unit on the last business day of each week by dividing the value of the net asset of the Fund (the value of total assets less total liabilities by the total number of units outstanding) as per wewa 60 of the [Firemin. As per wewa 58 of the wewagyly, valuation policy of investment of the Fund needs to be approved earlier by the BSEC valuation criteria so far approved by the Commission in the Irust Deed is as follows:

i. For listed securities, the closing price on the Dhaka Stock Exchange on the date of valuation shall form the basis of any calculation of Net Asset Value of such securities in the portfolio of the Fund.

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

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

iv. The Fund shall follow the method approved by the Commission for valuation of the non-listed investment, if any, and the Asset Management Company and the Trustee shall periodically review the non-listed investment, if any, and the Trustee shall periodically review the on-listed investment, if any, and the Trustee shall periodically review the non-listed investment, if any, and the Trustee shall periodically review 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 non-listed investment, if any, and the Asset Management Company and the Trustee shall periodically review the non-listed investment, if any, and the Asset Management Company and the Trustee shall periodically review the non-listed investment.

Scheme of the Fund.

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

vi. The valuation of non-listed securities shall be made by the Asset Management Company with their reasonable value and approved by the Trustee and commented upon by the Auditors in the Annual Report of the Fund.

vii. Once non-listed securities are valued, the valued amount will be considered for the purpose of valuing the Fund's assets in any interval of time until the securities are further revalued by the Asset Management Company.

viii. Asset Management Company and Trustee will value the non-listed securities at least once in every three months.

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

x. Net Asset Value (NAV) calculation

The Fund will use the following formula to derive NAV per Unit: Total NAV = VA - LT

 $VA = Value \ of \ all \ securities \ in \ vault + Value \ of \ all \ securities \ placed \ in \ lien + Cash \ in \ hand \ and \ at \ bank + Value \ of \ all \ securities \ receivables + Receivables \ of \ proceeds \ of \ sale \ of \ investments + Dividend \ receivables \ net \ of \ tax + litterest \ receivables \ net \ of \ tax + litterest \ receivables \ net \ of \ tax + litterest \ receivables \ net \ of \ tax + litterest \ receivables \ net \ of \ tax + litterest \ receivables \ net \ of \ tax + litterest \ receivables \ net \ of \ tax + litterest \ receivables \ net \ of \ tax + litterest \ receivables \ net \ of \ tax + litterest \ receivables \ net \ of \ tax + litterest \ net \ of \ tax + litterest \ net \ of \ tax + litterest \ net \ ne$

LT = Value of all securities payable + Payable against purchase of investments + Payable as brokerage and custodial charges + Payable as Trustee fees + All other payable related to printing, publication and stationery + Accrued deferred expenses with regard to management fee, annual fee, audit fee and safe keeping fee.

3.8 Limitation of ExpensesThe initial issue expenses in respect of the Fund shall not exceed 5 (five) percent of the collected amount of the Fund raised under the Scheme and will be amortized within 7 (seven) years on a straight-line method. The total expenses charged to the Fund, except the amortization of initial issue expenses and including transaction cost in the form of stock brokerage against buy and sale of securities forming a part of acquisition or disposal cost of such securities, transaction fees payable to the Custodian against acquisition or disposal of securities, the AMC fees, Trustee fees, the annual registration fees payable to the Commission, audit fees, cost of publication of reports and periodicals, bank charge, commission of selling agents etc., shall not exceed 4 (four) percent of the weekly average net asset outstanding during any accounting year.

3.9 Price Fixation Policy and Sale & Re-purchase Procedure
After completion of initial subscription, the Fund will be opened to the investors for regular buy/sale of Units. The date of re-opening shall be declared by the asset manager upon approval of the Trustee and with due intimation to the BSEC. The asset manager shall calculate the Net Asset Value (NAV) per unit on the last working day of every week as per formula prescribed in the wewagyly and shall disclose sales price and repurchase/surrender price per unit determined on the basis of NAV before commencement of business operation of the first working day of the following week to the Commission and to the investors through at least one national daily, the website of the asset management company and the authorized selling agents of the Fund.

The difference between sales price and surrender value shall be 3% percent of the sale price of the Unit and may increase up to 5% of the sale price at the decision of the Board of Directors of the Asset Management Company. (The difference between sales price and surrender value shall not exceed 5% of the sale price of the unit).

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, Sale and repurchase of unit certificates by Asset Management Company shall remain closed during first three weeks of January unless the Commission decides otherwise.

Sale and repurchase procedure is given below:

i. The Units of VIPB Balanced Fund may be bought /surrendered through VIPB Asset Management Company Limited and authorized selling agents appointed by the Asset Manager from time to time and any other procedure as prescribed by the Asset Manager. Surrender of units is allowed only through VIPB AMCL or the selling agent from prescribed by the Asset windager, surrender or units is anowed only through virib Awict or the seiling agent from which the units are originally purchased.

ii. During initial subscription minimum purchase amount for individual investors is 2,000 (Two thousand) Units and for institutional investors is 5,000 (Five Thousand) Units.

iii. Application for purchase of Units should be accompanied by an account payee cheque/pay order/bank draft in favor of 'VIPB Balanced Fund' for the total value of Units iv. After clearance/encashment of Cheque/draft/pay order, the applicant will be issued with a Confirmation of Unit Allocation against every purchase of Units he/she/the institutional investor applies for. If BO A/C is provided during the registration, the units will also be delivered to the Unit holder's BO A/C. v. Partial surrender (fraction of total units held under a Unit Allocation Confirmation) is allowed without any additional

cost subject to minimum surrender quantity is 2,000 (Two thousand) units for individuals and 5,000 (Five Thousand) units for institutions. Upon partial surrender, the Unit holder will be issued with a new Confirmation of Unit Allocation representing the balance of his Unit holding. vi. All payments/receipts in connection with or arising out of transactions in the Units shall be in Bangladeshi Taka.

If the total number of outstanding Units held by the Unit holders after repurchase at any point of time fall below 25 (Twenty Five) percent of the actual Units issued, the Fund will be subject to wound up.
 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.

Commission, requires the Scheme to be wound up.

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

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.

3.10.2 Manner of Winding Up

i. The Trustee shall call a meeting within 30 (thirty) days from the notice date of the Unit holders of a Scheme to consider the Unit holders present and voting at the meeting for

i. The Trustee shall call a meeting within 30 (thirty) days from the notice date of the Unit holders of a Scheme to consider and pass necessary resolutions by three-fourth majority of the Unit holders present and voting at the meeting for authorizing the Trustee to take steps for winding up of the Scheme. If it fails to have three fourth majority mandate, the Commission shall have the power to supersede the mandate if situation demands such.
 ii. The Trustee shall dispose of the assets of the Scheme of the Fund in the best interest of the Unit holders; provided that the proceeds of sale made in pursuance of the wewayiy shall in the first instance be utilized towards discharge of such liabilities as are properly due under the Scheme and after making appropriate provision for meeting the expenses connected with such winding up, the balance shall be paid to the Unit holders in proportion to their respective interest in the assets of the Scheme as on the date when the decision for winding up was taken.
 iii. Within thirty days from the completion of the winding up, the Trustee shall forward to the Commission and the Unit holders a report on the winding up containing particulars, such as circumstances leading to the winding up, the steps taken for disposal of assets of the Scheme before winding up, expenses of the Fund for winding up, net assets available for distribution to the Unit holders and a certificate from the auditors of the Scheme of the Fund for winding up.

3.10.3 Effect of Winding UpOn and from the date of the notice of the winding up of the Fund, the Trustee or the Asset Management Company, as the

ii. cease to create and cancel Units of the open-ended Fund;
 iii. cease to issue and redeem Units of the open-ended Fund.

cease to carry on any business activities of the open-ended Fund;

3-11 Fund Management Company Limited shall conduct the day-to-day management of the Fund's portfolio as the Asset WIPB Asset to the provisions plaid by the Trustee Manager subject to the provisions given by the Trustee and/or the Commission. However, WIPB AMCL shall have discretionary authority over the Fund in great part folio given by the Trustee and/or the Commission. However, WIPB AMCL shall have discretionary authority over the Fund in the State of the Commission. 3.12 Dividend Policy

The accounting year of the Fund shall be 1st January to 31st December;
As per the rule the Fund shall distribute minimum 70% or as may be determined by the विद्याला of the annual net income
of the Fund as dividend at the end of the accounting period after making provision for bad and doubtful investments.
The dividend will be in the form of cash. The Fund shall create a dividend equalization reserve by appropriation from

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

Surpluses arising simply form the valuation of investments shall not be available for dividend;

The Fund shall create a fividend causilization recorporate unitaritien from the incorporate fit.

surpluses arising simply form the valuation of investments shall not be available for dividend;
The Fund shall create a dividend equalization reserve by suitable appropriation from the income of the Fund;
Before registration for transfer of ownership, a transferee shall not possess the right to any dividend declared;
There will be a Cumulative Investment Plan (CIP) Scheme in this Unit Fund. Under this Scheme, a Unit holder instead of receiving dividend may reinvest such dividend income accrued for purchasing Units at a rate determined by VIPB AMCL. The unit holders may change their dividend preference in future as per their need.

Dividend warrants will be dispatched within 45 (forty five) days from the declaration of dividend and shall submit a statement within next 7 (seven) days to the compression. statement within next 7 (seven) days to the commission

CHAPTER 4: RISK FACTORS $Investing in the VIPB \ Balanced \ Fund \ (herein \ after \ the \ Fund) \ involves \ certain \ risks \ normally \ associated \ with \ making \ investment \ after \ the \ Fund) \ involves \ certain \ risks \ normally \ associated \ with \ making \ investment \ after \ the \ Fund) \ involves \ certain \ risks \ normally \ associated \ with \ making \ investment \ after \ the \ Fund)$

in securities. There can be no assurance that the Fund will achieve its investment objectives. The value of the Fund car fluctuate to increased or decreased level. On redemption, there is no assurance that the investors will receive the amount originally invested. The Fund is suitable for investment by investors who understand the risks involved and who are willling and able to survive the loss of their investments. In particular, prospective investors should consider the following risks. There is no assurance that the Fund will be able to meet its investment objectives and investors could potentially incur losses.

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

climatic condition may impact the performance of the Fund.

Market Risk

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

Concentration Risk

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

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

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

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

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

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

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

CHAPTER 5: FORMATION, MANAGEMENT AND ADMINISTRATION

5.1 Sponsor and Asset Manager of the FundVIPB Asset Management Company Ltd. (VIPB AMCL) is a subsidiary of Venture Investment Partners Bangladesh (VIPB), the first private venture capital investment firm in the country. VIPB, incorporated as a Public Limited Company (PLC), is a joint-venture between Non-resident Bangladeshi (NRB) Investors from the US and local institutional sponsors, including NCC Bank Ltd, National Life Insurance Company Ltd, Southeast Bank Ltd and The City Bank Ltd.

After incorporation in October 2006, VIPB started its journey in 2007 with a pre-operation and building up its Human Resources on this new financial services product for SME in Bangladesh. It has since then pioneered the use of venture capital type investment in the country, targeting the SME segment firms, who have huge Balanced potential but face significant hurdles in attracting funding from conventional sources such as banks and leasing companies. VIPB AMCL was incorporated on March 2, 2009. It received license from BSEC on June 8, 2009, as an Asset Management Company.

5.2 Trustee of the Fund

In order to ensure maximum trust and confidence of the investors, supervisory bodies and the persons concerned towards the Fund, the Sandhani Life Insurance Company Limited will act as the Trustee of the Fund.

the Fund, the Sandhani Life Insurance Company Limited will act as the Trustee of the Fund.

Sandhani Life Insurance Company Limited 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 activities and are Qualified and capable to act as the Trustee of a mutual fund.

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

1. Chairman, Sandhani Life Insurance Ltd.

2. CFO, Sandhani Life Insurance Company Limited

3. Company Secretary, Sandhani Life Insurance Company Limited

The Trustee committee may be changed by the Trustee from time to time with approval of BSEC.

5.3 Custodian of the Fund

BAC Bank Ltd, a banking company, incorporated under Companies Act, 1994 and Bank Companies Act, 1991 and registered with the Bangladesh Securities & Exchange Commission on December 15, 2009 to act as Custodian, engaged in, among others, custodial services having required capabilities, qualifications and adequate skills in its concerned field of activities.

5.4 Asset Manager of the Fund VIPB ASSET Management Company Ltd. (VIPB AMCL) is a subsidiary of Venture Investment Partners Bangladesh (VIPB), the first private venture capital investment firm in the country, shall act as the Asset Manager of the Fund. VIPB AMCL was incorporated on March 2, 2009. It received license from BSEC on June 8, 2009, as an Asset Management Company. Brief profiles of the directors and key personnel of the company are as follows:

Mr. Zia Uddin Ahmed, Ph. D, Chairman

Mr. Zia Uddin Ahmed, Ph. D, Chairman Dr. Ahmed has over 30 years of experience in development finance in South Asia. He has worked with major development agencies such as USAID, DFID, SDC, WB, IFC, ADB, IFAD etc. He has designed an innovative & unique business model for venture capital investment in Bangladesh based on international best practices. He holds a PhD in Economics from the University of Virginia, USA and BA from the University of Oklahoma, USA. He was awarded the Letseizer Gold Medal for the Outstanding Graduating Senior at the University of Oklahoma in 1975. He is the Chairman of Venture Investment Partners Bangladesh Limited. He is also the chairman of Terra Resources International Investment & Marketing Services Inc. USA.

Brig Gen Rafiuddin Ahmed (Retd), Director

Brig Gen Rafuddin Ahmed (Retd), Director
Mr. Ahmed served in the Bangladesh Army for 34 years as a professional army officer and he retired as a Brigadier General in
October 2004. He has a lot of experience in commanding platoons, companies, regiments, brigades and divisions. He also
commanded management and logistic staff officers at regiments, divisions and Army headquarters. He served as the
Defence Attaché of Bangladesh in the Bangladesh Embassy, Beijing for 3 years and 8 months and received PLA (Peoples
Liberation Army) Commemorative Medal from the Govt. of the People's Republic of China.

Mr. Golam Sarwar, Director

Mr. Sarwar holds a MS5 and a BSS (HON) degree from Dhaka University. He is a successful businessman both in Bangladesh and in the USA. He is based in Plano, TX and is the Proprietor of Mercer USA which deals with RMG marketing in the US. In Bangladesh, he has extensive investments in the RMG sector. He is the Chairman of Posh Garments Ltd, S.F. Denim Apparels Ltd., S.F. Fashion Wears Ltd. He is also the Managing Director of S.F. Apparels LTD. He sits in the board of VIPB.

Mr. Upal Rahman, Director
Mr. Rahman is the Founder President & CEO of Intelligent Image Management Inc., USA which provides creative solutions to companies that outsource their business process operations offshore. He is also a director of US Bangladesh Investment Group Inc., USA. He is a committee member of several US trade bodies, formulating standards on offshore BPO services. In Bangladesh, he operates the country's one of the largest and oldest 100% export oriented information technology company, Digital Architects Ltd. that provides IT solutions to several Fortune 300 companies. Mr. Rahman has a BSc in EE from the Northeastern University, MA. He has work experience as software engineer in companies such as Vitrionics Corp., USA.

Mr. A. K. M. Nazmul Haider, Director

Mr. A. K. M. Nazmul Haider, Director
Mr. A. K. M. Nazmul Haider, Director
Business Administration with Honours in 1993 and MBA (Major in Accounting) in 1995 from the University of Chittagong. He
worked in South Asia Capital Limited, Square Group, First Security Islami Bank Ltd., National Credit and Commerce Bank
Limited in different capacities. He participated in many seminars, conferences, workshops, training programs on various
important topics of Business, Banking, Investment and Capital Markets.

Mr. Md. Monirul Alam, FCS, Director

Mr. Md. Moinful Ham, PCS, Director Md. Moinful Alam obtained his Masters Degree (M.Com) from Dhaka University. He is a fellow member of the Institute of Chartered Secretaries of Bangladesh (FCS). Mr. Alam is now working in National Credit and Commerce Bank Limited as Executive Vice President and Company Secretary. He has 30 years of experiences in the financial service industry.

Mr. Muhammad Fouzul K. Khan, Ph. D. Independent Director
Mr. Khan received his Ph. D. in Economics in 1989 by writing a dissertation on investment from Boston University, USA. He received his Master of Arts in Political Economy from Boston University and B.A. with honors from Dhaka University, Bangladesh. He has taught as full and part time faculty at several renowned universities around the world. He was Secretary, Power Division, Ministry of Power, Energy and Mineral Resources, Government of Bangladesh from 2007-2008. He was the founder Chief Executive Officer of Infrastructure Development Company Limited (IDCOL), a financial institution in Bangladesh. Earlier, be served at the National Board of Revenue and was involved in design and implementation of tax and tariff reform in the early nineties. He worked in consulting assignments of the World Bank, and Asian Development Bank in Papua New Guinea, South Sudan etc. He is also currently the Chairman and CEO of Keystone Business Support Company Limited, and the TA Team Leader for the Asian Development Bank's Bangladesh Public- Private Partnership.

Shahidul Islam, CFA, Chief Executive Officer

Shahidul Islam, CFA, Chief Executive Officer
Mr. Islam has had a career in finance and investment spanning over twenty years. Before Joining VIPB Asset Management
Company Limited as a CEO in 2008 he worked in Investment management in Asian Tiger Lagranger To that he worked
as the head of Non-bank institutions in Citi Bank NA. In 2000, he started his career as a treasyriferer in American Express bank
and in 2002 he joined Credit Agricole Indosuez as the head of treasury operations. After working 3 years there he joined IFC-SEDF
of World Bank group in Business Development. He is a CFA charter holder and, currently, the President of CFA Society of
Bangladesh. He also holds FRM certification. He is an MBA from institute of Business Administration, Dhaka University.

5.4 INVESTMENT MANAGEMENT

5.4.1 INVESTMENT MANAGEMENT PROCESS

- a) Top Down Approach

 Economic Analysis

 Analyze domestic and global Macroeconomic Indicators

 Forecast economic outlook of domestic and Global Economy

 Review Monetary & Fiscal Policies and analyze their implication on macroeconomic condition
- Industry Analysis

 Identify the prospective industries aligned with positive economic outlook

 Understand the business dynamics of the industry and identify the key driving forces

 Review the economic history of the industry in other countries with comparable economic status

 - pany Analysis

 Understand the business dynamics of the covered company

 Comprehensively understand the Financials of the covered company

 Interview to plevel officials of the targeted companies to have complete understanding on their future outlook and strategic vision

 Apply multiple equity valuation models and estimate the intrinsic price of the stock

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

Flechnical Analysis

nical Analysis

Analyze the stock price data to identify key arbitrage opportunities

Distinguish stocks which are fundamentally strong and hold positive outlook with technical analysis with other stocks Dolumgiani accomment
 Quantitative Analysis
 Build Time Series Econometric model to forecast the future price movement dynamic

5.4.2 Portfolio Management Policy:

1. Optimum sector-wise allocation of fund is the key factor of portfolio Management process.

2. Invest in sectors with positive outlook but maintain the Regulation of Mutual Funds 2001.

3. Focus on the nature of the Fund and make decision which it suitable for the total portfolio.

4. Must consider the market impact for the Investment Decision. Both buying and selling decision must have a significant implication on the overall market dynamics.

5. Market manipulation and utilizing nonpublic insider information is strictly forbidden.

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

5.5 Adultors
Hoda Vasi Chowdhury & Co., Chartered Accountants, having office at BTMC Bhaban (6th and 7th floor), 7-9 Karwan Bazar Commercial Area, Dhaka-1215, has been appointed as the auditor of the Fund for the first year. Subsequent auditors shall be appointed by the Trustee.

5.6 Fees and Expenses

5.6 Fees and ExpensesThe Fund will pay the fees of Asset Manager, the Trustee and the Custodian together with any other fees, commissions and expenses as may arise from time to time. The Fund will bear its own costs and expenses incurred/accrued in connection with its formation, promotion, registration, CDBL fees, public offering together with certain other costs and expenses incurred in its operation, including without limitation expenses of legal and consulting service, auditing, other professional fees and expenses, brokerage, share/debenture registration expenses and fees due to the BSEC. The Fund shall also bear all the other incidental expenses including printing, publication and stationery relating to its smooth and fair operation. Major expenses of the Fund are detailed as follows:

5.6.1 Issue and Formation Expenses

Initial issue and formation expenses are estimated not to be over 5 (five) percent of the collected fund. The issue and formation expenses will be amortized within 7 (seven) years on a straight-line method. The estimated expenses for the issue and formation of the Fund are presented below:

SL	Type of expenses	Percentage	Total Tk.	Sub Total	Description
		of total		/ Details	
		target fund			
1	Formation fee	1.00%	10,00,000	Set-fee	Formation fee to AMC on collected
	payable to AMC				fund of approved fund size
2	Legal & Compliance related expenses (Application, registration fees etc.)	0.30%	2,92,500		
	·			10,000	BSEC Application fees
				2,00,000	BSEC Registration fees(0.2% of initial fund size)
				17,500	CDBL fee (Distribution of 1 cr Units X Tk 10X0.00015 CDBL fee rate = Tk. 15,000; CDBL documentation fee = Tk. 2,500;
				65,000	Trust deed registration fee
3	Printing & publication	0.40%	4,00,000		
				50,000	Printing of prospectus
				3,50,000	Publication of abridge version of prospectus and IPO notification on daily newspaper
	Total	1.70%	16,92,500		

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

5.6.2 Management Fee
As per the শিকিউলিজি ও এক্সচেঞ্চ কমিশন (মিউচ্যুয়াল ফান্ড) বিভিমালা, ২০০১ the Fund shall pay a management fee to the Asset
Management Company @ 2.50 percent per annum of the weekly average NAV up to Tk. 5.00 crore and @ 2.00 percent per
annum for additional amount of the weekly average NAV up to 25.00 crore over Tk. 5.00 crore and @ 1.50 percent per annum
for additional amount of the weekly average NAV up to Tk 50.00 crore over 25.00 crore and @ 1.00 percent per annum for
additional amount of the weekly average NAV over Tk. 50.00 crore, accrued and payable semi-annually.

5.6.3 Trustee Fee The Trustee shall be paid an annual Trusteeship fee at the following rate on semi-annual in advance basis

SI. No.	Slaves	Fees
1	NAV of the first 200 crore of fund	0.10%
2	NAV of the next 100 crore of fund	0.09%
3	NAV of the next 100 crore of fund	0.08%
4	NAV of the next 100 crore of fund	0.07%
5	NAV of the next 100 crore of fund	0.06%
6	NAV of the remaining fund	0.05%

5.6.4 Custodian Fee **5.6.4 Custodian Fee**The fee for Custodian services will be 0.07% per annum of balance securities held by the fund, calculated on the average market value per month. Besides this, the fund will bear all other expenses viz (a) transaction fee of Tk. 200.00 per transaction (b) local duties and fees like stamp duty on transaction, stamp duty on transfer deed (c) levies, brokerage, registrar's fees, local counsel / representation, external auditor's at the client's request, depository fees etc. However, a fee cap of 0.09% per annum on balance securities held by the fund, calculated on the average market value per month would be applicable if the total expenses (including custodian fees, transaction fees & other expenses, mentioned above) per annum go higher than the mentioned fee cap amount. The fee for Custodian services will be realized semi-annually.

5.6.5 CDBL Fee

5.6.5 CDBL Fee
The Annual fee of CDBL based on face value of total fund size as follows:
Upto Tk. 5 crore
Above Tk. 5 crore up to Tk. 20 crore
Tk. 20,000/Above Tk. 20 Crore
Tk. 40,000/-

Annual Central Depository System (CDS) connection fee will be Tk. 6,000/-. 5.6.6 Fund Registration and Annual Fee
The Fund has paid Tk 200,000 (Taka two lakh) only to the Bangladesh Securities and Exchange Commission as registration fee. In addition, the Fund will have to pay @ 0.10 percent of the Fund value or Tk 50,000 (Taka fifty thousand), whichever is higher, as annual fee in terms of the শিকভিরাজিক ও এক্সচেক্ত কমিশন (মিউচুয়াল ফাড) বিধিমালা, ২০০১.

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

5.6.8 Audit FeeThe audit fee will be Tk 30,000 (Taka thirty Thousand) only excluding VAT, for the first accounting year and the Trustee will fix fees for subsequent years.

5.6.9 Brokerage FeeThe fund will pay to the stock broker commission of 0.18%-0.30% of the total amount of transaction including Howla, Laga, CDBL fees and any other ass

5.6.10 Amortization of Issue and Formation Expenses

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

The total expense charged to the fund, except the amortization of initial issue expenses and including transaction cost in the form of stock brokerage against buy and sell of securities forming a part of acquisition and disposal cost of such securities, transaction fee payable to the custodian against acquisition or disposal of securities, the annual registration fees payable to the commission, audit fees, cost for publication of reports and periodicals, bank charge, etc shall not exceed 4 (Four) percentage of the weekly average net asset outstanding during any accounting year.

CHAPTER 6: SIZE OF THE FUND AND RIGHTS OF UNIT HOLDERS

6.1 Size of the Issue
The initial size of the Fund shall be Tk 10,00,00,000 (Taka Ten Crore) only divided into 1,00,00,000 (One Crore) Units of Tk 10 (Taka ten) each which may be increased from time to time by the Asset Manager subject to approval of the Trustee with due intimation to the Commission till liquidation of the Fund. The initial distribution of the Fund's Unit holding shall be as follows:

intimation to the commission an injuridation of the rund. The finitial distribution of the runds offic holding shall be as follows.								
Subscriber	Number of units	Face value	Amount (Tk)	Status				
Sponsor	10,00,000	10	1,00,00,000	Subscribed				
VIPB Asset Management Company Limited								
General Investors	90,00,000	10	9,00,00,000	Yet to be Subscribed				
T-4-1	4 00 00 000	40	40.00.00.000					

6.2 Sponsor's Subscription

6.2 sponsor's Subscription VIPB Asset Management Company Limited, the sponsor, has already subscribed Tk 1,00,00,000 (Taka One Crore) only worth of Units equivalent to 10,00,000 (Ten Lacs) Units of Tk 10 (Ten) each at par on December 26, 2019, the effective date as per সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল কাড) বিধিমালা, ২০০১.

6.3 Tax

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

Income of the individual investors will be tax free up to Tk. 25,000.00 (Taka Twenty Fifty Thousand) only, which is permitted as per Finance Act

15% investment tax rebate benefits

Income of the Mutual Fund is exempted from Tax

e Income of the Mutual Fund is exempted from Tax

6.4 Rights of the Unit holders
a) a) Voting Rights: All the Unit holders shall have usual voting rights. Voting right can be exercised in person or by proxy in a meeting held in connection with any proposal to amend the characteristics of the Fund or any other agenda of meeting called by the Trustee in the circumstances mentioned in the Trust Deed or the FiveSidins of exercise of the Fund or any other agenda of meeting called by the Trustee in the circumstances mentioned in the Trust Deed or the FiveSidins of exercise of the FiveSidins of the Fund and the Proposition of the FiveSidins of the Fund or the Proposition of the Fund on July Proposition of the Fund are transferable by way of inheritance/gift and/or by specific operation of law.
c) Dividend: All the Unit holders have equal but proportionate right in respect of dividend.
d) Periodic Information: All the Unit holders of the Fund shall have the right to receive the annual report and audited accounts of the Fund. Moreover, the Unit holders shall be informed of the NAV of the Fund on weekly basis through newspaper, the website of the Asset Manager, the Selling Agent(s) to be appointed by the Asset Manager from time to time and any other means as the Asset Manager may deem fit.
e) Accounts and Information: The Fund's financial year will be closed on 31st December, 2020. Annual report or major head of income and expenditure account and balance sheet in line with schedule VI of the PiceSidins e এবাতে স্বাক্ত স্বাক্ষণ (মিউচ্যাল) আছিল (মিউচ্যাল) মেডিচ্যাল) (মাডিচ্যাল) মেডিচ্যাল) (মাডিচ্যাল) (মাডিচ্য

of the Fund.

2. Furthermore, the NAV, NAV per unit, and any suspension or alteration of the calculation of NAV of the Fund will be published/notified by the Asset Management Company.

CHAPTER 7: UNIT SUBSCRIPTION

CHAPTER 7: UNIT SUBSCRIPTION

Terms and Conditions of Unit Subscription

1. The Units of VIPB Balanced Fund may be bought and surrendered/repurchased through VIPB Asset Management Company Limited and authorized Selling Agents appointed by VIPB AMCL from time to time.

1. Application must be made by an individual (loboth resident and non-resident), a croproparation or company (both local and foreign), a trust or a society (registered in or outside Bangladesh) and not by a firm, minor or persons of unsound mind.

1ii. Joint application by two persons is acceptable. In such cases, registration and issuance of Confirmation of Unit Allocation will be in favor of principal applicant while dividend and other benefits, if any, will be addressed to bank account of principal applicant mentioned in the application form/ bank account mentioned in BO account. In case of the death of any of the joint holders, only the survivor shall be recognized as having any title to the Units. On death of both the joint holders, the title to the Units will bestow upon the nominee mentioned in the application form.

1. Minimum purchase amount for individual investors is 2,000 (Two thousand) Units and for institutional investors is 5,000 (five thousand) Units.

2. Application for purchase of Units should be accompanied by an account payee cheque/pay order/bank draft in favor of

Withinflum purchase amount for individual investors is 2,000 (two tilusand) of the content of t

CHAPTER 8: SALES AGENTS

8.1 Selling agent:Initially only the Asset Management Company will sell the units of the Fund. The asset manager in future may appoint other organizations as its agent or cancel any of the agents named above subject to approval of the Trustee and with due intimation to the BSEC.

Address for sell and repurchase:

VIPB Asset Management Company Limited Suite 11(H), Police Plaza Concord Tower 1, Level 11, Road 144 Gulshan 1, Dhaka 1212.