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## ***ICB AMCL FIRST MUTUAL FUND***

Investment Manager: **ICB Asset Management Company Ltd. (ICB AMCL)**  
(A Subsidiary of ICB registered as a public limited company)

# **P R O S P E C T U S**

Total Issue : 1,000,000 units of Tk. 100.00 each at par for  
Tk. 100 million

Pre-IPO Placement : 300,000 units of Tk. 100.00 each at par for  
Tk. 30 million

IPO : 700,000 units of Tk. 100.00 each at par for  
Tk. 70 million

**Sponsor : ICB Capital Management Ltd.**  
( A subsidiary of ICB)

**Trustee & Custodian: Investment Corporation of Bangladesh.**

**Subscription Opens : 16 June, 2003**

**Subscription Closes : 30 June, 2003**

Date of publication of Prospectus : 09 June, 2003 in the Daily “ **Prothom Alo** ”

**Registered Office :**

Shilpa Bank Building (15<sup>th</sup> Floor) 8, Rajuk Avenue, Dhaka, Bangladesh  
Phone : 9550178, 7160303, 7160306 E-mail : icb@dhaka.agni.com

## FUND PROFILE :

Registered Office	:	<b>ICB Asset Management Company Ltd.</b> BSB Building, 8, DIT Avenue (15 <sup>th</sup> Floor) Dhaka-1000.
Sponsor	:	<b>ICB Capital Management Ltd. (ICML)</b> BSB Building, 8, DIT Avenue (14 <sup>th</sup> Floor) Dhaka-1000.
Trustee	:	<b>Investment Corporation of Bangladesh (ICB)</b> BSB Building, 8, DIT Avenue (12-15 <sup>th</sup> Floors) Dhaka-1000.
Custodian	:	<b>Investment Corporation of Bangladesh (ICB)</b> BSB Building, 8, DIT Avenue (12-15 <sup>th</sup> Floors) Dhaka-1000.
Investment Manager/ Fund Manager	:	<b>ICB Asset Management Company Ltd.</b> BSB Building (15 <sup>th</sup> Floor), 8, DIT Avenue Dhaka-1000.
Auditor	:	<b>Hoda Vasi Chowdhury &amp; Co.</b> Ispahani Building ( 3 <sup>rd</sup> Floor) 14-15, Motijheel Branch, Dhaka- 1000.
Banker	:	<b>1) Dhaka Bank Ltd.</b> Local Office, Adamjee Court, 115-120, Motijheel C/A, Dhaka- 1000.

## **ABBREVIATIONS / DEFINITIONS :**

AMC	:	Asset Management Company.
Certificate	:	Unit Certificate of the Fund.
Commission	:	Securities and Exchange Commission
CSE	:	Chittagong Stock Exchange Ltd.
DSE	:	Dhaka Stock Exchange Ltd.
EPS	:	Earning Per Share
ICB	:	Investment Corporation of Bangladesh
ICB AMCL	:	ICB Asset Management Company Ltd.
ICML	:	ICB Capital Management Ltd.
NAV	:	Net Asset Value
SEC	:	Securities and Exchange Commission
Sponsor	:	Sponsor of the Fund i.e. ICB Capital Management Ltd.
Rules	:	Securities and Exchange Commission (Mutual Fund) Rules, 2001

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## Chapter -1

### Preliminary

#### 1.1 Publication of Prospectus for public offering :

ICB Asset Management Co. Ltd. has received Registration Certificate from the Securities and Exchange Commission under Securities and Exchange Commission Act, 1993 and Securities and Exchange Commission (Mutual Fund) Rules, 2001 made thereunder and also received consent for issuing prospectus for public offering. A complete copy of the prospectus of the public offering is available for public inspection at the registered office of the Fund.

#### 1.2 Consent of the Securities and Exchange Commission

*“CONSENT OF THE SECURITIES AND EXCHANGE COMMISSION HAS BEEN OBTAINED TO THE ISSUE /OFFER OF THESE SECURITIES UNDER THE SECURITIES AND EXCHANGE ORDINANCE, 1969 AND MUTUAL FUND RULES, 2001. IT MUST BE DISTINCTLY UNDERSTOOD THAT IN GIVING THIS CONSENT THE COMMISSION DOES NOT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL SOUNDNESS OF THE FUND, ANY OF ITS SCHEMES OR THE ISSUE PRICE OF ITS SHARE OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS MADE OR OPINION EXPRESSED WITH REGARD TO THEM, RESPONSIBILITY FOR WHICH LIES WITH THE ASSET MANAGER, TRUSTEE, SPONSOR, CUSTODIAN AND/OR AUDITOR.*

*IT IS, HOWEVER, THE SECURITIES AND EXCHANGE COMMISSION’S RESPONSIBILITY IS TO ENSURE THAT FULL AND FAIR DISCLOSURES ARE MADE IN THE PROSPECTUS IN TERMS OF THE MUTUAL FUND RULES, 2001, SO THAT THE INVESTORS CAN MAKE INFORMED INVESTMENT DECISIONS.”*

#### 1.3 Listing of Fund:

Application will be made to both Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd. for listing of Fund, for dealing on the stock market and for their quotation on Stock Exchanges.

If, for any reason, listing of the Fund is not possible in any of the Stock Exchanges within six weeks of the closure of subscription, allotment of units shall be void and the Fund shall refund the subscription money within thirty days from the expiry of six weeks of the closing of subscription list.

#### 1.4 Documents available for inspection:

- (1) Copy of this prospectus will be available with the Members of the Stock Exchanges, Bankers to the issue and at the registered office of the ICB Asset Management Company Ltd.
- (2) Copy of Trust Deed and Investment Management Agreement will be available for public inspection during business hours at the head office of the Asst Management Company of the Fund.

#### 1.5 CONDITIONS UNDER SECTION 2CC OF THE SECURITIES & EXCHANGE ORDINANCE, 1969:

- (1) The Fund shall not account for any upward revaluation of its assets creating reserve without clearance from the Securities and Exchange Commission.
- (2) The fund shall not be involved in option trading, short selling or carry forward transactions.

- (3) Allotment letters shall be issued within 30 (thirty) days from the closure of subscription.
- (4) Allotment letters shall not be traded and endorsement/renunciation shall not be permissible.
- (5) Unit certificates shall be issued within 90 (ninety) days from the closure of subscription.
- (6) 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.
- (7) An annual report and details of investment and savings of the Fund shall be submitted to the Commission, Trustee and Custodian of the Fund within 90 (ninety) days from the closure of the accounts.
- (8) Half-yearly accounts/financial results of the Fund will be published in at least one English and another Bangla National daily newspapers within thirty days from end of the period.
- (9) Dividend shall be paid within 30 (thirty) days of its declaration, and a report shall be submitted to SEC, Trustee and Custodian within 7 days of dividend distribution.
- (10) Net Asset Value (NAV) of the fund shall be calculated and disclosed publicly as per Rule 60 of the Securities and Exchange Commission (Mutual Fund) Rules, 2001.
- (11) SEC may appoint auditors for special audit/investigation on the affairs of the Fund, if it so desires.
- (12) The Fund shall maintain separate escrow bank account(s) for proceeds of initial public offering and pre-IPO placement. The fund collected through IPO shall not be utilized prior to allotment of certificates and shall be effected through banking channel i.e., through account payee cheque, pay order, bank draft etc.
- (13) The prospectus/abridged version of the prospectus shall be published in one widely circulated Bengali national daily newspaper. Provided that information relating to publication of prospectus be published in 2 national daily newspapers (Bengali and English).
- (14) If abridged version of the prospectus is published in the newspaper, complete prospectus shall be made available to the applicants;
- (15) The Fund Manager shall serve a notice in the newspaper to all successful applicants within 30 (thirty) days from the closing of subscription.
- (16) If the Fund Manager fails to collect the minimum 60% of the targeted amount under section 48 of Securities and Commission (Mutual Fund) Rules, 2001, will refund the subscription money within 30 days without any deduction. In case of failure, the Fund Manager will refund the same with an interest @ 18 per cent per annum from its own account within the next month.
- (17) In case of over subscription, the excess amount will be refunded within 30(thirty) days from the closure of subscription period, failing which the Fund Manager will refund the same with an interest @ 18 per cent per annum from its own account within the next month.

- (18) Unit Certificates for 1/10<sup>th</sup> of the Sponsors contribution shall be subject to a lock-in for the life of the Fund.
- (19) A Jumbo Certificate amounting Tk. 10,00,000.00 (1/10<sup>th</sup> of 10%) will be issued in favor of the Sponsor. The said certificates shall be in the custody of Trustee. No splitting of the certificate shall be made without prior approval of the Commission.
- (20) The issuer shall not allow any discount or pay fee to the private placement holders.

### **General Information**

- (i) This prospectus has been prepared by ICB Asset Management Company Ltd. based on the Trust Deed executed between the trustee & 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 that there is no other material facts, the omission of which, would make any statement herein misleading.
- (ii) No person is authorized to give any information to make any representation not contained in this prospectus and if given or made, any such information or representation must not be relied upon as having been authorized by the ICB Asset Management Company Ltd.
- (iii) The issue as contemplated in this document is made in Bangladesh and 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.

### **1.6 Subscription:**

Subscription to the ICB AMCL First Mutual Fund will commence at the opening of banking business on 16 June, 2003 and will be closed at the end of the banking business on 30 June, 2003.

### **1.7 DECLARATIONS:**

#### **Declarations about the responsibility of the Sponsor**

The sponsor whose name appears in this prospectus, accept full responsibility for the authenticity and accuracy of the information contained in this prospectus and other documents regarding the Fund. To the best of the knowledge and belief of the sponsor, who has taken all reasonable care to ensure that all conditions and requirements concerning this public issue and prospectus have been met and there is no other information or documents, the omission of which may make any information or statements therein misleading.

The sponsor also confirms that full and fair disclosures have been made in this prospectus to enable the investors to make an informed decision for investment.

Sd/-  
**(Md. Jahangir Miah)**  
Chief Executive Officer  
**ICB Capital Management Ltd.**

**Declaration about the responsibility of the Asset Management Company**

This prospectus has been prepared by us based on the Trust Deed, Investment Management Agreement and other related agreement and examination of other documents as relevant for adequate disclosure. 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 investment decision. An investor who is not interested to take a moderate degree of risk need not apply as risk factor is associated with the investment under the Fund.

Sd/-

**( Karabi Mujib )**

Chief Executive Officer

**ICB Asset Management Company Ltd.**

**Declaration about the responsibility of the Trustee**

We, as Trustee of the ICB AMCL First Mutual 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 & Trust Deed;
- ii) always act in the interest of the unit holders;
- iii) take all reasonable care to ensure that the Fund floated and managed by the Asset Management Company are in accordance with the Trust Deed and the Rules;
- iv) make such disclosure by the Asset Management Company to the investors as are essential in order to keep them informed about any information, which may have any bearing on their investments;
- v) take such remedial steps as are necessary to rectify the situation where they have reason to believe that the conduct of business of the Fund is not in conformity with the relevant Rules.

Sd/

**(Md. Ziaul Haque Khondker)**

Managing Director

**Investment Corporation of Bangladesh**

**Declaration about the responsibility of the Custodian**

We, as Custodian of the ICB AMCL First Mutual 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 Rules.

Sd/

**(Md. Ziaul Haque Khondker)**

Managing Director

**Investment Corporation of Bangladesh**



## CHAPTER-2

### **2.1 Background of initiating Mutual Fund :**

The Investment Corporation of Bangladesh (ICB) was established on October, 1976, to encourage and broaden the base of investment, to develop the capital market, mobilize savings, promote and establish subsidiaries for business development and to provide matters ancillary thereto. Over the years, the activities of ICB have grown manifold, particularly Mutual Funds' operations. ICB is the harbinger of mutual funds in the country. Out of country's ten closed-end Mutual Funds ICB manages eight of them. ICB also manages the country's only open-end fund worth about Tk. 500.00 crore.

Over the years, ICB provided attractive dividend in all these funds. Having long and proven experience ICB has been able to gather investors confidence in the capital market.

Recently, as part of restructuring and strengthening program, three subsidiaries have been created under ICB to carry out the merchant banking, mutual funds and stock brokerage activities. With the operationalization of these subsidiaries, ICB shall not undertake any new business. The creation of these subsidiaries is an important event in the annals of ICB which shall pave the way of successfully achieving its objectives for creation of vibrant capital market in the country.

Keeping in view the situation, ICB capital Management Ltd. come forward with the proposal to act as sponsor of a Mutual Fund. ICB itself will be the Trustee and Custodian of the Fund whereas ICB Asset Management Company Ltd. will act as the Fund Manager of the said Mutual Fund.

### **2.2 Present condition of the capital market regarding formation of a mutual fund :**

The capital market of Bangladesh witnessed the biggest ever boom in its life time during 1996 which continued till October, 1996. Large number of investors entered the capital market. The new issues multiplied and speculative fever gripped the market. Trading volume rose sharply and index reached 3648 points. Price Earning Ratio soared and shares were traded at 80 times. In November, 1996, the inevitable happened and the market crashed. Now, the drama is over and the market is passing through a process of consolidation. Fundamentals and rationality have replaced speculations and rumors. Rules have become more comprehensive. Capital market of Bangladesh is now poised to achieve higher degree of maturity.

At present, Bangladesh capital market is very attractive in terms of value indicators like Price Earning Ratio which is at the historical low (5.90) and Yield (8.46 percent) which is relatively very high in this region. The size of the market in terms of market capitalization (Tk. 64.56 billion) and number of listed issue (260) is relatively small. In general, there is scarcity of floating shares and market capitalization constitutes only 2.97 percent of GDP. Market for corporate debt instruments also remained small and underdeveloped. Market is dominated by the retailers in the absence of foreign players and local institutional investors. Investment Corporation of Bangladesh is the pioneer local financial institution that operates in the stock market. It manages eight listed closed-end funds and one open-end fund and its own portfolio listed in both the exchanges. It is the major institutional player who plays a vital role in bringing market transparency and stability.

In the recent past lot of measures have been taken by SEC. Continuous reforms are also taking place in the capital market. Now, investment in the capital market is less risky due to relatively moderate inflation rate and higher corporate earnings. Prices of stocks, are relatively low now and are persisting for a long time. Even then investors do not feel comfortable to put their savings in the capital market particularly in the secondary market. To restore the investors confidence, institutions should come forward with their proposal. It is the time to buy stocks and the time is very good to establish and develop mutual funds in the private sector.

### **2.3 Advantages in investing in ICB AMCL First Mutual Fund:**

Generally investment in mutual funds enjoys the following advantages compared to investment made directly in other securities of the capital market. Investors of this mutual fund will be able to enjoy the following advantages.

- (i) Due to diversified portfolio, mutual fund helps in lowering investment risk of small investors.
- (ii) Diversified portfolio of the fund help the small investor access to the whole market which is difficult at individual level.
- (iii) By channelizing small investors saving, mutual funds add liquidity to the market.
- (iv) As funds are professionally managed, investors are relieved from the emotional stress associated with day-to-day management of individual investment portfolio.
- (v) The investors save a great deal in transaction cost as he/she has access to a larger number of securities by purchasing a single unit of mutual fund.
- (vi) Only the mutual funds operate simultaneously both at the demand as well as the supply side of the market.
- (vii) Expertise in stock selection and timing is made available to investors by generating higher return to them.
- (viii) Investment in mutual funds may relieve investors from various rules and regulations applicable to individual investment parameters.
- (ix) Mutual funds help investors to liquidate their fund out of the investment.
- (x) It is the most strictly regulated investment vehicles. The laws governing mutual funds require exhaustive disclosure to the regulator and general public.

## CHAPTER-3

### THE FUND

#### **3.1 Formation of the fund:**

The Trust Deed of the Fund was registered on 23rd April, 2003 under the Trust Act, 1882 and Registration Act, 1908.

The Fund was registered by the SEC on 24 May, 2003 under the Securities and Exchange Commission (Mutual Fund) Rules, 2001.

#### **3.2 Life of the Fund:**

The Fund will be a close-ended mutual fund of 10 years tenure, established with a view to broaden the base of investment and develop the capital market. Both Institutional and individual investors are eligible to invest in this Fund. The size of the Fund will be 100 million (10.00 crore) divided into 1,000,000 units of Tk. 100.00 each. Income of the Fund will be exempted from tax and investment in this Fund may enjoy tax rebate facilities.

#### **3.3 Face Value and Market Lot:**

Total size of the issue is fixed at Taka 100,000,000.00 (One hundred million) and the face value of each unit of the Fund is fixed at Taka 100.00 each divided into 1,000,000 units. 700,000 units worth Tk. 70,000,000.00 (seventy million) will be available for public issue. The market lot will be constituted of 50 (fifty) units:

#### **3.4 Some Important Policies Regarding Investment and Operation of Fund:**

- (1) Money to be collected under the Fund shall be invested in encashable/transferable securities whether in capital market or money market, privately placed debentures, preferential shares or securitized debts.
- (2) The Fund shall invest only in approved securities.
- (3) Not less than 75 per cent of the total assets of the Fund will be invested in capital market instruments out of which at least 50 per cent will be invested in listed securities.
- (4) Not more than 25 per cent of the total assets of the Fund will be invested in Fixed Income Securities (FIS).
- (5) Not more than 15 per cent of the total assets of the Fund will be invested in Pre- IPOs at one time.
- (6) The fund shall get the securities purchased or transferred in the name of the mutual fund.
- (7) Only the AMC will make the investment decisions and place orders for securities to be purchased or sold by the Fund.

- (8) AMC will choose broker(s) for the purchase and sale of securities for the Fund's portfolio.
- (9) Physical settlement of transactions shall be executed through the custodian of the Fund.
- (10) Settlement of transaction will take place as per the customs and practice of the stock exchanges in the country.

### **3.5 Investment Restrictions:**

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

- (i) The Fund shall not buy its own unit ;
- (ii) The Fund shall not invest more than 10% of its assets in any one particular Company shares/ debentures.
- (iii) The Fund shall not own more than 15% of any company's paid-up capital at any point of time.
- (iv) The Fund shall not invest more than 20% of the Funds in shares, debentures or other securities of a single company or group.
- (v) The Fund shall not invest more than 25% of its funds in shares, debentures or other securities in any one industry.
- (vi) The Fund shall not involve in option trading or short selling or carry forward transactions.
- (vii) The Fund shall not invest in or lend to another scheme under the same Asset Management Company.
- (viii) 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.
- (ix) The Fund or the ICB Asset Management Company Ltd. on behalf of the Fund shall not give or guarantee term loans for any purpose or take up any activity in contravention of the Rules.

### **3.6 Limitation of Expenses:**

- (a) The initial issue expenses in respect of the scheme shall not exceed 5% of the fund raised under the scheme.
- (b) 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 & 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, listing fees payable to the stock exchanges, the annual registration fees payable to the Commission, audit fees, cost for publication of reports & periodicals, bank charge, etc, shall not exceed 3% of the weekly average net asset outstanding during any accounting year or as may be determined by the Rules.

### **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 as per Rule 60 of the Mutual Fund Rules, 2001) by the total number of units outstanding. As per section 58 of Securities and Exchange Commission (Mutual Fund) Rules, 2001, valuation policy of investment of the Fund needs to be approved earlier by SEC. Valuation criterion so far approved by the Commission in the trust deed is as follows:

- (a) For listed securities, the average quoted market price on the stock exchanges on the date of valuation shall form the basis of any calculation of Net Asset Value of such securities in the portfolio of the Fund.
- (b) When the securities were not traded either at DSE or CSE on the particular valuing date, immediate previous average price, which one is nearer, but not longer than 30 days, to the valuing date will be taken into account.
- (c) When the securities were not traded either at DSE or CSE for a period for over 30 days, the Fund shall follow the method approved by the Commission for valuation of the non-traded investment, and the Trustee shall periodically review the value of such investments.
- (d) The valuation of non-traded securities will be made with their reasonable value by the ICB Asset Management Company Ltd. and approved by the Trustee and commented upon by the Auditors in the Annual Report of the Mutual Fund but shall not be more than the intrinsic value of the securities.
- (e) The valuation of non-listed securities will be made by the AMC with their reasonable value and approved by the Trustee and commented upon by the Auditors in the Annual Report of the Fund.
- (f) Once non-listed securities are valued, the valued amount will be considered for purpose of valuing the Fund's assets in any interval of time until the securities are further revalued by the AMC.
- (g) AMC and Trustee will value the non-listed securities at least after every three months.
- (h) 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.
- (i) In case of deferred expenses, accrued expenses for the period will be taken into account for determining total liabilities.

Following the valuation criteria as set forth above, the Fund will use the following formula to derive NAV per unit:

$$\text{NAV per unit} = \frac{\text{Total NAV} - L_T}{\text{No. of units outstanding}}$$

$V_A$  = Value of Total Assets of the Fund as on date.

$L_T$  = Total liabilities of the Fund as on date.

$V_A$  = Value of all securities in vault + Value of all securities placed in lien + Cash in hand and at bank + Value of all securities receivables + Receivables of proceeds of sale of investments + Dividend receivables, net of tax + Interest receivables, net of tax + Issue expenses amortized as on date + Printing, publication and stationery expenses amortized as on date.

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

### **3.8 Redemption/ Winding up Policy:**

#### **3.8.1 Procedure of Redemption/ Winding up**

- a) The Mutual Fund shall be redeemed on maturity on the expiry of the ten-year tenure of the Fund from the date of first listing. However, unit holders at a general meeting arranged by the Trustee and the ICB Asset Management Company Ltd. may decide to extend the life of the Fund with three-fourth-majority vote of the unit holders.
- b) The Fund may also be wound up on the happening of any event, which, in the opinion of the Trustee, requires the scheme to be wound up;
- c) The Fund may also be wound up if seventy five per cent of the unit holders of the scheme pass a resolution that the Fund should be wound up;
- d) The Fund may also be wound up if the Commission so directs in the interest of the unit-holders;
- e) Where the Fund is to be wound up in pursuance to the above, the Trustee and the Asset Management Company shall give separate notice of the circumstances leading to the winding up of the scheme to the Commission and the Stock Exchanges and if winding up is permitted by the Commission, shall publish in two daily newspapers having circulation all over Bangladesh and also in a vernacular newspaper circulating at the place where the Mutual Fund is established.

### **3.8.2 Manner of Redemption/ Winding up**

- a) The Trustee shall call a meeting within thirty days from the notice date of the unit holders 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 supercede the mandate if situation demands such.
- b) The Trustee shall dispose off the assets of the Fund in the best interest of the unit holders, provided that the proceeds of sale made in pursuance of the Rules, shall in the first instance be utilized towards discharge of such liabilities as are properly due under the 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.
- c) Within thirty days from the completion of the winding up, the Trustee shall forward to the Commission and the unit holders a report on the winding up containing particulars such as circumstances leading to the winding up, the steps taken for disposal of assets of the Fund before winding up, expenses of the Fund for winding up, net assets available for distribution to the unit holders and a certificate from the auditors of the Fund.

### **3.8.3 Effect of Redemption/ Winding up**

- i) On and from the date of the notice of the winding up of the Fund the Trustee or the Asset Management Company as the case may be, shall:
  - a. Cease to carry on any business activities of the Scheme;
  - b. Cease to create and cancel units of the scheme;
  - c. Cease to issue and redeem units of the scheme.

### **3.9 Investment Management:**

ICB AMCL shall conduct the day-to-day management of the Fund's portfolio as the Asset Management Company subject to the provisions laid down in the Mutual Fund Rules 2001 and trust deed or any general directions given by the trustee and/or by the Commission.

However, ICB AMCL will have discretionary authority over the Fund's portfolio about investment decision.

### **3.10 Dividend Policy:**

- (1) The accounting year of the Fund shall be July 01 to June 30 and the first year-end shall be June 30, 2004.
- (2) The Fund shall distribute minimum 80 percent of the annual net income of the Fund as dividend at the end of each accounting period after making provision for Bad and Doubtful Investments. The Fund shall create a Dividend Equalization Reserve by appropriation from the income of the Fund.
- (3) Before declaration of dividend, the Asset Management Company shall make a provision in consultation with the auditors if market value of investments goes beyond the acquisition cost and the method of calculation of this provision will be incorporated in the notes of accounts.
- (4) Surpluses arising simply from the valuation of investments shall not be available for dividend.
- (5) Dividend warrants will be dispatched within 30 days from the declaration of such dividends.
- (6) Before registration for transfer of ownership, a transferee shall not possess the right to any dividend declared.



## **CHAPTER-4**

### **RISK FACTORS**

Investment in securities market always bears some risks. Investment in this Fund also involves certain risk factors. The investors should carefully consider the following risks in addition to other information contained in the prospectus in evaluating the offer and also for taking a decision whether to invest or not.

- (i) The performance of the Fund is directly related with the macro economic situation particularly the capital market of Bangladesh.
- (ii) Since the capital market of Bangladesh is highly volatile, there is no assurance of achieving the stated objective of the Fund.
- (iii) Due to small number of listed securities in both the stock exchanges, it may be difficult to invest the Fund's assets in a widely diversified portfolio as and when required to do so.
- (iv) Due to a very thin secondary debenture market in Bangladesh, it would be difficult for the Fund Manager to swap between asset classes if and when required.
- (v) Limited money market instruments narrowed the opportunity of short term or temporary investments of the Fund.
- (vi) Stock market trends show that price of almost all the listed securities move in unpredictable direction which may affect the value of the Fund. Moreover, there is no guarantee that the market price of shares of the Fund will fully reflect their underlying net asset values.
- (vii) If the companies fail to provide expected dividend, this may affect the return of the Fund.
- (viii) For investing in Pre-IPO Placement securities i.e. in unlisted equity securities by the Fund may involve liquidity risk.
- (ix) Uncertainties like political and social instability may affect the value of the Fund's Assets.
- (x) Adverse natural climatic condition may hamper the performance of the Fund.

#### **Expected Market performance of the Fund:**

- (i) As the capital market index is low now, the Fund should be able to construct portfolio at a relatively cheaper cost base.
- (ii) It is expected that demand of the Fund's units will always rule over supply.
- (iii) Image of ICB, being the holding company of the ICB Asset Management Company Ltd. and the Trustee of the Fund for successful marketing of eight close-end and one open-end mutual fund may motivate investors to invest in this Fund.

#### **Who to invest and How much to Invest:**

Persons who do not have tolerance of bearing risk and know nothing about the functioning of the capital market need not apply for the units of the Fund. Considering other factors like the investment opportunities available in the market, return expectation, income level and consumption pattern, one may put 1/3 of his/her total portfolio into the Fund.

## CHAPTER-5

### FORMATION, MANAGEMENT AND ADMINISTRATION

#### 5.1 Sponsor of the Fund:

ICB Capital Management Ltd. (ICML), a subsidiary of ICB will be the sponsor of the Fund. ICB Capital Management Ltd. (ICML) was created with an authorised capital of Tk. 100.00 crore and a paid-up capital of Tk. 6.00 crore as part of the restructuring program of ICB under Capital Market Development Program (CMDP) initiated by the Government of Bangladesh (GOB) and the Asian Development Bank (ADB). The company was incorporated as a public Ltd. company under the companies Act, 1994 with the Registrar of Joint Stock Companies and Firms on 05 December, 2000. Registration of the company with the SEC was also obtained on 16 October, 2001 and the gazette notification of Govt. of Bangladesh has been issued with a view to carry out the merchant banking activities. Although it is a newly created company, it has enormous scope of expansion and growth in the field of merchant banking as ICB shall not undertake any new business in this area rather these functions will be carried out by this company.

The company is being managed by high calibered professional people mostly taken from ICB . An independent board consisting people from private and public sectors provides guidance in framing objectives & policies of the company. Besides, ICB as holding company, also supervise and control the performance of the company.

#### 5.2 Trustee & Custodian of the Fund:

In order to ensure maximum trust and confidence of the investors, supervisory bodies and the persons concerned towards the fund, the Investment Corporation of Bangladesh (ICB) itself will act as the trustee & custodian of the Fund.

The Investment Corporation of Bangladesh (ICB) was established on 01 October 1976, under “The Investment Corporation of Bangladesh” Ordinance, 1976 (No. XL of 1976) with a view to encouraging and broadening the base of investment, develop the capital market, mobilize savings, promote and establish subsidiaries for business development & provide for matters ancillary thereto. Over the years, the activities of ICB have grown manifold, particularly in Merchant Banking, Mutual Funds operations and stock brokerage activities. ICB is the biggest investment bank and the harbinger of mutual funds in the country. Out of country’s ten (10) close-end mutual funds, ICB manages eight funds. ICB also manages the only open-end fund in the country. It was also the single largest stockbroker and dealer in Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd. During FY 2001-2002, ICB alone traded securities worth of Tk. 560.33 crore on behalf of its clients, including Government, public and private institutions, individuals and in its own portfolios.

ICB has acted as trustee to debentures amounting to TK.142.45 crore in aggregate out of total TK.292.82 crore publicly traded debentures. ICB also acted as underwriter/ manager to the issue to more than 360 companies of which 90 companies are publicly traded companies. Besides portfolios of over 51,000 investors (margin) accounts, institutional portfolios including mutual funds and unit fund are also being managed by ICB. The corporation has long and proven experience in advisory function, particularly in buying and selling of shares, corporate restructuring and engineering, off loading of govt. shares and hosts of other merchant banking related activities for the benefit of its clients. ICB has been playing a unique role in the development of country’s capital market.

### 5.3 Investment Manager of the Fund :

ICB Asset Management Company Ltd. (ICB AMCL) a subsidiary of ICB will act as the investment manager of the Fund. ICB Asset Management Company Ltd. (ICB AMCL) was also created as part of the restructuring program of ICB under Capital Market Development Program (CMDP) initiated by the Government of Bangladesh and ADB. The company was incorporated as a public limited company with an authorized capital of TK. 100.00 crore and a paid-up capital of Tk. 3.00 crore under the Companies Act, 1994 with the Registrar of Joint Stock Companies & Firms on 5 December 2000. Registration of the company with the SEC was obtained on 14 October, 2001. Necessary Government Gazette Notification has also been obtained on 1<sup>st</sup> July, 2002 to carry out the Mutual Fund operations by the company.

As per relevant provision of the ICB Ordinance, Corporation shall hold all or majority shares and may review business objectives, supervise and control its performance. The CEO and other key personnel have been deputed to the company from ICB. An independent Board consisting 50 per cent directors from ICB and the rest from private sector has been created.

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

**Mr. Md. Fayekuzzaman**, M.Com in Management and General Manager of ICB is the Chairman of ICB Asset Management Company Ltd. He has about twenty two years of service experience out of which eighteen years in ICB and four years in BMDC in counselling, training, investment banking, portfolio management and other development banking activities. He has completed different training programs in home and abroad.

**Mrs. Karabi Mujib**, M.A. in Economics and MBA in Finance is the Chief Executive Officer (CEO) of ICB Asset Management Company Ltd. She has completed 23 years of service in the field of investment banking. Out of total services, for about 5 years she was directly associated with the management of ICB portfolio and other portfolios managed by ICB. She has completed several training programs in home and abroad.

**Mr. Khondoker Md. Iqbal**, M. Com. in Accounting, Deputy General Manager of ICB is one of the Directors of the Company. He has about 22 years of service experience in ICB. During this period he was associated with the portfolio management, project appraisal, fund management and accounts. He has completed different training programs in home and abroad.

**Dr. Mokbul Ahmed Khan**, an M.A. in Economics from Dhaka University and Ph.D. in Economics from Moscow is a director of the company. He has obtained post-Doctoral Fellowship from New Zealand, Post Graduate Diploma in Personnel Management from BIBM. He has completed different training in home and abroad. He is the secretary general of BPMI and associated in consultancy business, Government services for about 25 years.

**Mrs. Nilufer Ahmed Karim**, a director of the Company, is an M.A. in Economics. She was a visiting scholar & Honorary Fellow of Department of Commerce and Business Administration of University of Illinois, U.S.A. She has completed different training programs in home and abroad.

**Md. Nurul Alam**, a director of the company is an MBA in Finance. He has obtained various professional training from home and abroad. He was a Executive Director of Bangladesh Bank and retired from the job few years back. Presently he is the president of IBA Alumni Association.

Senior executives of the company, deputed from ICB, are highly experienced in the relevant fields with excellent academic background in Accounting, Management, Marketing, Economics & Computer Science. Most of them have undergone local training, particularly in capital market related subjects.

#### 5.4 Auditors:

Huda Vasi Chowdhury & Co., Chartered Accountants has been appointed as the Auditor of the Fund for the first year. They are one of the reputed audit firms of the country. Subsequent auditors shall be appointed by the Trustee.

#### 5.5 Fees and Expenses:

The Fund will pay the fees of AMC, 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, public offering, listing together with certain other costs and expenses incurred in its operation, including without limitation expenses of legal & consulting services, auditing, other professional fees and expenses, brokerage, share/debenture registration expenses, guarantee or underwriting commission and fees due to the SEC. The Fund will also bear all the other incidental expenses including printing, publication and stationery relating to its smooth & fair operation..

Keeping in mind, the fund size of Taka100 million, ICB Asset Management Company Ltd. estimated the normal annual operating expenses of the Fund which will not exceed 3 per cent of the average NAV of the Fund. However, there may be variation in the actual operating expenses of the Fund. Major expenses of the Fund are detailed as follows:

##### (a) Issue and Formation Expenses :

Issue and formation expenses is estimated to be not over 5 per cent of the total Fund size i.e. Tk. 50,00,000.00 The expenses will be amortized within 10 years on a straight line method. The estimated expenses for the issue and formation of the Fund are presented below :

1.	Brokerage	...	...	...	...	...	...	0.70 per cent
2.	Banker to the issue fee	...	...	...	...	...	...	0.60 per cent
3.	Printing & Publication	...	...	...	...	...	...	1.60 per cent
4.	Legal Expenses (Listing Fees, Registration Fees etc.	...	...	...	...	...	...	1.60 per cent
5.	Other expenses.	...	...	...	...	...	...	<u>0.50 per cent</u>
	Total	...	...	...	...	...	...	<u>5.00 per cent</u>

It is expected that the issue will be over subscribed by more than 100 percent

##### (b) Management Fee :

The Fund shall pay annual management fee to the ICB Asset Management Company Ltd. @ 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 Tk. 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 annually.

(c) **Trustee Fee :**

The Fund shall pay an annual trusteeship fee of Tk. 1,00,000.00 (one lac) only on semi-annual in advance basis, during the life of the Fund.

(d) **Custodian Fee :**

The Fund shall pay to the custodian i.e. ICB safekeeping @ 0.10 per cent of balance securities calculated on the average month end value per annum.

(e) **Fund Registration and Annual Fee :**

The Fund has paid Tk. 200,000.00 to the Securities & Exchange Commission (SEC) as registration fee. In addition to that the Fund will have to pay Tk. 100,000.00 per annum as annual fee in terms of Securities & Exchange Commission (Mutual Fund) Rules, 2001.

(g) **Listing Fee:**

The usual listing fees, annual renewal fees and other charges are to be paid by the Fund to the stock exchanges.

(h) **Audit Fee:**

The audit fee will be Tk. 10,000.00 for the first year and Trustee will fix fees for subsequent years.

## CHAPTER-6

### Capital structure, Tax status and rights of unit holders

#### 6.1 Issue of unit.

The paid up capital of the Fund shall be Tk. 100,000,000.00 divided into 1,000,000 units of Tk. 100.00 each. The total distribution of units shall be as follows :

Subscribers	No of units	Face Value(Tk.)	Amount (Tk.)	Remarks
Sponsor	100,000	100.00	100,00,000.00	Subscribed
Pre-IPO Placement	200,000	100.00	20,000,000.00	Subscribed
General Investors	700,000	100.00	70,000,000.00	Yet to be subscribed
<b>Total</b>	<b>1,000,000</b>	<b>100.00</b>	<b>100,000,000.00</b>	

#### PRE-IPO PLACEMENT

##### a) Subscription from sponsor

ICB Capital Management Ltd., the sponsor, has already subscribed Tk. 100,00,000.00 for 100,000 units of Tk. 100.00 each at par.

##### b) Pre-IPO Placement to Institutional Investors:

The following institutions have been subscribed Tk. 20,000,000/- for 200,000 units of Tk. 100.00 each at par:

Sl. No.	Pre-IPO Investors	No. of units	Amount (Tk.)
1.	Investment Corporation of Bangladesh ( Different Portfolios)	45,000	4,500,000.00
2.	ICB Capital Management Ltd.(Portfolio A/c)	36,000	3,600,000.00
3.	Dhaka Bank Ltd.	35,000	3,500,000.00
4.	AIMS of Bangladesh Ltd.	15,000	1,500,000.00
5.	Bangladesh Shilpa Rin Shangstha	12,000	1,200,000.00
6.	Raspit Securities and Management Ltd.	12,000	1,200,000.00
7.	Union Capital Ltd.	12,000	1,200,000.00
8.	Bay Leasing	10,000	1,000,000.00
9.	Eastland Insurance Company Ltd.	10,000	1,000,000.00
10.	Grameen Capital Management Ltd.	8,000	800,000.00
11.	Bangladesh Mutual Securities Ltd	5,000	500,000.00
	<b>Total</b>	<b>200,000</b>	<b>20,000,000.00</b>

## Public Offer:

10% of the Public Offer i.e. 70,000 units of Tk. 100.00 each totaling Tk. 7,000,000.00 are being offered to the Non-Resident Bangladeshies (NRBs) and the rest 630,000 units of Tk. 100.00 each amounting to Tk. 63,000,000.00 are being offered to the general public for subscription in cash in full on application. The distribution is as under :

Sl. No.	Particulars	No. of <u>units</u>	Amount (Tk.)
1.	Non-Resident Bangladeshies (NRBs)	70,000	7,000,000.00
2.	General Public	630,000	63,000,000.00
<b>Total</b>		<b>700,000</b>	<b>70,000,000.00</b>

## 6.2 Tax Exemption :

Investment in this Fund by individual investors will enjoy tax exemption benefit under section 44(2) of the Income Tax Ordinance, 1984.

## 6.3 Rights of the unit holders:

- (a) **Dividend:** All the unit holders have equal but proportionate right in respect of dividend.
- (b) **Transfer of units:** Units of the fund are transferable subject to fulfilling the conditions as per the prevailing rules/regulations
- (c) **Voting Right:** 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 SEC (Mutual Fund) Rules, 2001. In case of show of hands, every share holder present in person or/and by proxy shall have only one vote and on a poll, every unit holder present in person and/or by a proxy shall have one vote for every unit of which he /she is the holder.
- (d) The unit holders shall preserve only the beneficial interest in the trust properties pro rata basis of their ownership of the respective schemes.
- (e) **Periodic Information:** All the unit holders of the Fund shall have the right to receive the Annual Report & Audited Accounts of the fund. Moreover, NAV of the Fund be informed to the unit holders on monthly basis through DSE/CSE and newspapers.
- (f) **Accounts and Information:** The Fund's financial year will be closed on 30<sup>th</sup> June every year. Annual report or major head of Income & Expenditure A/C and Balance Sheet in line with schedule VI of the Securities and Exchange Commission( Mutual Fund) Rules, 2001 will be published within 45 (forty five) days from the closure of each accounting year. Furthermore, the NAV, NAV per unit, any suspension or alteration of the calculation of NAV of the fund will be published / notified to the DSE and CSE by the Asset Management Company.

## CHAPTER-7

### Condition for Public Offer, Allotment and Application of units:

#### 7.1 Share Issue :

(a)	70,000 units of Tk. 100.00 each are being offered at par to the Non-Resident Bangladeshies (NRBs) for subscription.	Tk. 7,000,000.00
(b)	630,000 units of Tk. 100.00 each are being offered at par to the General Public for subscription.	Tk. 63,000,000.00
		-----
		Total Tk. 70,000,000.00
		=====

#### 7.2 Minimum subscription for the issue :

The target amount to be raised in respect of the Fund is Tk. 100,000,000.00 (Tk. one hundred million) only including sponsors portion and private placement. As per SEC (Mutual Fund) Rules, 2001, the minimum subscription will be 60 percent of the Funds target amount i.e. Tk. 60,000,000.00 (sixty million ) only including sponsors contribution & subscription collected through Pre IPO Placement. The Trustee & AMC shall be liable to refund to the public the entire amount collected if public subscription fails to achieve a minimum amount of Tk. 30,000,000.00.

#### 7.3 Conditions of Allotment :

- (a) Non-Resident Bangladeshies (NRBs) have the preferential right for allotment to the extent of 10% of the public offer mentioned above. In case of under subscription, the under-subscribed portion will be added to the General public category.
- (b) The rest 90% of the public offer i.e. 630,000 units of Tk. 100.00 each will be allotted among the general public category where, in addition to individuals, financial institutions, market intermediaries and other institutions will be allowed to apply.
- (c) In case of over subscription of both the categories mentioned above, ICB AMCL shall conduct an open lottery of all the applications received under each category separately.
- (d) In case of under-subscription under the NRBs 10% category, the under-subscribed portion shall be added to the general public category and if after such addition there is over subscription in the general public category, ICB AMCL will conduct an open lottery of all the application added together.
- (e) In case of over subscription under the NRBs 10% category as mentioned above, open lottery of the NRBs' category will be held first and the unsuccessful applicants shall be added to the general public category and if after such addition there is over subscription in the general public category, ICB AMCL shall conduct an open lottery of all the applicants in the general public category added together.
- (f) Lottery, if needed shall be conducted in the presence of representatives from the Stock Exchanges, SEC & the applicants, if, present.
- (g) In case of any difficulty in respect to implement the condition of offer & allotment of shares, the allotment of shares will be made in such a manner as determined by the SEC.



- (h) There shall not be any odd lot/above Market lot or fractional shares.
- (i) The Fund reserves the right to accept or reject any application in whole or in part.
- (j) Allotment amongst applicants for lots other than minimum lot shall be made on pro-rata basis in market lots.
- (k) Successful applicants will be issued unit certificates of the Fund within 90 days of closing of subscription list.
- (l) In case of joint application all correspondence will be made with the person whose name appears first.

#### **7.4 Condition of Application:**

- (a) Application for units must be made for minimum of 50 (fifty) units of Tk. 100.00 each valuing Tk. 5000/- (five thousand) or multiples thereof and must not be for less than 50 units.
- (b) Application should preferably be made on the prescribed printed forms. Application Form and Prospectus may be obtained from the registered office of the AMC, members of DSE and CSE or from the Bankers to the Issue. In case, adequate forms are not available, applicants may use photocopied, cyclostyled, hand written or typed copies of the forms.
- (c) Joint application form for more than two persons will not be accepted. In the case of joint application, each party must sign the application form.
- (d) Application must contain full name of individuals or limited companies or trusts or societies, Bangladeshi or foreign, but not in the name of minors or persons of unsound mind or any other person not eligible to contract.
- (e) An applicant can submit only two applications, one in his/her own name and the other jointly with another person. In case an applicant makes more than two applications, those in excess of two applications shall not be considered for allotment purpose.
- (f) All completed application forms together with the subscription for the full amount payable shall be lodged by the investors, other than NRBs, with any of the branches of the Bankers to the Issue.
- (g) Payment for subscription by investors, other than NRBs, may be made to the branches/office of the banks mentioned on page 30, in Cash/Cheque/Pay Order/Bank Draft. The Cheque/Pay Order/Bank Draft shall be made payable to the bank to which it is submitted and be marked "ICB AMCL First Mutual Fund" as the payee and shall bear the crossing "A/C Payee Only" and must be drawn on a bank in the same town of the bank to which application form is deposited. The subscription money shall not be invested or be utilized for any other purpose before issuing refund warrants.

- (h) The NRB applicants will submit the filled-in application form along with foreign currency drafts in US Dollar or UK Pound Sterling drawn and payable at Dhaka, directly to the office of the AMC.
- (i) A NRB shall apply either directly, by enclosing a foreign currency demand draft drawn on a bank payable at Dhaka, or through a nominee (including a Bank or a Company) by paying out of foreign currency deposit account maintained in Bangladesh, for the value of securities applied for. The value of securities applied for may be paid in Taka, US Dollar or UK Pound Sterling at the rate of exchange mentioned on the Application Form. Refund against over subscription shall be made in the currency in which the applicant paid the value of shares applied for. Copies of application form and prospectus will be available with the Bangladesh Embassy/High Commission in USA, UK, Saudi Arabia, U.A.E, Malaysia, Japan and South Korea.
- (j) A NRB may apply through NITA (Non- interest Taka Account).
- (k) The subscription money collected from investors (other than NRBs in US Dollar or UK Pound Sterling) by the Bankers to the Issue will be remitted to the **Escrow A/C 35001836 Dhaka Bank Limited, Local Office, Motijheel , Dhaka-1000.**
- (l) The subscription money collected from NRBs in US Dollar or UK Pound Sterling shall be deposited to “FC Accounts for IPO” one in US Dollar and another in UK Pound Sterling with the Dhaka Bank Limited, Local Office, Motijheel, Dhaka-1000 on approval of prospectus by the SEC; and the accounts will be closed after refund of over subscription, if any.
- (m) ***APPLICATIONS NOT IN CONFORMITY WITH THE ABOVE REQUIREMENTS AND THE INSTRUCTIONS PRINTED ON THE APPLICATION FORM ARE LIABLE TO BE REJECTED.***

**ICB AMCL FIRST MUTUAL FUND  
APPLICATION FORM**

(Please read the instructions on the back of the form. Incorrectly filled applications may be rejected)

**Please complete this form in BLOCK LETTERS**

To: The Chief Executive Officer  
ICB Asset Management Company Ltd.  
Shilpa Bank Bhaban  
8, DIT Avenue (15<sup>th</sup> floor)  
Dhaka-1000.

Banker's S L. No.

Broker's Stamp

**Gentlemen/Madam,**

I/we apply for the ICB AMCL First Mutual Fund units as indicated below, and I/we agree to accept the same or any smaller number that may be issued to me/us, subject to the Fund's Deed of Trust and the terms of the Prospectus. I/we confirm I/we have received and read the Prospectus. I/we declare that I am /we are 18 years of age or over. Further, I/we authorize you to place my/our name(s) on the Register of unit Holders of the Fund as the holder(s) of ..... units issued to me/us pursuant to this application and to send Allotment Letter/Certificate in respect thereof and/or a crossed (account payee only) cheque in respect of any application money refundable by post/courier at my/our risk to the first applicant's address stated below:

1. No. of units - ..... of Tk. 100.00 each
2. Amount of Tk. (in figure) ..... Taka (in words) .....  
deposited vide Cash/Cheque/Draft/Pay Order No. .... dated .....  
drawn on ..... Bank..... Branch.

3. I/we agree to fully abide by the instructions given herein.

4. Particulars of Applicant(s) :

**Sole/First Applicant:** Mr./Mrs./Ms. ....  
Father's/Husband's Name: .....  
Postal Address: .....  
Occupation: ..... Nationality.....  
For refund warrant: Applicant's Bank A/C. No.....  
Name of the Bank: ..... Branch: .....

**Second Applicant :** Mr./Mrs./Ms. ....  
Father's/Husband's Name: .....  
Postal Address: .....  
Occupation: ..... Nationality.....

**5. Specimen Signature(s)**

First Applicant:

Second Applicant:

**BANKER'S ACKNOWLEDGEMENT**

Certified that this bank has received Tk. .... (in word ..... ) only from Mr./Mrs./Ms. ....being application money for ..... number of units of ICB AMCL FIRST MUTUAL FUND.

Banker's Sl. No.

Seal and Date

Authorized Signature  
(Name and Designation)

**ICB AMCL FIRST MUTUAL FUND APPLICATION FORM  
INSTRUCTIONS**

1. All information must be typed or written in full (in block letter) in English or in Bangla and must not be abbreviated
2. Application must be made on the Fund's printed form/photocopy/type copy/hand written form thereof.
3. Application must not be for less than 50 units of face value of Tk. 100.00 or must be for a multiple of 50 units. Any application not meeting these criteria will not be considered for allotment purpose.
4. Deposit for the full amount of units must accompany each application and must be forwarded to any of the Bankers to the Issue. Remittance should be in the form of cash/cheque/bank draft/pay order payable to any of the Bankers to the Issue favoring "ICB AMCL FIRST MUTUAL FUND" and crossed "A/C PAYEE ONLY" and must be drawn on a bank in the same town as the bank to which the application form has been sent.
5. In the case of a joint application, the allotment letter/certificate will be dispatched to the person whose name appears first in this application form and where any amount is refundable in whole or in part, the same will be refunded by Account Payee cheque by post/courier service to the person named first in this application form in the manner prescribed in the prospectus.
6. Joint applications from more than two persons will not be accepted. In case of joint application, each party must sign in the application form.
7. Application must be in the full name of individuals or companies or societies or trusts and not in the name of firms, minors or persons of unsound mind. Application from companies or societies or trusts or statutory body must be accompanied by relevant documents authorizing investment in the firm such as Memorandum and Articles, Bye-Laws of the societies, resolution by the Management Body and Power of Attorney in favor of the person (s) signing the Application (s).
8. An applicant can submit two applications, one in his/her own name and another jointly with another person. In case an applicant makes more than two applications, those in excess of two applications shall not be considered for allotment purposes.
9. No receipt will be issued for the payment made with the application but the bankers will issue a provisional acknowledgement for application lodged with them.
10. Refund will be made only through "ACCOUNT PAYEE" cheques with bank account number and name of bank branch, as mentioned in the application, payable at Dhaka.
11. Allotment shall be made solely in accordance with the instructions of the Securities and Exchange Commission (SEC).
12. Making of any false statement in the application or supplying of incorrect information therein or suppressing any relevant information will make the application liable for rejection and subject to forfeiture of application money. The said application money will be deposited in the account specified by the SEC. This may be in addition to any other penalties as may be provided for by law.
13. Applications, which do not meet the above requirements or applications, which are incomplete, shall not be considered for allotment purposes.

## BANKERS TO THE ISSUE

### Investment Corporation of Bangladesh (ICB)

Head Office,BSB Bhawan,8,DIT Avenue Dhaka.  
Local Office Br.,35/c Naya Paltan, Dhaka.  
Chittagong Branch,100,Agrabad C/A Chittagong.  
Rajshahi Branch,Dr.Gaffar Plaza,F-1160, Rajshahi  
Bogra Branch,Station Road,Satmatha, Bogra  
Khulna Branch, 25-26,KDA C/A, Khulna  
Barisal Branch, 87-88,Hemayat Uddin Road, Barisal  
Sylhet Branch,Chamber Bldg.Jail Road, Sylhet

### IFIC Bank Ltd.

Federation Branch, Dhaka.  
Elephant Road Branch, Dhaka.  
Dhanmondi, Branch, Dhaka.  
Shantinagar Branch, Dhaka.  
Gulshan Branch, Dhaka.  
Naya Paltan Branch, Dhaka.  
Agrabad Branch, Chittagong  
Brahmanbaria Branch, Brahmanbaria  
Bogra Branch, Bogra  
Sylhet Branch, Sylhet  
Jessore Branch, Jessore  
Rajshahi Branch, Rajshahi  
Khulna Branch, Khulna  
Comilla Branch, Comilla  
Barisal Branch, Barisal  
Kushtia Branch, Kushtia  
Mymensingh Branch, Mymensingh  
Cox's Bazar Branch, Cox's Bazar  
Feni Branch, Feni  
Faridpur Branch, Faridpur  
Malibagh Branch, Dhaka.

### Janata Bank

Local Office, Dhaka.  
48,Motijheel Corporate Branch,Dhaka  
Laldighi East Corporate Br. Chittagong  
Sylhet Corporate Branch, Sylhet  
Khulna Corporate Br. Khulna  
M.K. Road Corporate Br. Jessore  
Barisal Corporate Br. Barisal  
Comilla Corporate Br. Comilla  
Sheikh Mujib Road Corporate Br. Chittagong.  
Imamgonj Corporate Br. Dhaka.  
Foreign Business Cor. Br. Dhaka.  
Ramna Corporate Br. Dhaka.  
Topkhana Road Corporate Br. Dhaka.  
Farmgate Corporate Br. Dhaka.  
Kamal Ataturk Avenue Cor. Br. Dhaka.  
Rajshahi Corporate Br. Rajshahi  
Wapda Branch, Dhaka.  
Gulshan Circle-1 Branch, Dhaka.  
Mymensingh Cor. Br. Mymensingh.  
Mirpur-1 Branch,Dhaka

### Bangladesh Shilpa Bank (BSB)

Dhaka Commercial Branch Office, Dhaka.  
Chittagong Branch, Chittagong.  
Sylhet Branch, Sylhet.  
Rajshahi Branch, Rajshahi.  
Bogra Branch, Bogra.  
Khulna Branch, Khulna.  
Barisal Branch, Barisal.

### Arab Bangladesh Bank (AB Bank) Ltd.

Principal Branch,Dilkusha C/A, Dhaka.  
Motijheel Branch, Motijheel,Dhaka  
Kawran Bazar Branch, Kawran Bazar, Dhaka.  
New Elephant Road branch, Dhaka  
Mohakhali Branch, ,Mohakhali, Dhaka.  
Kakrail Branch, VIP Road, Kakrail, Dhaka.  
Uttara Branch, Uttara, Dhaka.  
Gulshan Branch, Gulshan Avenue, Dhaka.  
Mirpur Road Branch, Section -1, Mirpur, Dhaka.  
Rokeya Sarni Branch, Mirpur, Dhaka  
Dhanmondi Branch, Mirpur Rd,Lalmatia,Dhaka  
.North-South Road Branch, Bangshal, Dhaka.  
Nawabpur Branch, Nowabpur Road, Dhaka  
Imamgonj Branch, Imamgonj, Dhaka.  
Narayanganj Br. Bangabandhu Road, Narayanganj  
Modhuban Branch, Bandarabazar, Sylhet  
Dargah Gate Branch, Dargah Gate, Sylhet  
Garden Tower Branch, Garden Tower, Sylhet  
Moulvibazar Branch, Choumohana, Moulvi Bazar.  
Khulna Branch, K.D.A, Commercial Area, Khulna  
Jessore Branch, Municipal Road, Jessore.  
Kushtia Branch, Sirajuddowla Road, Kushtia.  
Agrabad Branch, Agrabad C.A. Chittagong  
Khatunganj Branch, Khatunganj, Chittagong  
Jubilee Road Branch, Jubilee Road, Chittagong  
Station Road Branch, Nupur Market, Chittagong  
Chawk Bazar Br., Chatteshwari Rd.,Chittagong  
Comilla Branch Moghultooly Road, Comilla  
Mymensingh Branch, Kotwali, Mymensingh.  
Bogra Branch, Jhawtala, Bogra  
Naogaon Branch, Main Road, Naogaon  
Saidpur Br.Shahid Dr. Zikrul Huq Rd, Saidpur  
Chapai Nawabganj Branch, . Chapai Nawabganj.  
Rangpur Branch, Central Road, Rangpur  
Braisal Branch, Sadar Road, Barisal  
Jhalakathi Branch, Kapariapatty, Jhalakathi.

### . Dhaka Bank Ltd.

Local Office, Adamjee Court, Motijheel, Dhaka.  
Bangshal Branch,2 Bangshal Lane, Dhaka.  
Imamganj Branch,Sarder Mansion, Dhaka.  
Islampur Branch, 6-7 Islampur Road, Dhaka.  
Banani Branch, 73/B, Kamal Ataturk Ave. Dhaka  
Foreign Exchange Branch,100 Moti. C/A,Dhaka.  
Dhanmondi Branch,H#7,Rd-4,Dhanmondi, Dhaka.  
Kawran Bazar Branch, Dhaka-1215.  
Uttara Branch, Sector-4, Uttara.,Dhaka  
Amin Bazar Branch, Savar, Dhaka.  
Narayanganj Branch, Tanbazar, Narayanganj.  
EPZ Branch, Savar, Dhaka.  
Madabdhhi Bazar Branch,, Norshingdi.  
Agrabad Branch, 102 Agrabad, Chittagong  
Khatunganj Branch, Chittagong.  
Jublee Road Branch, Chittagong.  
Laldighirpuar Branch, Kotwali, Sylhet  
Jamgora Branch, Fantasy Kingdom, Ashulia

### Prime Bank Ltd.

Motijheel Branch, Dhaka  
Khatunganj Branch, Chittagong  
Moulvi Bazar Branch, Dhaka.  
Khulna Branch, Khulna  
Islamic Banking Branch, 19, Dilkusha, Dhaka.  
Sylhet Branch, Sylhet.  
Mohakhali Branch, Dhaka.  
Barisal Branch, Barisal  
Rajshahi Branch, Rajshahi  
Kawran Bazar Branch, Dhaka.  
Elephant Road Branch, Dhaka.  
Islamic Banking Branch, Sylhet  
Court Road Branch, Sylhet  
Mouchak Branch,83 Siddeswari Rd. Dhaka.  
Gulshan Branch, Dhaka.  
Narayanganj Branch, Narayanganj  
Agrabad Branch, Chittagong  
Joblee Road Branch, Chittagong  
Bangshal Branch, Dhaka.  
Jessore Branch, Jessore  
Gonakbari Branch, Savar, Dhaka.  
Uttara Branch, Sector-4, Uttara, Dhaka.  
Foreign Exchange Branch,83 Moti.C/A, Dhaka  
Dhanmondi Branch, Dhaka.  
Eskaton Branch, Dhaka.  
Bogra Branch,Borogola, Bogra.

### The City Bank Ltd.

Principal Office, Jiban Bima Tower, Dhaka.  
B.B. Avenue Branch, 12, B.B. Avenue, Dhaka.  
Islampur Road Branch, Dhaka.  
Johnson Road Branch, 31, Johnson Road, Dhaka.  
New Market Branch, 28, Mirpur Road, Dhaka.  
Gulshan Branch, 49, Gulshan South, Dhaka.  
Kawran Bazar Branch, Kawran Bazar, Dhaka.  
Foreign Exchange Branch, 27 Dilkusha, Dhaka.  
Mirpur Branch,Section- 1, Mirpur, Dhaka.  
Dhaka Chamber Br. 65-66, Motijheel, Dhaka.  
Tongi Branch, Tongi Bazar,Gazipur-1710  
Tanbazar Branch, Narayanganj  
Agrabad Branch, Chittagong  
Khatunganj Branch, Chittagong  
Comilla Branch, Comilla.  
Barishal Branch, Barishal  
Bandar Bazar Branch, Sylhet.  
Rajshahi Branch, Natore Road, Rajshahi.  
Khulna Branch, 7, Sir Iqbal Road, Khulna

### Bangladesh Shilpa Rin Sangstha

Kawran Bazar Corporate Banking Br.  
BSRS Bhawan (1st FL.), Dhaka

Motijheel Br. 56-57,Motijheel C/A,Dhaka

**ICB AMCL FIRST MUTUAL FUND**  
**APPLICATION FOR UNITS: NON-RESIDENT BANGLADESHIS (NRBs)**  
**(To be sent directly to the Asset Management Company's Head Office)**

Warning: (Please read the instructions on the back of this form. Incorrectly filled applications may be rejected.

The Chief Executive Officer  
ICB Asset Management Company Ltd.  
Shilpa Bank Bhaban  
8, DIT Avenue (15<sup>th</sup> floor)  
Dhaka-1000  
Bangladesh.

Banker's Sl. No.

Broker's Stamp

Gentlemen/Madam,

I/We apply for and request you to allot me/us the following number of units and I/we agree to accept the same or any smaller number that may be allotted to me/us upon the terms of the Fund's approved Prospectus and subject to the Fund's Deed of Trust. I/we confirm I/we have received and read the Prospectus. I/we declare that I am /we are 18 years of age or over. Further, I/we authorize you to place my/our name(s) on the Register of unit Holders of the Fund as the holder(s) of..... units issued to me/us pursuant to this application and to send Allotment Letter/Certificate in respect thereof and/or a crossed (account payee only) cheque in respect of any application money refundable by post/courier at my/our risk to the first applicant's address stated below :

1. No. of units ..... of Tk. 100.00 each Amounting to Tk. (in figure) .....  
Taka (in words) .....Only Convertible into US  
Dollar at US\$ 1.00 = Tk. .... UK Pound Sterling at UK £ 1.00 = Tk. ....

2. Deposited vide Cheque/Draft/Pay Order No. .... date ..... for  
US Dollar/UK Pound Sterling ..... drawn on .....  
Bank..... Branch

3. I/we agree to fully abide by the instructions given herein.

4. Particulars of Applicant (s):

**Sole/First Applicant:** Mr./Mrs./Ms. ....  
Father's/Husband's Name: .....  
Postal Address: .....  
Occupation: ..... Nationality: .....  
Passport and or ID (if any) : ..... Valid upto: .....  
For **refund warrant**: Applicant's Bank A/C. No.....  
Name of the Bank: ..... Branch: .....

**Second Applicant:** Mr./Mrs./Ms. ....  
Father's/Husband's Name: .....  
Postal Address: .....  
Occupation: ..... Nationality: .....  
Passport and or ID (if any) : ..... Valid upto: .....

5. **Nominee:**

Name: .....  
Postal Address: .....

6. **Specimen Signature(s)**

First Applicant:

Second Applicant:

Nominee

**ICB AMCL FIRST MUTUAL FUND APPLICATION FORM  
INSTRUCTIONS**

1. All information must be typed or written in full (in block letters) in English or in Bangla and must not be abbreviated.
2. Application must be made on the Fund's printed form/photocopy/typed copy/hand written form thereof.
3. Application must not be for less than 50 units of face value of Tk. 100.00 or must be for a multiple of 50 units. Any application not meeting this criterion will not be considered for allotment purpose.
4. Application must be accompanied by a foreign demand draft drawn on a bank payable at **Dhaka** or cheque drawn out of foreign currency deposit account maintained in Bangladesh for the full value of units favouring "**ICB AMCL First Mutual Fund**" and crossed "**A/C. payee only**".
5. Application shall be sent by the applicant directly to the ICB Asset Management Company Ltd. by **30 June, 2003** so as to reach the company by **09 July, 2003**. Application sent after **30 June, 2003** or received by the ICB AMCL after **09 July, 2003** will not be considered for allotment purpose.
6. Refund against over-subscription shall be made in the currency in which the value of units was paid for by the applicant at the same rate as stated on the application form through Account Payee cheque payable at Dhaka with bank account number, Bank's name and Branch.
7. In case of over-subscription, allotment shall be made by lottery solely in accordance with the instructions by SEC.
8. Money receipt on clearance of draft or cheque, as the case may be, shall be sent by post to the applicant by the company.
9. Joint application by two persons will be acceptable. In such a case, allotment or refund shall be made by post to the first applicant.
10. Application must be made by an individual, a corporation, or company, a trust or a society and not by a firm, minor or persons of unsound mind. Application from companies or societies or trusts or statutory body must be accompanied by relevant documents authorizing investment in the firm such as Memorandum and Articles, Bye-Laws of the societies, resolution by the Management Body and Power of Attorney in favor of the person (s) signing the Application (s).
11. Making any false statement or supplying incorrect information or suppressing any relevant information in the application shall make it liable to rejection and subject to forfeiture of the application money.
12. The intending NRB applicants shall deposit money by US \$ /UK Pound sterling draft drawn on any Bank and payable in Dhaka, Bangladesh, so that the issuer's collecting bank can clear the proceeds and deposit the same into issuer bank's account in time.

**The NRB application along with the foreign draft, as above, is to be submitted to the Fund Manager's Head Office directly.**

**The spot buying rate (T.T. clean) in US \$ and UK pound sterling of Sonali Bank at the day of subscription opening 16, June, 2003 will be applicable for the Non Resident Bangladeshi (NRB) applicants.**