



BANGLADESH SECURITIES AND EXCHANGE COMMISSION

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

BSEC/IMD/MF&CISS/442/2023/07

Date: 11 January 2023

Managing Director & CEO

3i Asset Management Company Limited (Asset Manager of '3i AMCL 1st Mutual Fund')

Modhumita Cinema Building,
158-160 Motijheel C/A (2nd floor), Dhaka-1000

Chief Executive Officer,

Sandhani Life Insurance Company Limited (Trustee of '3i AMCL 1st Mutual Fund'),

Sandhani Life Tower, Rajuk Plot No-34,
Bangla Motor, Dhaka-1000;

Subject: Approval for issuance of Prospectus and Abridged Version of Prospectus of '3i AMCL 1st Mutual Fund (Open-end)'.

Ref: 3iAMCL/MF/BSEC/2023/012, dated 13 November 2023;
3iAMCL/MF/BSEC/2023/013, dated 28 November 2023.

Dear Concerned,

In response to your above-mentioned application, the Commission is pleased to accord consent to issue the prospectus of '3i AMCL 1st Mutual Fund (Open-end)' under the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০৯ and subject to following conditions imposed under Section-2CC of the Securities and Exchange Ordinance, 1969:

PART-A

- (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 (ten) each within 90 (ninety) days from the date of sale of such units. All units of the fund shall be issued in dematerialized form;
- (4) Money receipt/acknowledgement slip issued at the time of sale of units will be treated as allotment letter, which shall not be redeemable/ transferable;
- (5) A duly audited annual financial statements including the statement of financial position, statement of profit and loss and other comprehensive income, statement of cash flows, statement of changes in unit holder's equity and accompanying accounting policies and notes to the financial statements of the Fund and for each scheme of the Fund, once a year, shall be submitted to the Commission, Trustee and Custodian within 03 (three) months from the end of the financial year;
- (6) A half-yearly financial statement shall be submitted to the Commission and published in at least one national daily newspaper within 30 (thirty) days from the end of the period;
- (7) A quarterly un-audited financial statement shall be submitted to the Commission and published on its website within 30 (thirty) days from the end of the quarter of the financial year;

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- (8) A monthly statement of portfolios, including changes therein from the previous period shall be submitted to the Commission within 07 (seven) days from the end of each month;
- (9) The Fund shall, before expiry of 07 (seven) days from the end of each month, disclose for all unitholders a complete statement of portfolios of the Fund or scheme of the Fund, in the prescribed form and shall upload the same on the website;
- (10) The Fund shall publish a monthly statement to the Commission, within 07 (seven) days from the end of the month, reporting new units sold, capital fund received, units repurchased and capital redeemed for every trading day of the month;
- (11) The Asset Management Company shall calculate the Net Asset Value (NAV) per unit at fair value on a weekly basis and be disclosed in the manner specified by the Commission;
- (12) The Asset Management Company shall disclose selling price and repurchase price (surrender value) per unit of the Fund to be calculated based on the fair valued Net Asset Value (NAV) per unit and duly published the information in its website at the end of each week. The difference between selling price and repurchase/surrender price shall not exceed 1% of the fair valued NAV per unit of the Fund;
- (13) The redemption (or repurchase) of units of a Fund, or a Scheme of the Fund, shall be made on first-come-first-serve basis. In the event the redemption request on a particular day exceeds 5% of the total units outstanding of the Fund, the Asset Management Company may defer the redemption request over 5% for a period of maximum 3 (three) working days. Provided that redemption in excess of 5% of total units outstanding shall also be done at repurchase price of the day when redemption requests were actually submitted to the asset manager;
- (14) 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;
- (15) The script wise detail portfolio statement consisting of all securities holdings of the fund shall be disclosed in the website of the AMC and will be sent to Unit Holders on quarterly basis within 30 (thirty) days of each quarter end;
- (16) BSEC may appoint auditors for special audit/investigation on the affairs of the Fund, if it so desires;
- (17) The Fund shall maintain separate bank account(s) to keep the sale proceeds of units and to meet up day-to-day transaction including payment against repurchase of units. All transactions of the account shall be made through banking channel and shall be properly documented;
- (18) 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 the prospectus be published in 2 (two) national daily newspapers (Bengali and English) and one online newspaper;
- (19) If abridged version of the prospectus is published in the newspaper, complete prospectus shall be made available to the applicants;
- (20) Initial target size of the fund shall be TK 25.00 (twenty-five) crore. The Sponsor shall hold at least 10 (ten) percent of the initial target size and shall disclose Sponsor's amount in the offer document/published prospectus. The size of the fund may be increased from time to time by the AMC subject to approval of the Trustee and with intimation to the Commission;
- (21) If the Asset Manager fails to collect the minimum 40% of the initial target amount under বিধি ৪৬ of the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০৯, shall refund the subscription money within 30 (thirty) days without any deduction. In case of failure, the Asset Manager will refund the same with an interest @ 18 (eighteen) percent per annum from its own account within the next month;

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- (22) On the achievement of 40% of the initial target amount, the fund will be allowed to transfer the money from Escrow Account to Operational Account and to commence investment activities of the fund with permission of the Trustee;
- (23) The AMC should ensure compliance of বিধি ৪৬ of the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১;
- (24) Unit allocation of the Sponsor's contribution amount shall be subject to a lock-in period of 01 (one) year from the date of formation of the fund and then 1/10th of the Sponsor's contribution only shall be subject to a lock-in period of full tenure of the Fund until liquidation;
- (25) A confirmation of Unit allocation of the Sponsor's contribution amounting 10% of the fund will be issued in favor of the Sponsor. The said confirmation letter shall be in the custody of Trustee. No splitting of the Unit of Sponsor shall be made without prior approval of the Commission;
- (26) Annual fee of the fund shall be submitted to the Commission on the fund size i.e., year end Net Asset Value at market price of the fund on advance basis as per Rule; and may adjust the fee in the next year if necessary;
- (27) Subscription period of the fund will be 45 (forty-five) days which will be started on **21 January 2024** and be ended on **06 March 2024** as per বিধি ৪৭ of সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১.

PART-B

Please ensure that the following are adhered to:

1. As per provisions contained in the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১ regarding limitation of time on closure of subscription, the initial public subscription will remain open for forty-five days or for a period up to achievement of the initial target amount, whichever is earlier;
2. The paper cutting of the published prospectus and all other published documents/notices regarding the Unit Fund shall be submitted to the Commission within **24 (twenty-four) hours** of publication thereof;
3. The asset management company shall submit **20 (twenty) copies** of printed prospectus to the Commission for official record;
4. The asset management company shall ensure in writing to the Commission that the prospectus/abridged version is published correctly and is a verbatim copy of the prospectus/abridged version vetted by the Commission;
5. The expiry date of the sponsor's locked-in portion shall be specifically mentioned on the body of the jumbo confirmation of Unit allocation;
6. The AMC shall apply the spot buying rate (TT clean) of Sonali Bank prevalent on the date of opening of subscription for conversion of foreign currencies;
7. The AMC shall submit to the Commission a diskette containing the vetted prospectus and its abridged version;
8. All conditions imposed under Section 2CC of the Securities and Exchange Ordinance, 1969 must be complied with and be incorporated in the body of the prospectus and in its abridged version;
9. After due approval by the Trustee regarding issue and formation expenses, the AMC shall submit in details along with supporting documents to the Commission regarding issue and formation expenses within **15 (fifteen) days** of operation of the Fund. The Auditor of the fund shall also put opinion about the above expenses in the initial financial statements of the fund;
10. Bank Statements along with the subscribers list, copies of agreements with Custodian and Selling Agents shall be submitted to the Commission within **15 (fifteen) days** of the completion of the subscription;



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11. The investment policy and guideline and information on constituents of Investment Committee of the fund approved by the Board shall be submitted to the Commission within **30 (thirty) days** from the receipt of the Consent Letter. The investment policy and guideline shall include among other issues, the investment delegation power of Chief Executive Officer and the Committee separately and also the meeting resolution presentation process;
12. After due approval of the Trustee, the Asset Manager shall submit the Systematic Investment Plan (SIP) brochure to the Commission complying the Rules within **30 (thirty) days** of issuance of consent letter.

Full and abridged version of the Prospectus vetted by the Commission enclosed herewith for taking necessary actions at your end.

Enclosure: Vetted Prospectus and Abridged Version of the Prospectus.

Atiqullah 11/01/2029

Md. Atiqullah Khan
Assistant Director (Mutual Fund & CISS)
Email: atiqullah@sec.gov.bd

Copy to:

1. Chairman, National Board of Revenue;
2. Managing Director, Central Depository Bangladesh Limited (CDBL);
3. Office of the Chairman, BSEC;
4. Office of all Commissioners, BSEC;
5. All Departmental Heads, BSEC;
6. Office Copy;
7. Master File.