



Strategic Equity
Management Ltd.
hello future

SEML PBSL Fixed Income Fund

Prospectus

SEML PBSL FIXED INCOME FUND

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

Initial Issue Size: BDT 1,000,000,000 (One Hundred Crore)

Total Number of Units: 10,00,00,000 (Ten Crore)

Initial/Opening Price: BDT 10 (Ten) per Unit

Initial Subscription Opens: 01-02-2023 to 17-03-2023

Sponsor: Padma Bank Securities Limited

Asset Manager: Strategic Equity Management Limited

Trustee: Bangladesh General Insurance Company Ltd.

Custodian: BRAC Bank Limited

Auditor: Kazi Zahir Khan & Co.

THE SPONSOR, ASSET MANAGEMENT COMPANY OR THE FUND DO NOT GUARANTEE ANY RETURNS.

পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন।

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

The Prospectus is available at the AMC's website at www.strategic-bd.com



Padma Bank Securities Limited
Sponsor



Strategic Equity Management Limited
Asset Manager



Bangladesh General Insurance
Company Ltd



BRAC Bank Limited
Custodian

FUND DIRECTORY

Registered Office

Sponsor	Padma Bank Securities Limited Rangs Hai Legacy (6th Floor), Plot 13, Block-K Sohrawardy Ave, Dhaka 1212 Website: www.padmasecurities.com.bd Tel: +88 02 9882847
Asset Manager	Strategic Equity Management Limited Rangs RL Square, Floor-12, Plot Kha 201/1,203, 205/3 Bir Uttam Rafiqul Islam Ave, Dhaka 1213. Website: www.strategic-bd.com Tel: +88 02 550 552 80
Trustee	Bangladesh General Insurance Company Ltd. Address: 42, Dilkusha C/A Motijheel Dhaka Tel: +88 02 9555073-4
Custodian	BRAC Bank Limited Anik Tower, 220/B Bir Uttam Mir Shawkat Sarak, Dhaka 1208
Auditor	Kazi Zahir Khan & Co Home Town Apartments(Level-15), 87 New Eskaton Road, Dhaka-1000
Banker	The Premier Bank Limited Address: Iqbal Centre, 42 Kemal Ataturk Avenue, Banani, Dhaka Tel: 02 9820844-8

For Prospectus or any other information please contact at following corporate office of the Asset Management Company.

Strategic Equity Management Limited

A person interested to get a prospectus may obtain from the Asset Management Company.

"If you have any query about this document, you may consult with the Asset Management Company"

Definitions and Elaboration of Abbreviated Terms

Term Definition

Terminology	Definition
Act	: বাংলাদেশ সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন আইন, ১৯৯৩
Rule/ বিধিমালা	: সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১
Allotment	: Letter of Allotment for units
AMC	: The Asset Management Company (AMC) refers to “Strategic Equity Management Limited” registered with the Registrar of Joint Stock Companies and Firms.
Application Form	: A form meant to be used by an investor to purchase Units of the Scheme
Allotment	: Letter of Allotment for units
BB	: Bangladesh Bank
BEFTN	: Bangladesh Electronic Fund Transfer Network
BGIC	: Bangladesh General Insurance Company Ltd.
Book Closer	: Sale and repurchase of unit issued by Asset Management Company and Selling Agent shall remain closed during the month of January unless the Commission decides otherwise.
BO A/C	: Beneficial Owner Account or Depository Account
BDT	: Bangladeshi Taka
BSEC	: Bangladesh Securities and Exchange Commission
CAGR	: Compound Annual Growth Rate
CEO/MD	: Chief Executive Officer/ Managing Director
CDBL	: Central Depository Bangladesh Limited
CIP	: Cumulative Investment Plan

CDS	:	Central Depository System
Commission	:	Bangladesh Securities and Exchange Commission
Companies Act	:	Companies Act 1994 (Act number 18)
Confirmation of Unit Allocation	:	Letter confirming allocation of Units
CSE	:	Chittagong Stock Exchange Limited
Custodian of the Fund	:	BRAC Bank Limited
Cut -off Date	:	Subscription Closing Date
DSE	:	Dhaka Stock Exchange Limited
Dividend	:	Income distributed by the Fund, when / where applicable
Effective Date	:	The date of registration of Trust Deed
EI	:	Eligible Investor or EI means the institution who has business operation/ investment in Bangladesh as per Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015
EPU	:	Earnings Per Unit
FC Account	:	Foreign Currency Account
FI	:	Financial Institutions
Government	:	The Government of People's Republic of Bangladesh
IDRA	:	Insurance Development & Regulatory Authority
IFRS	:	International Financial Reporting Standards
IPO	:	Initial Public Offering
ISO	:	Initial Subscription Offering
Issue	:	Public Issue
Mutual Fund Rules	:	সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১
Mutual Fund/ The Fund/ Unit Fund/ Open End Mutual Fund	:	SEML PBSL Fixed Income Fund

NAV	:	Net Asset Value of the Fund
NBR	:	National Board of Revenue
NRB	:	Non-Resident Bangladeshis means Bangladeshi citizens staying abroad including all those who have dual citizenship (provided they have a valid Bangladeshi passport) or those, whose foreign passport bears a stamp from the concerned Bangladesh Embassy/High Commission to the effect that no visa is required to travel to Bangladesh
Offering Price	:	Price of the Securities of the Fund being offered
Offer Document	:	This document issued by SEML PBSL FIXED INCOME FUND, offering units of the Fund for subscription. Any modifications to the offer document will be made by way of an addendum which will be attached to offer document. On issuance of any such addendum, prior approval from BSEC is required and the offer document will be deemed to be updated by the addendum.
Ongoing Offer Period	:	Offer of units of the Fund after the closure of the initial offer period.
PBSL	:	Padma Bank Securities Limited
Prospectus	:	The advertisements or other documents (approved by the BSEC), which contain the investment and all other information in respect of the Mutual Fund regulation.
Purchase/ Subscription	:	Subscription to/ purchase of units of the Fund
Purchase Price	:	The price, calculated in the manner provided in this offer document, at which the units can be purchased
Repurchase Price	:	Price at which the units can be redeemed/repurchased and calculated in the manner provided in this offer document
Reinvestment	:	Distribution of profit by issuing new units at the valuation of most recent declared NAV per unit or amended by BSEC from time to

	time.
RJSC	: Registrar of Joint Stock Companies & Firms
SND A/C	: Special Noticed Deposit Account
SEML	: Strategic Equity Management Limited
Sales Agent/ Selling Agent/ Point of Sales	: AMC designated official points for accepting transactions/ service requests from investors
SIP	: Systematic Investment Plan
Sponsor	: Sponsor of the Fund hereby Padma Bank Securities Limited
Subscription Fee	: Application Money
Securities	: Units of the Fund
Trustee of the Fund	: Bangladesh General Insurance Company Limited
The Fund	: SEML PBSL FIXED INCOME FUND
Units	: Units of the Fund
Unit Holder	: A person holding units of SEML PBSL FIXED INCOME FUND
Unit Certificate/Certificate	: Unit Certificate of the Fund in dematerialized form under CDBL

Interpretation

For all purposes of this offer document, except as otherwise expressly provided or unless the context otherwise requires:

- Singular terms used in this offer document include the plural, and plural terms include the singular.
- Pronouns having a masculine or feminine gender shall be deemed to include the other.
- A “crore” means “ten million” and a “lakh” means a “hundred thousand”.

FUND HIGHLIGHTS

Name	SEML PBSL FIXED INCOME FUND
Type	Open-End Mutual Fund
Life and Size of the Fund	Perpetual life and Unlimited Size
Sponsor	Padma Bank Securities Limited
Asset Manager	Strategic Equity Management Limited
Trustee	Bangladesh General insurance Company Ltd
Custodian	BRAC Bank Limited
Initial Size of the Fund	Tk. 1,00,00,00,000 (Taka One Hundred Crore) divided into 10,00,00,000 (Ten Crore) Units of Tk.10 (Taka Ten) each
Face Value	Tk.10 (Taka ten) per Unit
Nature	Open End Mutual Fund with unlimited size.
Objective	The objective of the SEML PBSL Fixed Income Fund is to achieve superior risk adjusted return in the forms of capital appreciation, dividend, interest income and to provide competitive long-term capital appreciation to the unit holders by investing the fund
Minimum Application Amount	Tk.5,000/- per application (500 Units) for individuals. Tk.50,000/- per application (5,000 Units) for institutions. Not Applicable for SIP investors
Transparency	NAV will be calculated on a weekly basis and shall be published on the web-site of the Fund manager (www.strategic-bd.com) and as prescribed in the Rule.
Target Group	Individuals –both resident and non-resident, institutions–both local and foreign, mutual

	funds and collective investment schemes are eligible to subscribe the Units of
Dividend	Minimum 70 (Seventy) percent of realized income of the Fund will be distributed as dividend in Bangladeshi Taka in each accounting year.
Dividend Distribution	The dividend warrant will be distributed within 45 (forty-five) days from the date of declaration.
Tax Benefit	<p>a) Income from a mutual fund or a unit fund up to tk. 25,000.00 (Twenty-Five Thousand) is exempted from tax under Income Tax Ordinance 1984.</p> <p>b) Investment in the Unit Fund would qualify for investment tax credit under section 44(2) of the Income Tax Ordinance.</p> <p>c) The income of the Fund will also be exempted from Tax.</p>
Encashment	The Unit holders can surrender and encash their Units to the Asset Manager and through the authorized selling agents appointed by the Asset Manager. The Asset Manager or selling agent shall be liable to re-purchase the units on behalf of Fund
Transferability	The Units of the Fund are transferable by way of inheritance/ gift and/ or by specific operation of the law.

RISK FACTORS

Investing in the SEML PBSL FIXED INCOME FUND (hereinafter the Fund) involves 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 below, which are not necessarily exhaustive or mutually exclusive:

1. General: There is no guarantee that the Fund will be able to meet its investment objective. Unit-holders may incur absolute and relative losses, including loss of principal, when investing in the Fund. Mutual funds and securities investments are subject to market risks and no government agency or the sponsor/AMC is offering an objective investment performance guarantee, hereby. Investors should study this Offer Document carefully before investing. Due to the fluctuation of the price/ value/ interest rates of the securities in which Scheme invests, the value of investment in the Scheme may go up or down depending on the various factors and forces affecting the capital markets and money markets.

2. External Risk Factor: Performance of the Fund is substantially dependent on the macro-economic situation and capital market as well as money market of Bangladesh. Political and social instability may have an adverse effect on the value of the Fund's assets. Adverse natural calamities may impact the performance of the Fund.

3. Market Risk: The Bangladesh capital market is highly volatile and mutual fund prices and prices of securities can fluctuate significantly from their respective fundamental value estimates, at times for prolonged period. 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 value 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.

4. Concentration Risk: Due to a limited number of high-quality listed stocks in both the DSE and CSE, it may be difficult to invest the Fund's assets in a widely diversified equity portfolio as and when required to do so. Very narrow and highly thinly traded bond market of the country has not been supporting the Asset Manager to design and implement optimum asset allocation decisions from time to time. 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.

5. Dividend Risk: Despite 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.

6. 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.

7. Investment Strategy Risk: Since the Fund will be an actively managed investment portfolio; the Fund performance will remain subject to the investment management strategy risk. The AMC will undertake rigorous investment research and risk management exercise at all the time; however, there can be no guarantee that such process and techniques will produce the desired outcome. Due to the long-term fundamental analysis driven management style of the AMC, the Fund may drag performance relative to the market index/ benchmark in too weak or strong market conditions when market volatility is high.

8. Credit Risk: Since the Fund will seek to also invest as per the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১, 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 are 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.

9. Interest Rate Risk: The Net Asset Value (NAV) of the Fund, to the extent invested in fixed income securities (debt and money Market securities), will directly be affected by changes in the general level of interest rates. However, value of equity securities is inversely and non-linearly related to general level of interest rates. As allocation for equity securities will generally be higher than that for fixed income securities, NAV of the Fund is expected to increase from a fall in interest rates and vice versa. Additionally, zero coupon securities do not provide periodic interest payments to their investors making them riskier from interest rate risk perspective. However, the AMC may choose to invest in zero coupon securities that offer attractive yields commensurable for inherent higher level of interest rate risk.

10. 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 corporate governance risk, management malfeasance, accounting irregularities, unfavorable changes in management team or management strategy leading to corporate under-performance. Such risks can develop in an unpredictable way where corporate insiders have way more information in their custody than the public investors including the AMC. Hence such risks can only be partially mitigated by thorough 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.

Mutual funds do not guarantee any predetermined returns.

TABLE OF CONTENT

1. CHAPTER 1: PRELIMINARY	13
1.1 PUBLICATION OF PROSPECTUS FOR PUBLIC OFFERING	13
1.2 CONSENT OF THE BANGLADESH SECURITIES AND EXCHANGE COMMISSION	13
1.3 LISTING OF FUND	13
1.4 AVAILABILITY OF DOCUMENTS FOR INSPECTION	14
1.5 CONDITIONS IMPOSED UNDER SECTION 2CC OF THE SECURITIES AND EXCHANGE ORDINANCE, 1969	14
1.6 DECLARATIONS	22
1.7 DUE DILIGENCE CERTIFICATE	25
2 CHAPTER 2: BACKGROUND	30
2.1 PREAMBLE TO FORMATION OF SEML PBSL FIXED INCOME FUND	31
2.2 THE CAPITAL MARKET OF BANGLADESH	32
2.3 ADVANTAGES OF INVESTING IN SEML PBSL FIXED INCOME FUND	35
2.4 FORMATION OF THE FUND.....	39
2.5 LIFE OF THE FUND	39
2.6 SIZE, FACE VALUE AND DENOMINATION.....	39
2.7 INVESTMENT OBJECTIVE	39
2.8 INVESTMENT POLICIES.....	39
2.9 INVESTMENT RESTRICTIONS.....	41
2.10 VALUATION POLICY	43
2.11 ACCOUNTING FOR NET ASSET VALUE PER UNIT OF THE FUND AND FAIR VALUATION OF FINANCIAL INSTRUMENTS	45
2.12 ACCOUNTING AND REPORTING FOR PROVISION FOR DIMINUTION (OR APPRECIATION) IN FAIR VALUE OF INVESTMENTS IN FINANCIAL ASSETS	48
2.13 NET ASSET VALUE (NAV) CALCULATION.....	49
2.14 INVESTMENT MANAGEMENT	49
2.15 CLASSIFICATION OF INCOME AND EXPENSES	50
2.16 LIMITATION ON MUTUAL FUND EXPENSES	50
2.17 MEASUREMENT OF EARNINGS AND PAYMENT OF DIVIDENDS.....	53
2.18 PERIODIC DISCLOSURE.....	54
2.19 DETERMINATION OF UNIT SELLING PRICE AND REPURCHASE PRICE OF OPEN-END MUTUAL FUND.....	55
2.20 WINDING UP POLICY.....	57
2.20.1 PROCEDURE OF WINDING UP	57

2.20.2	MANNER OF WINDING UP	57
2.20.3	EFFECT OF WINDING UP.....	58
2.21	RISK FACTORS	60
2.22	SPONSOR OF THE FUND	64
2.23	ASSET MANAGER OF THE FUND.....	64
2.24	TRUSTEE OF THE FUND	65
2.25	CUSTODIAN OF THE FUND.....	66
2.26	INVESTMENT OBJECTIVE	67
2.26.1	INVESTMENT PHILOSOPHY.....	67
2.26.2	INVESTMENT MANAGEMENT PROCESS	68
2.27	INVESTMENT COMMITTEE	70
2.28	BRIEF PROFILE OF DIRECTORS AND SENIOR MANAGEMENT	73
5.6	AUDITORS	75
2.28.1	FEES AND EXPENSES	75
2.28.2	MANAGEMENT FEE	78
2.28.3	TRUSTEE FEE	78
2.28.4	CUSTODIAN FEE.....	78
2.28.5	FUND REGISTRATION AND ANNUAL FEE.....	78
2.28.6	CDBL FEE	78
2.28.7	COMMISSION PAYABLE TO SELLING AGENT(S)	78
2.28.8	AUDIT FEE	79
2.28.9	AMORTIZATION EXPENDITURE	79
2.28.10	BROKERAGE COMMISSION	79
2.28.11	OTHER EXPENSES.....	79
2.29	SIZE OF ISSUE.....	81
2.30	SPONSOR'S SUBSCRIPTION	81
2.31	RIGHTS OF THE UNIT HOLDERS	81
2.32	BENEFICIAL INTEREST.....	82
3	<u>CHAPTER 7: UNIT SUBSCRIPTION</u>	<u>ERROR! BOOKMARK NOT DEFINED.</u>
3.1	TERMS AND CONDITIONS OF UNIT SUBSCRIPTION.....	84
4	<u>CHAPTER 8: SALES AGENT, BANKER & FORM</u>	<u>ERROR! BOOKMARK NOT DEFINED.</u>
4.1	NAME OF SELLING AGENTS	87
4.2	BANKERS.....	87
4.3	FORMS	87

CHAPTER

01

PRELIMINARY

1.1 Publication of Prospectus for Public Offering

Strategic Equity Management Limited (SEML) has received registration certificate from the Bangladesh Securities & Exchange Commission under Securities & Exchange Commission Act, 1993 of সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১ made there under and also received consent for issuing prospectus for public offering. A complete copy of the prospectus is available for public inspection at Rangs RL Square, Floor-12, Plot Kha 201/1,203, 205/3 Bir Uttam Rafiqul Islam Ave, Dhaka 1213., the registered office of Strategic Equity Management Limited, the Sponsor and Asset Manager of SEML PBSL FIXED INCOME FUND, here in after referred to as the Fund.

1.2 Consent of the Bangladesh Securities and Exchange Commission

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

1.3 Listing of Fund

The Fund, being an open-ended one, will not be listed 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 arrangements in future. In that case public communication will be made as per BSEC's approval.

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 office of the Asset Manager and the office so of authorized selling agents. 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 Rule.

1.4 Availability of Documents for Inspection

I. 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 at the website of Bangladesh Securities and Exchange Commission (www.sec.gov.bd), Strategic Equity Management Limited. (www.strategic-bd.com)

II. Copy of the trust deed will be available for public inspection during business hours at the office of the asset manager of the Fund. One will be able to purchase a copy of the trust deed by paying the price as determined by the Asset Manager.

1.5 Conditions imposed under 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 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. 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 each month;

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 business days of the month;

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

12. The Asset Management Company shall disclose the sales price and surrender value per unit calculated on the basis of NAV in a manner that all possible investors may be notified. The sale and repurchase/ surrender price of Units will be determined by the Asset Management Company based on NAV at fair value. The difference between sale price and repurchase/ surrender price shall not exceed 1% of the NAV per unit at fair value of the mutual fund;

13. The redemption shall be made on first come first serve basis. In the event of the redemption request on a particular day exceeds 5% of the total unit outstanding, The Asset Management Company may defer, if required, the redemption request over 5% for a maximum period of 03 (Three) working day.

Provided that redemption in excess of 5% of total units outstanding shall also be done at repurchase price of the day when redemption request while 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 07 (seven) days of dividend distribution;

15. The script wise detail portfolio statement consisting of all securities holding 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 the transaction 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 02 (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 Taka 100.00 (One Hundred) 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, ২০০১, will refund the subscription money within 30 (Thirty) days without any deduction. In case of failure, the Fund Manager will refund the same with an interest @18 (eighteen) percent per annum from its own account within the next month;

22. On achievement of 40% of the initial target amount, the fund is 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 1/10 th 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 amounting Tk. 100,000,000/- (10% of the initial size of the Fund) will be issued in favor of the Sponsor. The said confirmation letter shall be in the custody of the 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 1 February, 2023 and be ended on March 17, 2023 as বিধি ৪৭ of the 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 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 the opening of subscription for conversation 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 detail 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 expense in the initial financial statements of the Fund;
10. Bank Statement along with subscribers list, copies of agreements with Custodian and Selling Agents (if applicable) shall be submitted to the Commission within 15 (Fifteen) days of the completion of the subscription;
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 the issuing of consent letter.

1.6 General Information

- I. This prospectus has been prepared by Strategic Equity Management 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.
- II. No person is authorized to give any information to make any representation not contained in this prospectus and if so given or made, such information or representation must not be relied upon as having been authorized by Strategic Equity Management Limited.
- III. The issue as contemplated in this document is made in Bangladesh is subject to the exclusive jurisdiction of the court of Bangladesh. Forwarding this prospectus to any person residing outside Bangladesh in no way implies that the issue is made in accordance with the laws of that country or is subject to the jurisdiction of the laws of that country.

1.7 Sale and Repurchase of Units

Strategic Equity Management Limited will maintain two BO Accounts with BRAC Bank Limited, custodian of SEML PBSL FIXED INCOME FUND for creation and redemption of units namely “SEML PBSL FIXED INCOME FUND - Sale of units” and “SEML PBSL FIXED INCOME FUND – Repurchase of units”.

For sale of units, SEML will issue a certificate for the units sold and send it to BRAC Bank Limited for setting-up of demat request. After the acceptance of demat setup by Strategic Equity Management Limited from its terminal, units will be credited to the BO Account “SEML PBSL FIXED INCOME FUND- Sale of units”. Then BRAC Bank Limited will transfer the units from “SEML PBSL FIXED INCOME FUND - Sale of units” to the unit holders BO Accounts as per instruction of Strategic Equity Management Limited.

In the case of redemption/repurchase by the Asset Manager the unit holder will transfer his/her/the Institutional holders’ units to the “SEML PBSL FIXED INCOME FUND – Repurchase of units” account.

BRAC Bank Limited will debit the unit certificates from the investor's BO Accounts and transfer it to the "SEML PBSL FIXED INCOME FUND – Repurchase of units" account. Simultaneously, the payment will be made through A/C payee Cheque or funds will be transferred to investor's Bank Account through BEFTN as per the request of the client.

1.8 Systematic Investment Plan (SIP)

A Systematic Investment Plan or SIP is a smart and easier mode for investing money in mutual funds. SIP allows an investor to invest a certain pre-determined amount at a regular interval (monthly, quarterly, yearly etc.). A SIP is a planned approach towards investments and helps to inculcate the habit of saving and building wealth for the future.

Buy and Surrender SIP Process:

An investor can invest through SIP either by auto debit system provided against investor's Bank Account or by providing monthly predetermined cheques via selling agents at a regular interval (monthly, quarterly, yearly etc.). Investor must have a BO Account. Investor will get SIP units in their BO Accounts based on a discount from the latest/ongoing effective Weekly Sale price of the fund.

It is advisable to continue SIP investments with a long-term perspective, there is no compulsion. Investors can discontinue the plan at any time. If an investor wants to terminate the SIP before two (2) years, up to 1% discount from the repurchase/ surrender price will be applicable on total accumulated invested amount on the date of cancellation of the scheme. After maturity of SIP, the investor can easily surrender through AMC or Selling Agents.

Benefits may be offered for Investors as such:

SIP encourages a disciplined investment. While invested through SIP, investor commits himself to save regularly. Different benefits may be offered as follows:

- **Flexibility:** Investor can start SIP with a very small amount that is 1000/2000/3000/4000/5000 or any multiple of

1000/500. One can also increase/ decrease the amount being to be invested in regular fashion.

- **Flexible SIP Tenor:** The scheme will be offered for at least 2 years or any other period set by AMC. However, investor can set SIP scheme for 3 years/ 5 years/ 10 years. After this time period the individual scheme will be matured and may surrender or continue holding the Units after maturity. If surrendered, no fees/charges will be charged on surrender and may also offer highest premium over the declared surrendered price.
- **No Minimum lot size:** Under SIP, there will be no minimum lot size as like normal investors. Based on a discount from declared sales price per unit available, units will be credited to investor's account. However, any fraction amount remaining will be converted when it sums up to one unit. The fractional amount will be kept as liability of the fund in a separate account head.
- **Sale at discount and premium at Surrender:** SIP investor may buy units at a discount from weekly Sales Price offered to normal investor. In addition to that SIP investor can surrender at a premium of repurchase price offered to normal unit holders at maturity as per SIP brochure.
- **CIP option for the SIP investors:** SIP investors can choose either option of cash dividend or cumulative investment plan (CIP) or mix of both. If a SIP investor chooses CIP (i.e Dividend reinvestment process) instead of cash dividend, they will also enjoy CIP units at a discount of prevailing Sales price used for CIP conversion. After CIP conversion, they will get dividend on total number of units in the next year.

1.6 Declarations

Declarations about the responsibility of the Sponsor

The sponsor, Padma Bank Securities Limited, accepts full responsibility for the authenticity and accuracy of the information contained in this Prospectus and other documents regarding SEML PBSL FIXED INCOME FUND. To the best of the knowledge and belief of the Sponsor, who has taken all reasonable care to ensure that all the conditions and requirements concerning this public offer and all the information contained in this document, drawn up by virtue of the Trust Deed of the Fund by the entrusted Asset Management Company (AMC), 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/-

Managing Director & CEO
Padma Bank Securities Limited

Declarations about the Responsibility of the Custodian

We, as Custodian of the SEML PBSL FIXED INCOME 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
- বর. Preserve necessary documents and record so as to ascertain movement of assets of the Fund as per সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১, vvvvvvvv
- iii.

Sd/-

Head of Corporate Banking
BRAC Bank Limited

Declarations about the Responsibility of the Asset Manager

We, as the Asset Manager of SEML PBSL FIXED INCOME FUND, accept the responsibility and confirm that:

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

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

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 section and to be aware of the risks associated with any investment in the Fund.

Sd/-

Managing Director and CEO
Strategic Equity Management Limited

Declarations about the Responsibility of the Trustee

We, as Trustee of the SEML PBSL FIXED INCOME FUND, accept the responsibility and confirm that we shall

- I. be the guardian of the Fund, held in trust, for the benefit of the Unit holders in accordance with the Rules and the Trust Deed;
- II. always act in the interest of the Unit holders;
- III. take all reasonable care to ensure that the Fund floated and managed by the Asset Management Company are in accordance with the Trust Deed and the Rules;
- IV. make sure that there is no contradiction between Prospectus and Trust Deed সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১,
- V. make such disclosures by the Asset Management Company to the investors as are essential in order to keep them informed about any information, which may have any bearing on their investments;
- VI. and take such remedial steps as are necessary to rectify the situation where we have reason to believe that the conduct of business of the Fund is not in conformity with relevant Rules.

Sd/-

Managing Director & CEO

Bangladesh General Insurance Company Limited

1.7 Due Diligence Certificate

DUE DILIGENCE CERTIFICATE BY SPONSOR

চতুর্থ তফসিল - (১) এর (জ) [বিধি ৪৩ (৩)-দৃষ্টব্য]

To

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

Subject:

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

1. We, as the sponsor to the above-mentioned fund, have examined the draft prospectus and other documents and materials as relevant to our decision; and
2. We warrant that we shall comply with the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১, Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015, Trust Deed of the Fund and the rules, orders, guidelines, directives, notifications and circulars that may be issued by 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 clauses of the trust deed executed with the trustee and shall assume the duties and responsibilities as described in the trust deed and other constitutive documents;
- c) We shall also abide by the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১, and conditions imposed by the Commission 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.

For Sponsor

Sd/-

Managing Director and CEO
Padma Bank Securities Limited

DUE DILIGENCE CERTIFICATE BY TRUSTEE

চতুর্থ তফসিল - (১) এর (জ) [বিধি ৪৩ (৩) দ্রষ্টব্য]

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

Subject:

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 the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১, Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015, Dhaka Stock Exchange (Listing) Regulations, 2015, Chittagong Stock Exchange (Listing) Regulations, 2015, Trust Deed of the Fund and the Rules, guidelines, circulars, orders and directions that may be issued by the Bangladesh Securities and Exchange Commission from time to time in this respect.

WE CONFIRM THAT:

- a) All information and documents as are relevant to the issue have been received and examined by us and the draft prospectus forwarded to the Commission have been approved by us;
- b) We have also collected and examined all other documents relating to the fund;

- c) While examining the above documents, we find that all the requirements of the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১, have been complied with;
- d) We shall act as 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 the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, 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

Sd/-

Managing Director & CEO

Bangladesh General Insurance Company Limited

DUE DILIGENCE CERTIFICATE BY CUSTODIAN

চতুর্থ তফসিল - (১) এর (জ) [বিধি ৪৩ (৩)-দ্রষ্টব্য]

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

Subject:

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

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

WE CONFIRM THAT:

- a) We will keep all the securities (both listed and Non-listed) and Assets of the "SEML PBSL FIXED INCOME FUND" including FDR receipts in safe and separate custody as per বিধি ৪১ of সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১, and will provide highest security for the assets of the Fund;
- b) We shall act as custodian of the fund as mentioned above as per provisions of the custodian agreement executed with the asset management company and shall assume the duties and responsibilities as described in the trust deed of the mentioned fund and other constitutive documents;
- c) We shall also abide by the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১, and conditions imposed by the Commission 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;

For Custodian

Sd/-
Head of Corporate Banking
Brac Bank Limited

DUE DILIGENCE CERTIFICATE BY ASSET MANAGER

চতুর্থ তফসিল - (১) এর (জ) [বিধি ৪৩ (৩)-দৃষ্টব্য]

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

Subject:

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
3. We warrant that we shall comply with the Securities and Exchange Ordinance, 1969, the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১, Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015, Dhaka Stock Exchange (Listing) Regulations, 2015, Chittagong Stock Exchange (Listing) Regulations, 2015, and the Rules, guidelines, circulars, orders and directions that may be issued by the Bangladesh Securities and Exchange Commission from time to time in this respect.

WE CONFIRM THAT:

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

For the Asset Manager

Sd/-
Managing Director and CEO

CHAPTER

02

BACKGROUND

2.1 Preamble to Formation of SEML PBSL FIXED INCOME FUND

Mutual fund is one of the most popular investment vehicles in the world. An asset management company (AMC) pools funds from individual and institutional investors under a mutual fund structure and then invest in different securities with varying risk-return profiles like stocks, fixed income securities and money market instruments etc. from that mutual fund to generate sustainable wealth for investors/fund subscribers.

An open-end mutual fund issues an “Unit” against the money received from a fund-investor who is interested in investing in the underlying securities but does not have the time and resources to undertake investment research or due-diligence activities. The asset manager of the mutual fund, with adequate professional credential and experience, undertakes the necessary investment research and management role on behalf of the investor. At any point in time, a fund-investor can surrender his/her “Unit” to the asset manager to cash-out the investment balance.

Mutual funds are very efficient risk-taking vehicle in the sense that they provide sufficient diversification benefit to investors even with smaller investable fund which is not available otherwise. By investing in an open-end mutual fund, the investors gain access to a thoroughly researched and professionally managed capital market portfolio without doing the hard-work by themselves.

Mutual Fund is immensely popular in the global capital market. There are many countries where asset under management of mutual funds almost half of the total market capitalization are. Whether the investor is experienced, or a new, mutual fund always has the potential of being value additive. A mutual fund certainly provides advantages which other instruments may not:

- 1. Diversification:** By purchasing one unit of mutual fund, an investor can become owner of hundreds of different types of securities managed by that fund. To reach the same level of diversification without investing in mutual fund, an investor would require much more money.

2. **Professional fund management:** Mutual funds are managed by qualified investment professionals who do all the research and analysis on investors' behalf.
3. **Efficiency:** Mutual funds pool money from many investors so that each investor can participate in a well-diversified portfolio of bond/money market instruments, stocks and other equities. In addition, the cost of trading these equities is minimal when compared with individuals making their own trades.
4. **Transparency:** Mutual funds are highly regulated investment vehicles and operate under strict rules and regulations by the Bangladesh Securities and Exchange Commission.

The fund manager, Strategic Equity Management Limited (SEML) was incorporated in 2007 under the company act 1994 of Bangladesh. SEML was awarded the Asset Management Company (AMC) license from Bangladesh Securities and Exchange Commission (BSEC) in 2013 and received the first ever Fund Manager license in Bangladesh from BSEC in 2015. SEML is operating with the vision to provide unique, innovative, trustworthy solutions for both capital and money market instruments from its inception. Currently SEML is successfully managing Three (3) Mutual Funds and One (1) Alternative Investment Fund. Total Asset under Management of SEML currently stands over BDT 3.65 Billion. SEML is constantly trying to do better for its clients. The management of Strategic Equity Management Limited has extensive experience of numerous Capital Markets and Money Market Transactions involving different products and sectors. The Analyst team consists of highly capable young Bangladeshi talent, trained to international standards. As highly qualified professionals, all team members have strong backgrounds on customized and application software related to these segments of business all of those together enabling SEML to thrive from its inception and the Fund Manager one can trust.

2.2 The Capital Market of Bangladesh

The Capital Market of Bangladesh stands at a critical juncture on its orbit which portrays both opportunities and challenges. With the

continuous growth of the Bangladesh economy over past one decade maintaining continuous GDP growth of over 6%. Even though capital market is transforming over the years into a more structured and regulated form thanks to the BSEC and other regulatory authorities, it is still lagging behind in terms of Dhaka Stock Exchange Market Capitalization to GDP, number of listed stocks, participation of local institutional investors in the capital market, and assets classes available for investments etc.

By resolving the adverse effects of the global and domestic fronts, Bangladesh has been able to sustain the continuity and stability of economic development. GDP growth for FY2019-20 was 5.24%, which was 8.15% in the previous fiscal year, according to the Bangladesh Bureau of Statistics (BBS) provisional estimate. In spite of global economic challenges amid outbreak of COVID-19 pandemic Bangladesh has maintained a steady growth journey. However, the capital market of the country still requires further development to facilitate a strong ground for sustainable economic development.

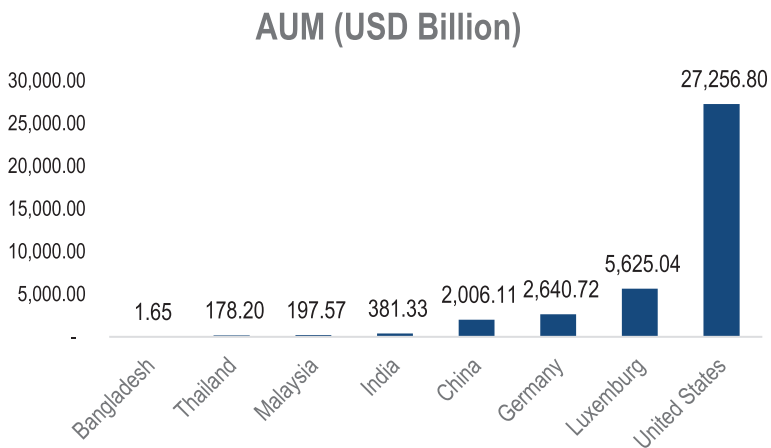
A retail-investor driven listed equity market, like Bangladesh's, often over-react during periods of stress. Therefore, the mutual fund sector often struggles to pay desired dividend to its investors. Generally, in Bangladesh, mutual funds mostly focused their investment in listed capital market instruments. Therefore, during economic stress periods the funds struggle to pay sound dividends. Therefore, the current conventional mutual fund sector demands for unique product to meet the investors demand of sound consistent dividend as well as capital appreciation.

SEML PBSL Fixed Income Fund proposes to set its investment policy with minimum 30% investment in fixed income securities of the government and private sector. The volatility of return (index return) from the secondary market is presented in figure: 1, which ranges from a positive 24.0% to negative 23.7% annually, between 2014 to 2020. On the other hand, return from a basket of Fixed Income Securities (e.g.: T-Bond, T-Bill, Corporate Bond) is more stable compared the return from capital market, which ranges from 10.9% to 7.1% within the same period. If a fund was formed with maximum 70% but not less than 50% investment in fixed income securities and remaining portion on secondary market, the expected return from

that fund would have been similar to the return presented in figure 2, which provides more stable return compared to secondary market focused investments. Through an active portfolio management between the fixed income and equity securities, the return from the portfolio remains positive even when the market has generated negative 23.7% return. This return can also be maximized further by outperforming the index return through an active portfolio management in the secondary market. The asset manager can play an important role here to generate higher return compared to the market by research driven investment and active portfolio management. Hence, a minimum sound positive return is achievable through this unique investment strategy.

Being an emerging economy Bangladesh Secondary Bond Market could play pivotal roles in driving the growth and maintaining the stability of the market. With BSEC recent intention of making all kinds of bonds, including Treasury bond (T-bond), tradable through investors' BO (beneficiary owner's) accounts by removing existing legal and technical barriers. SEML being the asset manager of the proposed fund will try to utilize this opportunity and provide to maximize risk-adjusted-return for its Unitholders.

The concept of Mutual Funds and professional investment management are still early stage in our country.



With 36 closed end mutual funds and about 83 open end mutual funds in Bangladesh, the size of the Mutual Fund Industry is still quite small compare to its regional countries.

Mutual funds have emerged as the best in terms of variety, flexibility, diversification, liquidity as well as tax benefits. Besides, through mutual funds investors can gain access to wide range of investment opportunities that would otherwise be unavailable to them due to limited knowledge and resources. Mutual funds have the capability to provide solutions to most investors' needs, however, the key is to do proper selection and have a process for monitoring and controlling. In Bangladesh, the mutual fund industry is still at a growing stage and will play a big role in the betterment of capital market as well as the investors.

2.3 Advantages of Investing in SEML PBSL FIXED INCOME FUND

Generally, investment in mutual funds enjoys some additional advantages compared to investments made directly in other securities of the capital market. Investors of this mutual fund should be able to enjoy the following advantages:

- **Diversified portfolio, minimized risk:** Diversification contributes to optimize risk-return balance for the investors as it helps them not to put all the eggs in the same basket. Strategic Asset Management Limited will invest the fund in a diversified portfolio, which may include investment across multiple companies, sectors, securities and different asset classes. Such diversification will minimize the investment risk for the investors while ensuring optimum risk-return tradeoff.
- **Cost effective investment:** By purchasing one unit of SEML FBLSL Growth Fund, investors will have access to a wide range of securities. This will drive down their transaction costs greatly.
- **Enhanced liquidity:** 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 volatility in market.

- **Highly capable research team:** SEML PBSL Fixed Income Fund performance will benefit from SEML strong proprietary investment research capability provides access to extensive local research and investment experience. The Funds Manager, SEML has developed deep insight into the dynamics of the local capital markets. The in-house research team of SEML are highly capable of conducting superior market research, i.e., fundamental analysis, quantitative analysis, risk analysis etc. and motivated in ensuring the maximized risk adjusted return for the investors. Investment management usually requires a significant amount of time-consuming research; and the analysis required to identify the highest-quality securities may not be found doable for the general investor and is, therefore, best left to professional investment managers.
- **Favorable law:** Income will be tax free up to a certain level, as permitted under the Finance Act. Investment in the Fund would qualify for investment tax credit under section 44(2) of the Income Tax Ordinance 1984.
- **Low to no transaction cost:** 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.
- **High level of transparency:** Management and operations of mutual funds are subject to strict regulations from BSEC and the Trustee. BSEC closely monitors the performance of the Fund. The laws governing mutual funds require exhaustive disclosure to the regulator and general public. This makes mutual funds one of the most transparent and accountable investment instruments in Bangladesh.
- **Fair Pricing:** Price of the Units of the fund won't be determined by demand and supply in the public market, rather by Net Asset Value (NAV). The AMC will be liable to

repurchase the Units surrendered by the Unitholders on the basis of NAV which mitigates Unitholders' liquidation risk.

- **Tax exemption:** Income of fund is fully tax exempted. Investment in the Fund will qualify for investment tax credit in a range of 10-15% under section 44(2) of the Income Tax Ordinance 1984.
- **Other advantages:** In Bangladesh, mutual funds enjoy a 5% (five percent) reserved quota for all Initial Public Offerings (IPOs). Given the lack of supply of high-quality scripts in the Bangladeshi stock market, IPOs in Bangladesh have historically performed very well relative to the market index and therefore, have been a major source of outperformance for the mutual fund industry in Bangladesh

SEML PBSL FIXED INCOME FUND aims to achieve superior risk adjusted return through a diversification of investment among listed and un-listed debt and equity securities and to ensure stabilization of return for the investors through a substantial portion of investment in fixed income securities and to provide a stable and maximized stream of dividend to the unit holders.

CHAPTER
03

THE FUND

3.1 Formation of the Fund

The trust deed of the Fund was registered on 1st November, 2021 under the Trust Act, 1882 and Registration Act, 1908. The Fund was registered by the BSEC on 16th August, 2022 under the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১,

3.2 Life of the Fund

The Fund will be an open-end mutual fund with a perpetual life established to broaden the base of investment and develop the capital market. Institutional (local and foreign) and individual investors (resident and non-resident) are eligible to invest in this Fund.

3.3 Size, Face Value and Denomination

The initial target size of the Fund will be BDT 1,000,000,000.00 (One Hundred Crore Taka only) divided into 100,000,000 (Ten Crore) units of BDT 10.00 (Ten Taka only) 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.

Face 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 allotment letter by the Asset Manager at the cost of the Fund in any denomination but not less than 500 (five hundred) units for individuals and 5,000 (five thousand) units for institutions.

3.4 Investment Objective

The objective of the SEML SFIL Fixed Income Fund is to maximize risk-adjusted-return for Unitholders in the form of capital appreciation, dividend income and interest income from a combined portfolio of equity, debt, money market instruments and other permissible securities.

3.5 Investment Policies

1. The Fund shall invest subject to the বিধিমালা and only in those securities, deposits and investments approved by Bangladesh Securities and Exchange Commission and/or

the Bangladesh Bank and/or the Insurance Development & Regulatory Authority (IDRA) of Bangladesh or any other competent authority in this regard.

2. Scope of Investment:

Subject to the other provision of the Rules, a mutual fund may invest moneys collected under the fund, or any its schemes, only in-

- a) securities listed with a stock exchange;
- b) money market instruments including government securities;
- c) privately placed bonds, debentures and pre-IPO capital of entities with explicit plan to be listed with a stock exchange within two years from the date of the investment.
- d) Securitized debt instruments, which are either asset backed or mortgaged securities.
- e) Open-end mutual fund approved by the Commission.

- 3. Not **more** than 70% of total assets of the Fund shall be invested in capital market instruments. Of this, at least 50% shall be invested in listed securities that are actively trading in stock exchanges. Investments in Government Securities shall not be considered as an exposure to capital market instruments.
- 4. Not less than 30% (thirty percent) of total asset of the Fund shall be invested in investment grade Fixed Income Securities (FIS) including Government Securities.
- 5. Not more than 10% of the total assets of the fund shall be invested in non-listed securities at any particular date. In case of investment in non-listed corporate bonds or pre-IPO placement shares, the asset manager shall obtain approval of the Commission.
- 6. Non-listed securities that enjoy “investment grade” credit rating by a recognized credit rating agency are eligible for

investments by a mutual fund. The fund can invest in unlisted corporate securities only after a prior approval of the Commission

7. The fund shall not invest more than 10% of its total assets in any one company or a group of companies under the control of a parent company. This condition shall not be applicable for investment in government securities.
8. The fund shall not invest more than 10% of paid up capital or other securities such as bond or debenture issued by any company.
9. All money collected under the Fund shall be invested only in en-cashable /transferable instruments, securities whether in money market or capital market or privately placed pre-IPO equity, preference shares, debentures or securitized debts.
10. The Fund shall get the securities purchased or transferred in the name of the Fund.
11. 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.
12. The Asset Management Company shall select stockbroker(s) with prior approval from the Trustee for the purchase and sale of securities for the Fund's portfolio.
13. Settlement of transactions will take place as per the বাংলাদেশ সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১ and practice of the relevant laws.

3.6 Investment Restrictions

1. A mutual fund shall not, under any circumstance, trade in units of mutual funds, schemes of mutual funds, under the control of the same Asset Management Company
2. No Asset Management Company shall, for the purpose of inducing, dissuading, effecting, preventing, or in any

manner influencing or framing to its advantage, the sale or purchase of any security, directly or indirectly,

- a) create a false and misleading appearance of active trading in any security;
 - b) effect any transaction in securities between mutual funds under the control of an Asset Management Company;
 - c) directly or indirectly effect a series of transactions in any security creating the appearance of actively trading therein or of raising of price for the purpose inducing its purchase by others or depressing its price for the purpose of inducing its sale by others
3. Not more than 10% of the total assets of the fund shall be invested in non-listed securities at any particular date. In case of investment in non-listed corporate bonds or pre-IPO capital, the asset manager shall obtain prior approval of the Commission
 4. The fund shall not invest more than 10% of paid-up capital (or other securities such as bond or debenture) issued by any company.
 5. The fund shall not invest more than 10% of its total assets in any one company or a group of companies under the control of a parent company. This condition shall not be applicable for investment in Government Securities.
 6. The Fund shall not invest more than 25% of its total assets in shares, debentures or other securities in any one industry.
 7. The Fund shall not invest in, or lend to, any scheme under the same Asset Management Company.
 8. 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.

9. The Fund or the Asset Management Company on behalf of the Fund shall not give or guarantee term loans for any purpose or take up any activity in contravention of the বিধিমালা.
10. 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.
11. The Fund shall not involve in option trading or short selling or carry forward transaction.
12. The Fund shall not buy its own unit.

3.7 Valuation Policy

The fund shall fix the valuation method for the Scheme subject to the prior approval of the Commission according to the section 58 of the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১. Valuation policy of the for the investments of the fund will be as follows:

1. 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.
2. For securitized debts, debentures, margin or fixed deposits, the accrued interest on such instruments on the date of valuation shall be taken into account in any calculation of Net Asset Value of such securities in the portfolio of the Fund.
3. The fund shall comply with accounting recognition and measurement principles and disclosure rules of International Financial Reporting Standards (IFRSs) for the valuation of investments in securities and other financial instruments and be subject to the prior approval of the Commission.
4. The Fund shall follow the method approved by the Commission for valuation of the non-listed investment, if any, and the Asset Management Company and the Trustee shall

periodically review the non-listed investment, if any, and the Trustee shall periodically review the value of such investments. The auditors shall comment in the annual report of the Scheme of the Fund.

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

Adequate disclosure shall be made on the valuation of investment in unlisted securities and other financial instruments in both the interim and annual financial statements with adequate disclosure of accounting policies as to the valuation of securities.

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

7. 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 Asset Management Company.
8. Asset Management Company and Trustee will value the non-listed securities at least once in every three months.
9. In case of deferred expenses, accrued expenses for the period will be taken into account for determining total liabilities.

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

- I. An Asset Management Company shall calculate Net Asset Value (NAV) per unit of a mutual fund at fair value on a weekly basis and be disclosed in the manner specified by the Commission
- II. The Net Asset Value of a Fund shall be equal to the fair value of identifiable assets minus the fair of liabilities of the Fund. Net Asset Value per unit shall be calculated by dividing the NAV by units outstanding of the Fund at the measurement date.
- III. An asset is identifiable if it either:
 - a) Is separable, i.e. capable of being separated or divided from the entity, or sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable assets or liability, regardless of whether the entity intends to do so; or
 - b) arises from contractual or other rights, regardless of whether those rights are transferable or separable from the entity or from other rights and obligations
- IV. Identifiable assets may include intangibles including monetary assets without physical substance but shall exclude fictitious assets such as unamortized issue costs, preliminary costs, and/or advances, deposits, and prepayments which embody no future economic benefits and cash flows to the company.
- V. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement shall be done for a particular asset or liability. A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or in the absence of the principal market, in the most advantageous market for the asset or liability.

- VI. In order to do fair valuation of assets and liabilities of a Fund, the Asset Management Company shall strictly comply with accounting recognition and measurement principles and disclosure provisions of International Financial Reporting Standards (IFRSs) particularly including that of IFRS 13 (Fair Value Measurement).
- VII. The Assets Management Company shall recognize a financial assets or a financial liability in its statement of financial position when, and only when, the company becomes a party to the contractual provisions of the financial instrument. At initial recognition, a company shall measure a financial asset or a financial liability at its fair value plus (or minus) transaction costs that are directly attributable to the acquisition (or issue) of the financial asset or financial liability.
- VIII. After initial recognition of a financial asset, the Asset Management Company shall classify, subject to the approval of the Commission, the financial asset as subsequently measured at fair value through other comprehensive income, or amortized cost on the basis of both:
 - a) the company's business model for managing financial assets and
 - b) the contractual cash flow characteristics of the financial assets.
- IX. The AMC shall have the option, at initial recognition, to irrevocably designate a financial asset and a financial liability to be measured at fair value through profit or loss.
- X. After initial recognition, that is, at subsequent balance sheet dates, the AMC shall measure a financial asset at fair value through other comprehensive income or amortized costs and in compliance with provisions of IFRSs
- XI. After initial recognition of a financial liability, the AMC shall classify and measure, subject to the approval of the Commission, all financial liabilities at fair value through profit or loss, or amortized costs and comply with provisions of

IFRSs. The AMC shall have the option, at initial recognition, to irrevocably designate a financial liability to be measured at fair value through profit or loss.

- XII. A gain or loss on a financial asset or financial liability that is measured at fair value shall be recognized in profit or loss unless:
- a) it is an investment in an equity instrument and the AMC has elected present to present gains and losses on that investment in other comprehensive income
 - b) it is a financial asset measured at fair value through other comprehensive income
 - c) it is a financial liability designated as at fair value through profit or loss but the entity is required to present the effects of changes in the liability's credit risk in other comprehensive income. In that case, the remainder amount of change in the fair value shall be presented in profit or loss
- XIII. At initial recognition, the AMC may elect to present in other comprehensive income subsequent changes in the fair value of an investment in an equity instrument which is not held for trading. The AMC shall however recognize in profit or loss any dividends from investments in equity instruments that are not held for trading.
- XIV. A gain or loss on a financial asset measured at fair value through other comprehensive income shall be recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains or losses
- XV. Adequate disclosure shall be made on the valuation of investment in securities and other financial instruments in both the interim and annual financial statements. Trustee shall not approve any financial statements without adequate disclosure of accounting policies as to the fair valuation of investments in securities.

- XVI. Independent external auditor shall give opinion as to the fair value of investments in securities and/or financial instruments of the Fund. The external auditor shall specifically comment on assumptions and inputs used for the valuation of investments in unlisted securities of the Fund.

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

- I. After the initial recognition of a financial asset, the Asset Management Company shall make provision for diminution in the fair value of investments in securities of a mutual fund whenever the fair value of a security is less than its acquisition cost. At subsequent balance sheet dates, if the fair value of the financial asset further decreases, a new provision to that extent shall accrue with respect to that particular financial asset. On the other hand, if the fair value rises since the previous balance sheet date but remains below the acquisition costs of the financial asset, a reversal of past provision to the extent of the rise shall be made and added to the earnings for the period of the Fund.
- II. Investments in financial assets shall be reported at fair value, not at acquisition costs, in the statement of financial position of a mutual fund.
- III. If the fair value of investments in a security exceeds the acquisition cost, the excess of the fair value over the acquisition cost shall be recognized as 'other comprehensive income,' not to be offset against aggregate provision for diminution in the fair value of investments in other securities.
- IV. Other comprehensive income shall be reported as a part of the unit holders' equity of the Mutual Fund.
- V. Any financial asset, which is not actively trading in any organized stock exchange, shall be classified as a "Non-performing financial asset" if the issuer of the security fails to pay a return, either a dividend or an interest income, to the

Asset Management Company in consecutive two financial years.

- VI. The fair value of a non-performing financial asset shall be done following International Financial Reporting Standards (IFRSs), supplemented by a full disclosure of inputs and methods of the valuation, and be subject to the approval of the Trustee of the Fund.
- VII. The external auditor shall comment on the fair valuation of investments in financial assets which are either unlisted or not actively trading in a stock exchange and on the quality of accompanying disclosure on investments in financial assets.

3.10 Net Asset Value (NAV) Calculation

The Fund will use the following formula to derive NAV per unit

$$\text{Total NAV} = V_A - L_T$$

NAV per unit = Total NAV / No. of units outstanding

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/profit receivables deposits net of tax + Issue expenses net of amortization expense as on date + Printing, publication and stationery expenses amortized as on date

L_T = 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.

3.11 Investment management

Strategic Equity Management Limited will have discretionary authority over the Fund's portfolio about investment decision.

Strategic Equity Management Limited 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 সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১ and Trust Deed or any general directions given by the Trustee and/or by the Commission.

3.12 Classification of Income and Expenses

- I. An Asset Management Company (AMC) shall present separately each material class of similar items in the statement of profit or loss and other comprehensive income for a period of a mutual fund or a scheme of the Fund.
- II. An AMC shall clearly identify major heads of income and expenses (or gains or losses) as separate line items in the statement of profit or loss and other comprehensive income for a period of a mutual fund or a scheme of the Fund
- III. An AMC shall recognize income and expenses (or gains and losses) using the accrual basis of accounting

3.13 Limitation on Mutual Fund Expenses

- I. The Asset Management Company shall be entitled to asset management fees which will be calculated once a week on the basis of net asset value (NAV) at fair value of a mutual fund at the end of each quarter of a financial year and according to rates as per the Rules.
- II. Asset management fees shall be payable on a quarterly basis
- III. The Fund shall pay annual fees, by a pay order or bank draft, at the rate of 0.10 percent of the net assets value (NAV) at fair value of the Fund, or the scheme of the Fund or Tk. 100,000 whichever is higher, to the Commission within 90 days from the end of the financial year.

Provided that in case of a failure to pay the annual fees within the aforesaid deadline, the Asset Management Company, not the mutual fund, shall be liable to pay a fine equivalent to the

half of the annual fees for delay of every months or a part thereof.

The Asset Management Company shall not be allowed to launch a new mutual fund, or a new scheme of a mutual fund, if it fails to pay annual fees as stipulated in clause III

- IV. In addition to the asset management fees as defined in Rule 65 (2) the asset management company shall also be eligible to charge the following additional expenses:

- a) Asset Management Company shall amortize the initial issue costs of the Fund within a maximum period of five (05) years. In case of availability of profits, Asset Management company can amortize the initial issue expense over a period which is smaller than five years.

As provided for in the বিধিমালা; Provided that Initial Issue Expenses / Initial Public Offering (IPO) costs shall not exceed 3% of the Fund of the collected amount raised under the Fund. The Asset Management Company shall furnish a detailed breakdown of such expenses in the prospectus/offer documents of the fund

- b) Trustee Fee;

The Trustee shall be paid an annual Trusteeship fee which shall not exceed 0.10% of the Net Asset Value (NAV) at Fair Value of the Fund on semi-annual basis, during the life of the Fund.

- c) Custodian Fee;

The fees for custodian services shall not exceed 0.10% per annum of the fair value of securities (both listed and non-listed) held by the fund, to be calculated and paid on a semiannual-annual basis.

- V. In addition to the fees mentioned hereinabove the Asset Management Company may charge the Scheme of the Fund with the following recurring expenses, namely;

- a) Bank charges

- b) Annual fees payable to the Commission as per the Rule (11)
 - c) CDBL fees
 - d) Listing fees
 - e) Audit fees
 - f) Cost for publication of reports and periodicals specially related to the Fund.
 - g) Valid expenses for organizing a unit holders' meeting in compliance with the Mutual Fund Rules-2001.
- VI. For an open-end mutual fund, no selling/marketing expense shall be applicable for the issue of new units to investors.
- VII. Legal expense of an Asset Management Company shall not be a charge against income of a Mutual Fund.
- VIII. The Asset Management Company shall not charge transactions costs (including brokerage commission) as an expense in the statement of profit or loss and other comprehensive income.
- IX. At initial recognition, the Asset Management Company shall measure a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Likewise, the AMC shall recognize a sale of a financial asset at net realized value, that is, the selling price net of transaction costs.
- X. Total operating expense, excluding amortization of initial issue costs and provision for diminution in the fair value of investments, of a mutual fund, a scheme of a fund, shall not exceed 4 (four) percent of net asset value (NAV) at fair value of the Fund
- XI. All expenses should be clearly identified and appropriated to the fund
৮৩৩. The Asset Management Company may charge fee to the Fund for Pre-Scheme Formation, and for Investment Manager fee as per বিধিমালা

3.14 Measurement of Earnings and Payment of Dividends

- I. The accounting year of the Fund shall end on June 30 of every calendar year or as determined by the Commission.
- II. The Fund shall distribute minimum **70% (seventy percent)** or as may be determined by the **বিনিয়োগ** from time to time, of the annual net income of the Fund as dividend at the end of the accounting period.
- III. Net income for a financial period of a mutual fund shall be measured following International Financial Reporting Standards (IFRSs) and after incorporating all valid income, eligible expenses as well as provision for diminution in the fair value of investments in securities and other financial assets
- IV. Trustee shall examine every item of expenses of a mutual fund and determine their eligibility to be a valid charge against income of the Fund
- V. Adequate disclosure shall be made with respect to provision (or reversal of provision) for diminution (or appreciation) in fair value of investments in securities. The excess of fair value over cost of investments in securities, if true in aggregate, shall be reported as an 'other comprehensive income' in the Statement of Profit or Loss or Other Comprehensive Income and not be a part of earnings for the Period
- VI. Other comprehensive income shall be reported as a separate line item under the unit holders' equity and not be aggregated with any other reserve(s).
- VII. A mutual fund shall make a full disclosure of the provision for diminution in fair value of investments in the statement of changes in unit holders' equity specifically showing changes in the provision account during the Period
- VIII. The Fund shall not issue reinvestment unit (RIU) under any circumstance

- IX. Dividend shall never be paid out of other comprehensive income and/or unrealized capital gains
- X. Without violating provisions of this Directive, a mutual fund may create a dividend equalization reserve in order to stabilize payments of dividends in future

3.15 Periodic Disclosure

- 1. The Fund, its asset manager, trustee, custodian, and sponsor shall make such disclosures or submit such documents as may be called upon to do so by the Commission
- 2. Without prejudice to the generality of the directions in the Sub-Rule (1) above, the Fund shall furnish to the Commission the following reports, namely;
 - a) A duly audited annual financial statements including statement of financial position, statement of profit or loss and other comprehensive income, statement of cash flows, statement of changes in unit holders' equity, and accompanying accounting policies and notes to the financial statements of the fund, and for each scheme of the Fund, once a year, within 03 (three) months from the end of the financial year;
 - b) Quarterly un-audited financial statements within 30 (thirty) days from the end of the quarter of the financial year; and
 - c) A monthly statement of portfolios, including changes therein from the previous period, for a mutual fund, or a scheme of a mutual fund, within seven (7) days from the end of the month
 - d) For an open-end mutual fund, the Asset Management Company shall publish a monthly statement to the Commission, within 7 (seven) days from the end of the month, reporting new units sold, capital fund received, units repurchased and capital redeemed for every business day of the month

3. A mutual fund shall, before expiry of 7 (thirty) days from the end of each month, disclose for all unit holders a complete statement of portfolios of the Fund, or a scheme of the Fund, in the prescribed form and shall upload the same on its website
4. A mutual fund shall, within 30 (thirty) days from the end of a quarter, publish its un-audited quarterly financial statements on its website.

3.16 Determination of Unit Selling Price and Repurchase Price of Open-end Mutual Fund

1. The Asset Management Company shall disclose selling price and repurchase price (or surrender price) per unit of the Fund to be calculated on the basis of the Net Asset Value (NAV) per unit at fair value.
2. The Asset Management Company shall duly publish the information on NAV per unit at fair value, unit selling price and repurchase price in its website, across sales centers, and through press-release at the end of each working day
3. The difference between selling price and repurchase price per unit shall not exceed 1% (one percent) of the NAV per unit at fair value of the Fund
4. 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

Sale and repurchase procedure are given below:

- I. The Units of SEML PBSL FIXED INCOME FUND, hereinafter referred to as the Fund, may be bought and

Surrendered through Strategic Equity Management Limited and authorized selling agents appointed by Strategic Equity Management Limited from time to time.

- II. Minimum purchase amount during public subscription is–
- For individual investors: BDT 5,000.00 (Five Thousand Taka) against 500 units
 - For institutional investors: BDT 50,000.00 (Fifty Thousand Taka) against 5000 units

The minimum subscription amount for the individual or institution may change in the future upon due approval from the trustee.

- III. Application for purchase of units should be accompanied by an account payee cheque/ pay order/ bank draft in favor of “SEML PBSL FIXED INCOME FUND” for the total value of Units purchased.
- IV. After clearance / encashment of cheque/ draft/ pay order, the applicant will be issued with one-unit allocation confirmation against every purchase with a denomination of number of units he / she / the Institutional investor applies for. The units will also be delivered to the Unit holder’s BO A/C.
- V. After receiving the surrender application form at AMC’s office, the client will be paid in 3 (three) working days through account payee cheque or BEFTN transfer as per client’s request.
- VI. Partial surrender (fraction of total units held under a Unit Allocation Confirmation) is allowed without any additional cost subject to minimum surrender quantity is 500 (five hundred) units both of individuals and institutions. Upon partial surrender, the unit holder will be issued with a new unit allocation confirmation representing the balance of his unit holding.
- VII. All payments/ receipts in the connection with or arising out of transactions in the units hereby applied for shall be in Bangladeshi Taka.

3.17 Winding up Policy

3.17.1 Procedure of Winding Up

- I. If the total number of outstanding unit certificates held by the unit holders after repurchase at any point of time falls below 25% of the actual certificate issued, the Fund will be subject to wound up.
- II. 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
- III. The Scheme may also be wound up if the Commission so directs in the interest of the unit holders
- IV. 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.

3.17.2 Manner of Winding Up

- I. The Trustee shall call a meeting within 30 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 বিধিমালা, 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.

3.17.3 Effect of Winding Up

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

- I. Cease to carry on any business activities of the open-end fund;
- II. Cease to create and cancel unit of the open-end fund;
- III. Cease to issue and redeem units of the open-end fund.

SEML PBSL FIXED INCOME
FUND

CHAPTER
04

RISK
CONSIDERATION

4.1 Risk Factors

*Investing in the **SEML PBSL FIXED INCOME FUND** (hereinafter the Fund) involves 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 below, which are not necessarily exhaustive or mutually exclusive:*

1. **General:** There is no assurance that the Fund will be able to meet its investment objective and investors could potentially incur losses, including loss of principal when investing in the Fund. Investment 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 market and money Market. 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 before investing.
2. **External Risk Factor:** Performance of the Fund is largely dependent on the macroeconomic situation and in the capital market as well as money market of Bangladesh. Political and social instability may have an adverse effect on the value of the Fund's assets. Adverse natural calamities may impact the performance of the Fund.
3. **Market Risk:** The Bangladesh capital market is highly volatile and mutual fund prices and prices of 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 value 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.

4. **Concentration Risk:** Due to a limited number of compliant securities in both the 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 bond/debt market in Bangladesh, it would be difficult for the Fund Manager to swap between asset classes, if and when required. Limited options in money market instruments will narrow the opportunity of short term or temporary investments of the Fund which may adversely impact the returns.
5. **Dividend Risk:** Despite careful investment selection of companies in the Fund, if the companies fail to provide the expected dividend or fail to disburse the dividends declared in a timely manner, this will impact the income of the Fund and the overall return of the Fund.
6. **Underlying Liquidity Risk:** For investing in Pre-Public Offer Placement securities i.e. in 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. Bond/Money Market 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 that are 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 less liquid and incurring losses till the security is finally sold.
7. **Investment Strategy Risk:** Since the Fund will be an actively managed investment 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.

8. **Credit Risk:** Since the Fund will seek to invest as per the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১ in both equity and bond; the credit risk of the bond issuers is also associated with the Fund. Investments in bond are subject to the risk of an issuer's inability to meet repayments on its obligations and market perception of the creditworthiness of the issuer.
9. **Yield Risk:** The Net Asset Value (NAV) of the Fund, to the extent invested in bond and Money Market instruments, will be affected by changes in the general level of yield. The NAV of the Fund is expected to increase from a fall in yield level in the economy while it would be adversely affected by an increase in the level of yield rates. In addition, zero coupon securities do not provide periodic repayments to the holder of the security; these securities are more sensitive to changes in yield level in the economy. Therefore, the yield risk of zero-coupon securities is higher. The AMC may choose to invest in zero coupon securities that offer attractive yields. This may increase the risk of the portfolio.
10. **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, corporate governance, management performance, 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.

THE MUTUAL FUND IS NOT GUARANTEEING OR ASSURING ANY RETURNS

CHAPTER 05

FORMATION, MANAGEMENT & ADMINISTRATION

5.1 Sponsor of the Fund

Padma Bank Securities Limited (PBSL), an international standard brokerage house was established in 2015. PBSL is the TREC Holder of Dhaka Stock Exchange Limited, the premier bourse in the country. Being the TREC Holder of Dhaka Stock Exchanges Ltd., the principal activities of the company are to carry on the business of brokers and dealers in stocks, shares and securities.

Since inception, PBSL is supporting their clients to maintain their investment portfolio. They manage both corporate and individual BO accounts with immense level of customer satisfaction. PBSL specialize in developing an efficient stock brokerage workforce to cater to the needs of the institutional and individual investors in the capital market. The mission of Padma Bank Securities is to be a trusted partner for the client for stock trading and providing advice. The vision of PBSL is to be recognized as a local as well as global leading brokerage house by providing superior investment solutions and fulfill the expectation of the clients.

5.2 Asset Manager of the Fund

Strategic Equity Management Limited will be the Asset Manager of the Fund. Strategic Equity Management Limited was founded in 2007 and the Company got registration certificate as an asset management company from BSEC in 2013.

Strategic Equity Management Limited (SEML) was incorporated in 2007 under the company act 1994 of Bangladesh. Some highly capable professionals came together to form the core team of SEML. SEML was awarded with the Asset Management Company (AMC) license from Bangladesh Securities and Exchange Commission (BSEC) in 2013. Currently, SEML is managing three mutual funds namely SEML Lecture Equity Management Fund, SEML IBBL Shariah Fund, and SEML FBLSL Growth Fund. All three funds are listed in Dhaka and Chittagong Stock Exchange.

The first fund namely SEML Lecture Equity Management Fund was sponsored by Lecture Publications Ltd, the largest publication house in the country. The fund was also subscribed by reputed Banks and

Financial Institutions of the Country. The size of the fund is Tk. 50.00 crores.

In February 2017, SEML managed second fund- SEML IBBL SHARIAH FUND was started trading in both the exchange. The Fund is sponsored by Islami Bank Bangladesh Ltd., the largest private commercial bank of the country, who has contributed Tk. 50.00 crores as the sponsor. The total size of the fund is Tk. 100.00 crore.

In March 2019, SEML successfully brought its third fund SEML FBLSL Growth Fund. The Fund was sponsored by Padma Bank Securities Limited, one of the leading Brokerage in Bangladesh. The total size of the fund is Tk. 72.95 crore.

This balanced, open-end mutual fund will strive continuously to find the best value investment opportunities in Bangladesh to drive long-term sustainable wealth for Unit holders

5.3 Trustee of the Fund

Bangladesh General Insurance Company Ltd. or “BGIC Ltd.” is the First General Insurance Company in the Private Sector in Bangladesh. The Company started business on 29th July, 1985 and it’s paid up capital as of December, 2017 stood at TK. 540 million. The Company’s motto “Service is our Strength” was upheld not only in its core business of General Insurance but also the same standard has been maintained in the Trustee operations. By providing fast, efficient, supportive & reliable quality service to name a few; BGIC Ltd. has been able to create an unmatched position for itself to act as a Trustee of Mutual Funds and for this reason the Company is able to work with the majority of the Asset Management Companies in Bangladesh.

In addition to its core business of General Insurance BGIC Ltd. took a pioneering initiative to act as a “Trustee” of the first closed ended Mutual Fund in Bangladesh under private initiative in March, 2000. This was done in line with the Company’s willingness and dedication to positively contribute to the economy of the country and support in the development of new creative ideas for the betterment of the nation and capital market industry.

The Company's role, responsibility and scope of work as Guardian of the Fund is vast and crucial and for this reason the Company is highly committed to uphold this honor and perform its duties diligently to ensure that the investors of mutual funds are not deprived or suffer from making investments in mutual funds in Bangladesh. The Company has succeeded under various challenges and excelled in venturing into previously unfamiliar grounds and is committed to continue doing so to the satisfaction of its clients, patrons and well-wishers.

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: -

SL	Designation
01	Chairman Bangladesh General Insurance Company Ltd
02	Chief Executive Officer Bangladesh General Insurance Company Ltd
03	Company Secretary Bangladesh General Insurance Company Ltd

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

5.4 Custodian of the Fund

BRAC Bank Limited is one of the leading private commercial banks engaged in banking and other forms of financial services in Bangladesh. As a part of its contentious endeavor toward excellence and diversification in financial services, the bank has placed its confident footprints as a Custodian.

The bank received its Custodian License from Bangladesh Securities and Exchange Commission (BSEC) on December 2009. Since inception the bank is providing custodial services to institutional clients such as foreign companies as well as local Asset Management

Companies. The bank is working as custodian with all the leading AMC's in Bangladesh.

The bank has already earned its goodwill as a custodian in the industry. The Trustees and Asset Management Companies prefer BRAC Bank as a dependable partner due to its unique qualities of proficient client service as well as firm compliance policy.

5.5 Investment Objective

SEML PBSL FIXED INCOME FUND will be placed as a lower risk alternative to a pure equity investment tool, while ensuring upside potential of the from both fixed income and equity investment. Because of its unique nature and investment police fund will provide the assets manager the opportunities and flexibilities to shift allocation of assets in the event of changing of market scenario. Experienced team of the SEML AMC will decide where the fund will invest after doing proper research on the market and possible investments tool.

The investment objective of the fund is to provide superior risk adjusted returns over a medium to long term by investing in strong companies, with good management and at a great price by leveraging our time-tested investment process. The investment specialists seek to provide consistent out-performance over time to its investors with a strong attention to risk management. We believe our investment process, grounded in the importance of fundamental research, allows our experienced investment professionals to identify quality growth opportunities in the capital markets.

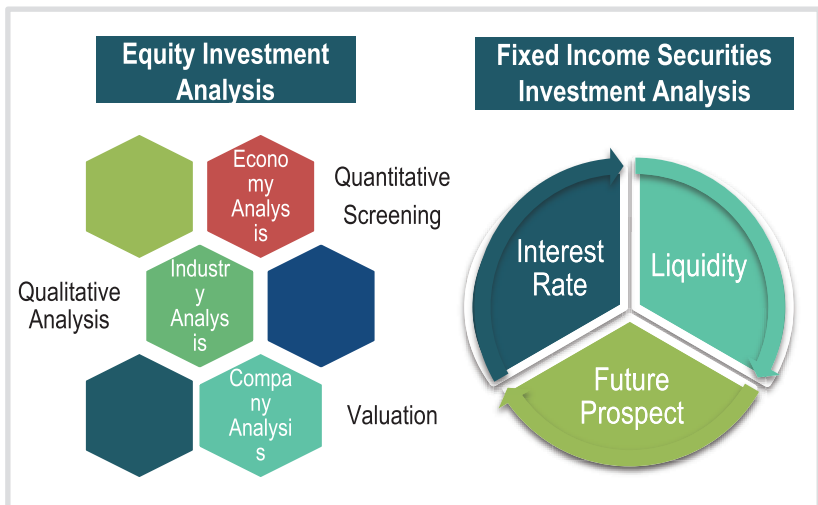
5.5.1 Investment Philosophy

SEML truly believes that ensuring integrity, maintaining corporate governance and capacity of the management is essential for making any good investment. Our investment philosophy is that consistent and attractive risk adjusted returns can only be generated by applying a robust investment process that identifies macroeconomic trends, sector drivers, expert company analysis, and effective capital allocation on an ongoing basis.

5.5.2 Investment Management Process

SEML will follow a dynamic and well driven investment process to increase the probability to generate maximum risk adjusted return from the investments of the fund guided by an Investment Committee. SEML believed investment management as a process of building and continuously adjusting portfolio to stay up to date with market situation and ensuring financial goals. These measures are integrated with big-picture asset allocation factors such as economic conditions, market fundamentals and appropriate investment selection.

For selection of securities, SEML primary depends on their Fundamental Analysis and Technical Analysis for those securities. SEML follows a bottom-up process based on a disciplined evaluation of securities. Research Team will present their independent investment research findings in the IC meeting from time to time. Investment decisions will be made by combining top-down asset allocation strategy with bottom-up security selection strategy as described below-



A top-down and bottom-up approach may adopt the following investment management and risk control processes.

- **Step 1: Quantitative Screening**

SEML creates an initial investable universe of fundamentally good companies through an investment process that begins with screening off fundamental analysis. SEML research team forecast companies' future earnings and cash flows, analyze their strengths and weaknesses, and assess industry dynamics. SEML screen eliminates companies that exhibit high leverage, deep cyclicity, high capital intensity or low return on equity.

- **Steps 2: Qualitative Analysis**

SEML analyzes both past business performance and potential future opportunities. The investment team puts greater emphasis on understanding underlying business features as well as the relevant accounting issues. In addition, an in-depth evaluation of the certainty of the long-term economic characteristics of each business and the quality of its management in terms of its ability to realize the full potential of the business is conducted.

- **Step 3: Valuation**

To value a company different indicator of the company like product demand, revenue growth, future investment, net profit, profit margin, asset quality, management capacity etc. will be taken into the consideration. To be qualified to portfolio, the market price of each company should have a significant discount to future earnings, cash flow and/or net asset value.

- **Step 4: Portfolio Construction**

SEML seeks to add alpha through Top-down and Bottom-up stock selection. Guidelines ensure stock selection drives performance while providing adequate diversification. Generally, no single holding accounts for more than specific percentage set by regulator and/or Investment committee of SEML in the portfolio. SEML always invests in both capital market and money market

instruments at an optimum level which helps to hedging the risk of the portfolio.

- **Step 5: Monitoring and Performance evaluation of the portfolio**

Since capital market of Bangladesh is comparatively volatile, Investment Committee of SEML reviews the performance of the portfolio on weekly, monthly and quarterly basis. Investment Committee of SEML with the recommendation of Research Team ensure that the asset allocation of the portfolio between the various asset classes (shares, bonds and cash, etc.) is continually managed and rebalanced according to the changing economic cycles and financial markets.



5.6 Investment Committee

The Investment Committee (IC) of SEML is responsible for assisting the Board of Directors (BOD) in achieving the objectives of the undertaken funds by understanding the relationship between the fund disbursement and the investment policy as instructed by the BSEC, Trust Deed, সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১ &

other rules and regulations as imposed by competent authorities. The committee is in control of formulating the overall investment policies of the fund, subject to consent of the board, and establishing investment guidelines in continuation of the investment policies. Along with making decisions for the best asset allocation method, IC is liable for monitoring and managing the portfolio for compliance with the fund's investment guiding principles. The committee also keeps tracks of the fund's compliance with performance objectives over time and takes action accordingly. IC stays updated of the appropriate risk management policies and takes suitable measures to minimize, to the extent possible, market, liquidity, operational, credit, diversification, dividend, strategic and other investment and asset management risks. With the help and resources of carefully selected finance professionals, IC is committed to maximize the portfolio return given the constraints of the market limitations and regulatory compliances provided by the BSEC. The foremost objective of IC is to build the value of the fund at the optimum rate possible, commensurate with the appropriate level of risk and long-term growth of capital, consistent with preservation of capital. IC is consisted with the following personnel:

SL	Designation
01	Managing Director and CEO Strategic Equity Management Limited
02	Chief Operating Officer Strategic Equity Management Limited
03	Head of Research and Development Strategic Equity Management Limited
04	Investment Analyst Strategic Equity Management Limited

CEO chairs the committee and has the absolute rights to amend investment decisions as he deems fitting in accordance with the BOD guidelines. The decision will indeed be made on the ground of the respective policies of সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১ and parameters set in the Investment Policy approved by the

Board of Directors (BOD) of SEML. To act outside the boundary of the proper framework, CEO must consult the BOD for instructions. IC members will have meetings on a regular basis to analyze the local and worldwide current and imminent micro and macroeconomic

phenomena in order to forecast the fund's performance as a part of the ongoing research and act aptly as the situation arises. Apart from resolving investment issues, the IC has the following duties to perform:

- Reviewing overall investment policies and fund performance, portfolio construction and reconstruction, asset allocation, asset allocation ranges, prohibited investments and program expenses, and conduct ongoing manager due diligence
- Monitoring the management of the funds by reviewing written reports from investment staff and by discussions with investment staff at committee meetings that focus on the primary determinants of returns, including asset allocation and investment strategy
- Devising schemes in the categories of long term, mid-term and short-term investments to yield the maximum return and minimize the risk
- Overseeing investment objectives, reinvestment, accurate financing of the fund
- Improving the liquidity, cash flow and Net Asset Value (NAV) of the fund
- Evaluating investment performance of the fund based on a comparison of actual returns with the fund's absolute return objective, and with such other benchmarks as the board or committee may from time to time select. The evaluation will take into account compliance with investment policies and guidelines and risk levels
- To perform such other duties and responsibilities as are enumerated in and consistent with this charter or as delegated by the Board

Responsibilities of IC Members:

Members of IC	Responsibility in IC
Chief Executive Officer (CEO)	Chair of IC & Monitoring
Chief Investment Officer (CIO)	Compliance & Investment Management
Head of Research & Development	Market Research

5.7 Brief Profile of Directors and Senior Management

Shahnul Hasan Khan, *Chairman*

Shahnul Hasan Khan is a seasoned management professional with vast expertise in the fields of financial service and IT sector has made him a valuable contributor and a charismatic leader. With over 18 years of experience in the financial markets, Mr. Khan has worked with different National and Multi-National Bank, Financial institutions and other industry. His experience helps him to gain an arsenal of industrial skills, and professional networks at his disposal. He is widely reputed for crafting vital strategic vision to achieve business goals. Mr. Khan is also the Director of Unique Meghnaghat Power Limited and Executive Chairman of Canadian University of Bangladesh.

Mr. Khan holds his Masters in Finance & Financial Management from North South University and completed his Bachelors in Marketing from East West University.

Ehsanul Kabir, *Managing Director & CEO*

Mr. Kabir started his career in Eastern Bank Limited (EBL), a third-generation leading private commercial bank in the country. In 2008, he joined as Research Associate in a second-generation AMC formed by international veteran and local leading businessmen. With strong analytical knowledge base, he soon became promoted to Head of Research. He took a leading role in successful completion of Tk. 200.00 crores of Subordinated Bonds for a leading private

commercial bank. He also successfully led IT team to build customized software package- a complete solution on portfolio construction, performance tracking and risk management.

In October 2011, Mr. Kabir joined Cosmopolitan Finance Limited (CFL), the merchant banking wing of Summit Group as the Head of Corporate Finance. During his tenure, he designed numerous Structured Financial Products such as Bonds, Private Equity, Mezzanine Capital, Zero Coupon Bond customized for leading local companies. He led the team to successful commencement of Merchant Banking operation in April 2012. He took a pioneer role in executing the JV with leading software company, Leads Corporation Ltd to develop a state of art 2nd generation analytical MB software, Capita. He was instrumental in IPO closure of “Summit Purbanchol Power Company Limited”, having an Issue Size of Tk. 120 Crore.

Before joining Strategic Equity Management Ltd. (SEML), Mr. Kabir took charge of Cosmopolitan Traders (Pvt) Limited (CTPL), the Brokerage Wing of Summit Group in May 2014. He successfully inaugurated the operation of CTPL. In less than a year, the Asset under Management (AUM) of CTPL crossed over Tk. 50.00 cr. with no of total customers exceed 500 marks.

Mr. Kabir has successfully launched three Mutual Funds namely SEML Lecture Equity Management Fund and SEML IBBL Shariah Fund. SEML Lecture Equity Management Fund is sponsored by The Lecture Publications Ltd., the largest publications house of the country. The Fund has already been listed in the both Stock Exchanges of the country i.e. DSE and CSE and started its operation from January 2016. Mr. Kabir has also successfully launched Islami Bank sponsored Shariah based fund- SEML IBBL Shariah Fund. The fund has started trading in both exchanges since February 2017. The fund size is Tk. 100.00 crores. Later in 2019, Mr. Kabir successfully launched SEML third fund SEML FBLSL Growth Fund. The Fund was sponsored by Padma Bank Securities Limited, one of the leading Brokerage in Bangladesh. The total size of the fund is Tk. 72.95 crore.

Mohammad Shafatul Islam

Chief Operating Officer

Mohammad Shafatul Islam has spent significant time of his career in leading Assets Management Company and leading Investment Firm. He has more than 9 years of working experience in leading Assets Management Company and Investment Firm. His passion towards

work and hard works has helped him to pass the corporate ladder at great pace. Mr. Islam played a pivotal role in launching 3 Closed End Funds and One Alternative fund for Strategic Equity Management Limited.

Mohammad Shafatul Islam completed his MBA in Finance from Independent University Bangladesh.

Raihan Sobhan

Senior Investment Analyst

Raihan Sobhan working as Senior Investment Analyst in SEML. Mr. Sobhan has more than 3 years of working experience in leading assets manager company and advisory firm. Raihan is responsible for performing comprehensive analysis on investment opportunities, evaluating new opportunities for funds, and identifying the key drivers of industries and the companies within the industry. His capability to work in investment research helps SEML to construct and maintain well balanced investment portfolios. He also works towards ensuring risk adjusted equity investment return for their Mutual Funds.

Mr. Sobhan completed his Bachelors in Finance from North South University and currently doing his Masters in Applied Economics from BRAC University.

5.6 Auditors

Kazi Zahir Khan & Co. has been appointed as the Auditor of the Fund for the first accounting year. It is one of the oldest and most reputable auditing firms and is recognized as one of the leaders in contributing to professional practice for various undertakings in the public as well as private finance and other relevant sectors. The Trustee will continue to appoint the Fund Auditor throughout the tenure of the Fund.

5.7.1 Fees and Expenses

The 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.

Keeping in mind, the fund size of Tk. 1,000,000,000.00 (One Hundred Crore), Strategic Equity Management Limited has estimated the normal annual operating expenses of the Fund, which will not exceed 3% of the weekly 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:

1. **Issue and formation Expenses:** Issue and formation expenses are estimated to be not over 3% of collected amount. The expenses will be amortized within 5 (five) years on a straight-line method. The estimated expenses for the issue and formation of the Fund are presented below with the assumption of BDT 1,000,000,000.00 (One Hundred) crore to be collected:

Sl.	Type Of Expenses	Percentage Of Total Target Fund	Total Tk.	Sub Total/Details	Description
1	Formation Fee Payable to AMC	1.00%	10,000,000	Set-fee	Formation fee to AMC on collected fund of approved fund size.
2	Trustee Fees for Pre-Scheme formation period	0.06%	619,167	604,167 15,000	Trustee Fees for Pre-Scheme formation period Trustee Application Processing fee
3	Management Fee for Pre-scheme formation period	0.60%	6,041,667	On Scheme	Management fee of AMC for pre-Scheme formation period as per BSEC directive (No- SEC/CMRRCD/2009-193/160) dated 28 May 2014.
4	Legal & Compliance related Expenses (Application,	0.38%	3,810,000		

Sl.	Type Of Expenses	Percentage Of Total Target Fund	Total Tk.	Sub Total/Details	Description
Registration fees etc.)					
				10,000	BSEC Application Fee
				2,000,000	BSEC Registration Fees(0.20% of Initial Fund Size)
				150,000	CDBL Fee (Distribution of 10 crore units X BDT 10.00 X 0.00015)
				350,000	Trust Deed Registration fee
				1,200,000	Legal advisory Fee
4	Printing, Publication & Distribution Expenses	0.95%	9,500,000		
				2,000,000	Prospectus design and printing expenses
				2,000,000	Publication of Abridged Version of Prospectus
				500,000	Printing of Forms and other marketing related documents
				600,000	Courier and Distribution Expenses
				500,000	Data Entry, data processing and other related job
				2,000,000	Road Show and Investment Campaign Expenses
				1,900,000	Other marketing expenses
Total		2.99%	29,970,834		

*The above cost is made in rough estimation which are to be approved by BSEC.

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

5.7.2 Management Fee

The Fund shall pay a management fee to the Asset Management Company as per the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১

5.7.3 Trustee Fee

The Trustee shall be paid an annual Trusteeship fee which shall not exceed 0.10% of the Net Asset Value (NAV) at Fair Value of the Fund on semi-annual basis, during the life of the Fund.

5.7.4 Custodian Fee

The fees for custodian services shall not exceed 0.10% per annum of the fair value of securities (both listed and non-listed) held by the fund, to be calculated and paid on a semiannual-annual basis.

5.7.5 Fund Registration and Annual Fee

The Fund has paid Tk. 10,00,000.00 (Taka Ten Lac) (at the rate of 0.10% of the fund size) to the Bangladesh Securities and Exchange Commission (BSEC) as registration fee. In addition to that the Fund will pay an annual registration fee as per terms of the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১

5.7.6 CDBL Fee

The Fixed CDBL Annual Fee will be BDT 40,000.00 (Forty Thousand Taka only) & Annual Central Depository System (CDS) Connection Fee will be BDT 6,000.00. The fees may vary as amended by the Commission from time to time.

5.7.7 Commission Payable to Selling Agent(s)

The Fund shall pay commission to the authorized selling agent(s) to be appointed by the Asset Manager at the rate of 0.30% on the total sale amount of unit sales, accruable on collection basis and payable at the end of the quarter. The Selling Agent Commission will be applicable for sales of unit; not on surrender of units. If individuals are appointed as selling agents by the Asset Manager, the commission payable to them will vary and fixed as with সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১. The selling agent commission may change in future with prior approval from the Trustee.

5.7.8 Audit Fee

The audit fee will be Tk 50,000 (Taka Fifty Thousand only), plus applicable VAT (if any), for the first accounting year and the Trustee will fix fees for subsequent years.

5.7.9 Amortization Expenditure

The initial issue expenses in respect of the Fund shall not exceed 3 (Three) percent of the collected amount of the fund raised under the scheme and will be amortized within 5 (Five) years on a straight -line method.

The total expense charged to the fund, except the amortization of initial issue expense and including transaction cost in the form of stock brokerage against buy and sale of securities forming a part of acquisition and disposal cost of such securities, transaction fees payable to the custodian against acquisition or disposal of securities, the annual registration fee payable to the Commission, Audit Fees, Cost for publication of reports and periodicals, Bank Charge, etc, shall not exceed 3 (Three) percent of the weekly average net asset outstanding during any accounting year.

5.7.10 Brokerage Commission

The Fund will pay to the stock broker commission of 0.20% to maximum 0.30% of the total transaction.

5.7.11 Other Expenses

As per terms of the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১ and trust deed, AMC may charge the expense for fund launching. Those Expense are reimbursable to the AMC.

SEML PBSL FIXED INCOME
FUND

CHAPTER

06

SIZE OF THE FUND AND RIGHTS OF UNIT HOLDERS

6.1 Size of Issue

The initial size of the Fund shall be Tk 1,00,00,00,000 (Taka One Hundred Crore) only divided into 10,00,00,000 (Ten 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:

Subscriber	Number of Units	Face Value (Taka/Unit)	Amount (BDT)	Status
Sponsor (PBSL)	1,00,00,000	10.00	10,00,00,000	Subscribed
General Investors	9,00,00,000	10.00	90,00,00,000	Yet to be subscribed
Total	10,00,00,000	10.00	1,00,00,00,000	

6.2 Sponsor's Subscription

PBSL the Sponsors of the fund, has already subscribed Tk 10,00,00,000 (Taka Ten Crore) only each worth of Units equivalent to 1,00,00,000 (One Crore) Units of Tk 10 (ten) each at par on November 02, 2021 the effective date.

6.3 Rights of the Unit holders

6.3.1 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 সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১. In case of show of hands, every Unit 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 holds.

6.3.2 Transfer of Units

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

6.3.3 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.

6.3.4 Accounts and Information

The Fund's financial year will be closed on 30 June every year. Annual report or major head of income and expenditure account and balance sheet in line with schedule VI of the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১ will be published within 45 days from the closure of each accounting year. Furthermore, the NAV of the Fund, NAV per Unit, any suspension or alteration of the calculation of NAV of the Fund will be published by the asset manager as per বিধিমালা.

6.3.5 Dividend

All the unit holders have equal but proportionate rights with respect to dividend. Dividend will be paid in Bangladeshi Taka only.

6.4 Beneficial interest

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

CHAPTER 07

UNIT SUBSCRIPTION

7.1 Terms and Conditions of Unit Subscription

- i. The Units of SEML PBSL FIXED INCOME FUND, hereinafter referred to as the Fund, may be bought and Surrendered through Strategic Equity Management Limited and authorized selling agents appointed by Strategic Equity Management Limited from time to time.
- ii. Application must be made by an individual (both resident and non-resident), a corporation or company (both local and foreign), a trust or a society (registered in or outside Bangladesh) and not by minor or person of unsound mind.
- iii. 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.
- iv. Minimum purchase amount for individual investors is 500 (Five hundred) Units and for institutional investors is 5,000 (Five thousand) Units.
- v. Application for purchase of Units should be accompanied by an account payee cheque/pay order/bank draft in favor of “SEML PBSL FIXED INCOME FUND” for the total value of the Units.
- vi. 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. The units will also be delivered to the unit holder’s BO A/C in demat form.
- vii. Partial surrender is allowed without any additional cost subject to minimum surrender quantity is 100 (five hundred) Units both for individuals and institutions. Upon partial surrender, the Unit

holder(s) will be issued with a new Confirmation of Unit Allocation representing the balance of his/her/their Unit holding.

- viii. The Units may be transferred by way of inheritance/gift and/or by specific operation of the law. In case of transfer, the Fund will charge a nominal fee as decided by the Asset Manager from time to time except in the case of transfer by way of inheritance.
- ix. Dividend may be delivered in cash or by way of Units under Cumulative Investment Plan (CIP) as the applicant gives option in the application form.
- x. All payments/receipts in connection with or arising out of transactions of the Units applied for shall be in Bangladeshi Taka.

CHAPTER

08

**SALES AGENT,
BANKERS & FORM**

8.1 Name of Selling Agents

The following organization have shown interest and have been appointed to act as the selling agent of the fund by the fund manager:

Sl No.	Name of the Selling Agents	Type of Business
1	Padma Bank Securities Limited	Brokerage
2	SFIL Securities Limited	Brokerage
3	Dynasty Securities Limited	Brokerage

The asset manager in future may appoint other organizations as its agent or cancel any of the agent named above subject to approval of the Trustee and with due intimation to the BSEC. In addition to that, individuals will also be eligible to work as selling agent to be appointed by AMC.

8.2 Bankers

The Premier Bank Limited have been appointed to act as the Bankers' of the fund by the fund manager. The public subscription money collected from the investors through the Selling Agents will be remitted to the following bank account:

Account Name	: SEML PBSL FIXED INCOME FUND (ESCROW A/C)
Account Number	: 0104 13600000055
Bank	: The Premier Bank Limited
Branch	: Banani
Routing Number	: 235260431

8.3 Forms

Specimen copies of the following forms are available in the website of Strategic Equity Management Limited. (www.strategic-bd.com):

- i. Application Form to Purchase Units, Individual
- ii. Application Form to Purchase Units, Institution
- iii. Surrender / Repurchase Form
- iv. Transfer Form



APPLICATION FORM TO PURCHASE UNITS- INDIVIDUAL

Asset Manager: Strategic Equity Management Limited
(Please Read "Terms and Condition" on Reverse Carefully)
(PLEASE FILL UP THE FORM IN BLOCK LETTERS)

To
The Managing Director & CEO
Strategic Equity Management Limited,
Rangs RL Square, Level #12,
Plot Kha 201/ 1, 203, 205/ 3,
Bir Uttam Rafiqul Islam Avenue,
Dhaka- 1213

For Office Use Only

Selling Agent's Name.....
Registration No:
Sale No:

I/ we would like to purchaseunits of the SEML PBSL Fixed Income Fund at a price of BDT
per unit, prevailing on the sale date

I/ we have enclosed following instrument(s) with the application.

Cheque/ P.O/ D.D No: or BEFTN/ NPSB/ RTGS Tx ID:

Bank: Branch: Routing No:

Total amount in BDT: In words

Principal Applicant		Mr. <input type="checkbox"/> Mrs. <input type="checkbox"/> Ms. <input type="checkbox"/>	
Name			
Father's Name		Mother's Name	
Occupation	NID/ Passport	Date of Birth	DD/MM/YYYY
Address			
Email	Mobile	ETIN	

Joint Applicant (if Any)/ Guardian (if Nominee is minor)		Mr. <input type="checkbox"/> Mrs. <input type="checkbox"/> Ms. <input type="checkbox"/>	
Name			
Father's Name		Mother's Name	
Occupation	NID/ Passport	Date of Birth	DD/MM/YYYY
Address			
Email	Mobile	ETIN	

Other Information			
Bank	Branch	Account No	
BO ID		Sales Proceed	Cheque <input type="checkbox"/> BEFTN/ Online Transfer <input type="checkbox"/>
Dividend	Cash <input type="checkbox"/> CIP (in the equivalent amount of units) <input type="checkbox"/>	Mode of Operation	Joint <input type="checkbox"/> Single <input type="checkbox"/>
		Investment Option	SIP <input type="checkbox"/> Non SIP <input type="checkbox"/>

Nominee 1		Mr. <input type="checkbox"/> Mrs. <input type="checkbox"/> Ms. <input type="checkbox"/>		Nominee 2		Mr. <input type="checkbox"/> Mrs. <input type="checkbox"/> Ms. <input type="checkbox"/>	
Name				Name			
NID				NID			
Mobile				Mobile			
Email				Email			
Address				Address			
Relation	% of Allocation			Relation	% of Allocation		

Acknowledgement (For Official Use Only)

Certified that this selling agent has received SEML PBSL Fixed Income instrument(s) for an amount of BDT
(in words) from being the ap-
plication for units of the SEML PBSL Fixed Income Fund on

Cheque/ P.O/ D.D No: or BEFTN/ NPSB/ RTGS Tx ID:

Bank: Branch: Routing No:

Selling Agent's Signature (with seal)
Selling Agent ID No

Sale No:

Authorized Person's Signature
(Name & Designation)

Documents Enclosed

<input type="checkbox"/> Memorandum and article of association	<input type="checkbox"/> Extract of Board Resolution	<input type="checkbox"/> Trade License/ Trust Deed
<input type="checkbox"/> Power of Attorney in favor of Authorized Person(s)	<input type="checkbox"/> E-TIN Certificate	<input type="checkbox"/> Certificate of Incorporation

Photograph

<div>MD/ CEO</div>	<div>1st Authorized Person</div>	<div>2nd Authorized Person</div>
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Terms and Condition

1. Units of Mutual Fund may be bought and surrendered through Strategic Equity Management Limited and authorized selling agents from time to time.
2. Subscription application may be made by an individual (both resident and non resident), a corporation or company (both local and foreign), a trust or a society (registered in or outside of Bangladesh) and not by a minor or a person of unsound mind.
3. Units can be traded on every business day except Thursday and during book closure period of the Fund.
4. Minimum purchase amount of an individual investor is 500 (five hundred) units and 5000 (five thousand) Units for an institution.
5. Application for purchase of Units should be accompanied by an account payee cheque/ pay order/ bank draft/ online fund transfer as approved by regulatory authority in favor of the mutual fund.
6. After clearance/ encashment of cheque/pay order/ bank draft online fund transfer, the units will be allocated in favor of the applicant against every purchase with a denomination of number of proportionate to the prevailing NAV (Net Asset Value) of the week. Units will be delivered to the unit holder's BO account in demat form.
7. Partial surrender is allowed subject to minimum surrender quantity of 500 (five hundred) units both for individual and institutions. Upon partial surrender, the Unit holder will be issued with a new confirmation of unit allocation representing the balance of Unit holding.
8. Surrender of Units should be done by transferring units from the Unit holder's BO account to mutual fund's designated BO account. The DP40 report will be submitted to the asset manager for confirming the surrender units.
9. The Units may be transferred by way of inheritance/ gift/ and/ or by specific operation of the law. In case of transfer, the fund will charge a nominal fee as decided by the asset manager from time to time except in case of transfer by way of inheritance.
10. Dividend may be delivered in cash or by way of units under Cumulative Investment Plan (CIP) applicant mentioned in the application form. If dividend option in the form remains blank, it will be considered as CIP by default.
11. All payments in connection with or arising out of transactions in the Units hereby applied for shall be in BDT.
12. Application by Charitable Organization/ Provident Fund/ Trust must be accompanied by the relevant documents as mentioned in the application form and the power of the attorney in favor of the person(s) signing the application should be attached.

Applicant's Signature

I/ we confirm that I/ we have received the acknowledgement against my/ our investment in the Fund and agree that I/ we will abide by all the terms cited above which may be altered, replaced, and modified from time to time by Strategic Equity Management Limited as per regulatory requirements. I/ we also understand the fundamentals of Mutual Fund and the flowcharts, enclosed with application form.

MD/ CEO

1st Authorized Person

2nd Authorized Person

Date of Application:



APPLICATION FORM TO PURCHASE UNITS– INSTITUTION

Asset Manager: Strategic Equity Management Limited
(Please Read "Terms and Condition" on Reverse Carefully)
(PLEASE FILL UP THE FORM IN BLOCK LETTERS)

To
The Managing Director & CEO
Strategic Equity Management Limited,
Rangs RL Square, Level #12,
Plot- Kha 201/ 1, 203, 205/ 3,
Bir Uttam Rafiqui Islam Avenue,
Dhaka- 1213

For Office Use Only

Selling Agent's Name

Registration No:

Sale No:

I/ we would like to purchaseunits of the SEML PBSL Fixed Income Fund at a price of BDT
per unit, prevailing on the sale date

I/ we have enclosed following instrument(s) with the application.

Cheque/ P.O/ D.D No: or BEFTN/ NPSB/ RTGS Tx ID:

Bank: Branch: Routing No:

Total amount in BDT: In words

Institution's Credential

Name of Institution																											
Type of Institution	<input type="checkbox"/> Local Company	<input type="checkbox"/> Foreign Company	<input type="checkbox"/> Society	<input type="checkbox"/> Trust	<input type="checkbox"/> Other																						
Company Registration											ETIN																
Contact Person											Mobile											Email					
Address																											
Name of MD/ CEO																											

Details of Authorized Person(s)

	Name	Designation	Contact	Signature
1				
2				
3				

Other Information

Bank											Branch											Account No										
BO ID											Sales Proceed	<input type="checkbox"/>	Cheque	<input type="checkbox"/>	BEFTN/ Online Transfer	<input type="checkbox"/>																
Dividend	Cash	<input type="checkbox"/>	CIP (in the equivalent amount of units)	<input type="checkbox"/>	Mode of Transportation	Joint	<input type="checkbox"/>	Single	<input type="checkbox"/>																							

Acknowledgement (For Official Use Only)

Certified that this selling agent has received following instrument(s) for an amount of BDT..... (in words
(.....) from Being the application
for units of the SEML PBSL Fixed Income Fund on
Cheque/ P.O/ D.D No:..... or BEFTN/ NPSB/ RTGS Tx ID:
Bank: Branch: Routing No:

Selling Agent's Signature (with seal)
Selling Agent ID No

Sale No:

Authorized Person's Signature
(Name & Designation)

Documents Enclosed

<input type="checkbox"/> Memorandum and article of association	<input type="checkbox"/> Extract of Board Resolution	<input type="checkbox"/> Trade License/ Trust Deed
<input type="checkbox"/> Power of Attorney in favor of Authorized Person(s)	<input type="checkbox"/> E-TIN Certificate	<input type="checkbox"/> Certificate of Incorporation

Photograph

<div>MD/ CEO</div>	<div>1st Authorized Person</div>	<div>2nd Authorized Person</div>
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Terms and Condition

1. Units of Mutual Fund may be bought and surrendered through Strategic Equity Management Limited and authorized selling agents from time to time.
2. Subscription application may be made by an individual (both resident and non resident), a corporation or company (both local and foreign), a trust or a society (registered in or outside of Bangladesh) and not by a minor or a person of unsound mind.
3. Units can be traded on every business day except Thursday and during book closure period of the Fund.
4. Minimum purchase amount of an individual investor is 500 (five hundred) units and 5000 (five thousand) Units for an institution.
5. Application for purchase of Units should be accompanied by an account payee cheque/ pay order/ bank draft/ online fund transfer as approved by regulatory authority in favor of the mutual fund.
6. After clearance/ encashment of cheque/ pay order/ bank draft online fund transfer, the units will be allocated in favor of the applicant against every purchase with a denomination of number of proportionate to the prevailing NAV (Net Asset Value) of the week. Units will be delivered to the unit holder's BO account in demat form.
7. Partial surrender is allowed subject to minimum surrender quantity of 500 (five hundred) units both for individual and institutions. Upon partial surrender, the Unit holder will be issued with a new confirmation of unit allocation representing the balance of Unit holding.
8. Surrender of Units should be done by transferring units from the Unit holder's BO account to mutual fund's designated BO account. The DP40 report will be submitted to the asset manager for confirming the surrender units.
9. The Units may be transferred by way of inheritance/ gift/ and/ or by specific operation of the law. In case of transfer, the fund will charge a nominal fee as decided by the asset manager from time to time except in case of transfer by way of inheritance.
10. Dividend may be delivered in cash or by way of units under Cumulative Investment Plan (CIP) applicant mentioned in the application form. If dividend option in the form remains blank, it will be considered as CIP by default.
11. All payments in connection with or arising out of transactions in the Units hereby applied for shall be in BDT.
12. Application by Charitable Organization/ Provident Fund/ Trust must be accompanied by the relevant documents as mentioned in the application form and the power of the attorney in favor of the person(s) signing the application should be attached.

Applicant's Signature

I/ we confirm that I/ we have received the acknowledgement against my/ our investment in the Fund and agree that I/ we will abide by all the terms cited above which may be altered, replaced, and modified from time to time by Strategic Equity Management Limited as per regulatory requirements. I/ we also understand the fundamentals of Mutual Fund and the flowcharts, enclosed with application form.

MD/ CEO

1st Authorized Person

2nd Authorized Person

Date of Application:



APPLICATION FORM TO SURRENDER UNITS

Asset Manager: Strategic Equity Management Limited

(Please Read "Terms and Condition" on Carefully)

(PLEASE FILL UP THE FORM IN BLOCK LETTERS)

To
The Managing Director & CEO
Strategic Equity Management Limited,
Rangs RL Square, Level #12,
Plot- Kha 201/ 1, 203, 205/ 3,
Bir Uttam Rafiqul Islam Avenue,

For Office Use Only

Selling Agent's Name.....

Registration No:

Sale No:

My/ our surrender request is summarized below:

Sl No	Number of Units Held	Units to be Surrendered			Confirmation of Unit Allocation No
		No of Units	Surrender / Repurchase Price BDT/ Unit	Total Surrender Value	

Please issue an account payee cheque/ BEFTN in favor of me/ us for total surrender amount and issue a Confirmation for balance units (if any).

Unit Holder's Information

Name																
Broker House											DP ID					
Contact Person											Mobile					
Bank											Branch					
											Account					

Terms and Condition

- The Units of Fund may be surrendered through Strategic Equity Management Limited and authorized selling agents from time to time.
- Units may be surrendered on all working days except last working day of the week and during the book closure period/ record date of the Fund.
- Minimum surrender quantity is 500 (five hundred) Units for both individual and institutional unit holders.
- Partial surrender is allowed without any additional cost subject to minimum surrender quantity of 500 (five hundred) Units both for individuals and institutions. Upon partial surrender, the unit holder will be issued with a new Confirmation of Allocation representing the balance of his/ her Unit holding.
- Surrender of Units should be done by transferring units from the Unit holder's BO account to mutual fund's designated BO account. The DP40 report will be submitted to the asset manager for confirming the surrender of units.
- Unit holder is required to attach the Confirmation of Unit Allocation Letter(s) he/ she/ the institution wants to surrender along with this surrender form.
- After verification of authenticity of Confirmation of Unit Allocation Letter(s), account payee cheque/ BEFTN for surrender amount will be issued in favor of unit holder within maximum of seven working days. In case of joint holding, account payee cheque may be issued in favor of principal holder.

Signature

I/ we confirm that I/ we have received the Confirmation of Unit Allocation (if any) as mentioned above and also that I/ we agree abide by the terms cited above as may be altered, replaced and modified from time to time by Strategic Equity Management Limited.

Date of Application:

Joint Application (if any)

Principal Account

For Official Use Only

Checked and Verified By

Name: Signature:

Unit Holder's Bank Account No: Routing No: Bank:

Payment Instruction

Cheque/ BEFTN Tx ID: Bank: Date:

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Acknowledgement (For Official Use Only)

Certified that this selling agent has received following instrument(s) for an amount of BDT..... (in words) from Being the application for units of the SEMI PBSL Fixed Income Fund on
Cheque/ P.O/ D.D No: or BEFTN/ NPSB/ RTGS Tx ID:
Bank: Branch: Routing No:

Selling Agent's Signature (with seal)
Selling Agent ID No

Sale No:

Authorized Person's Signature
(Name & Designation)

APPLICATION FORM TO TRANSFER UNITS

Asset Manager: Strategic Equity Management Limited
(Please Read "Terms and Condition" on Reverse Carefully)
(PLEASE FILL UP THE FORM IN BLOCK LETTERS)

To
The Managing Director & CEO
Strategic Equity Management Limited,
Rangs RI. Square, Level #12,
Plot- Kha 201/ 1, 203, 205/ 3,
Bir Urtam Rafiqul Islam Avenue,

For Office Use Only

Selling Agent's Name.....
Registration No:
Sale No:

I/ we....., hereinafter referred to as transferor, am/ are unit holder of units of the mentioned Fund. I/ we would like to transfer units (in words) to the following person, hereinafter referred to as transferee. My/ our transfer request is summarized below:

SL NO	Number of units Held	Units to be Transferred			Confirmation of Unit Allocation NO.
		No of Units	Prevailing NAV/ Unit	Total Transfer Value	

Transferee- Principal Applicant

Mr. ☐ Mrs. ☐ Ms. ☐

Name

Father Mother

Occupation NID/ Passport Date of Birth DD/ MM/ YYYY

Address

Email Mobile ETIN

Transferee- Joint Applicant (if Any)/ Guardian (if Nominee is minor)

Mr. ☐ Mrs. ☐ Ms. ☐

Name

Father Mother

Occupation NID/ Passport Date of Birth DD/ MM/ YYYY

Address

Email Mobile ETIN

Other Information

Bank Branch Account No

BO ID

Sales Proceed ☐ Cheque ☐ BEFTN/ Online Transfer ☐

Dividend Cash ☐ CIP (in the equivalent amount of units) ☐

Mode of Operation Joint ☐ Single ☐

Investment Option SIP ☐ Non SIP ☐

Acknowledgement

Certified that this selling agent/ bank has received a request for transferring units of the mentioned fund from to

Selling Agent's Signature (with seal)
Selling Agent ID No

Transfer No:

Authorized Person's Signature
(Name & Designation)

Documents Enclosed

<input type="checkbox"/> NID/ Passport (Applicant & Nominee)	<input type="checkbox"/> BO Acknowledgement	<input type="checkbox"/> Passport Size Photograph (Applicant 2 Copies, Nominee 1 Copy)
<input type="checkbox"/> ETIN Certificate (Applicant)	<input type="checkbox"/> Photocopy Bank Cheque leaf	

Nominee 1	Mr.	<input type="checkbox"/>	Mrs.	<input type="checkbox"/>	Ms.	<input type="checkbox"/>
Name	<input type="text"/>					
NID	<input type="text"/>					
Mobile	<input type="text"/>					
Email	<input type="text"/>					
Address	<input type="text"/>					
Relation	<input type="text"/>	% of Allocation	<input type="text"/>	Relation <input type="text"/> % of Allocation <input type="text"/>		

Nominee 2	Mr.	<input type="checkbox"/>	Mrs.	<input type="checkbox"/>	Ms.	<input type="checkbox"/>
Name	<input type="text"/>					
NID	<input type="text"/>					
Mobile	<input type="text"/>					
Email	<input type="text"/>					
Address	<input type="text"/>					
Relation	<input type="text"/>	% of Allocation	<input type="text"/>	Relation <input type="text"/> % of Allocation <input type="text"/>		

Photograph

<div>Transferee- Principal Applicant</div>	<div>Transferee- Joint Applicant (if any)</div>	<div>Nominee 1 of Transferee</div>	<div>Nominee 2 of Transferee</div>
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Terms and Condition

1. Transfer of Units is allowed through Strategic Equity Management Limited and authorized selling agents from time to time.
2. The units may be transferred by way of inheritance/ gift and /or by specific operation of the law. In case of transfer, the fund will charge a nominal fee as decided by Strategic Equity Management Limited from time to time except in the case of transfer by way of inheritance.
3. The Units will be transferred on all working days except the last working day of the week and during the book closer period/ record date of the fund.
4. The confirmation of Unit Allocation(s) of the transferor is/ are required to be attached with the Transfer Form.
5. After verification of authenticity of the transferor's Confirmation of Unit Allocation(s) as well as the information provided in the transfer Form, the Asset Manager or the respective authorized selling agent will deliver the new Confirmation of Unit Allocation in the Transferee within a period of seven working days. If there are any Units left with the transferor after such transfer, the Asset Manager will issue a new Confirmation of Unit Allocation for the remaining Units in the name of the Transferee.
6. The conditions applicable for initial Confirmation of Unit Allocation will apply even after transfer of Units in the name of Transferee.

Applicant's Signature

I/ we, the said transferee, have received the above mentioned Confirmation of Unit Allocation and do hereby agree to accept the said Confirmation of Unit Allocation on the same terms and condition on which they were held by the said transferor. I/ we also understand the fundamentals of mutual fund and the flowcharts, enclosed with this application form.

_____ Transferor	_____ Transferee	_____ Jon Applicant (if any)	_____ Nominee 1	_____ Nominee 2
---------------------	---------------------	---------------------------------	--------------------	--------------------

Date of Application:

.....

PROSPECTUS
SEML PBSL
FIXED INCOME FUND



Strategic Equity
Management Ltd.
hello future

Mutual Fund Investment are subject to market risk, please read
all fund related documents carefully before investing