



ACACIA SOCIALLY RESPONSIBLE  
INVESTMENT MANAGEMENT LIMITED

PROSPECTUS

# 1<sup>st</sup> ACACIA SRIM SME GROWTH UNIT FUND

March, 2020



# PROSPECTUS

## 1st ACACIA SRIM SME Growth Unit Fund

### AN OPEN-END MUTUAL FUND SCHEME

Initial Size of Issue	BDT100,000,000.00 (Ten Crore Taka)
Number of Units	10,000,000 (One Crore) units
Initial Offer Price	BDT10.00 (Ten Taka) per unit
Sponsor's Contribution	BDT10,000,000 (One Crore Taka)
Initial Public Offering	BDT 90,000,000 (Nine Crore Taka)
Initial Subscription Opens	15 March, 2020

**Sponsor**  
ACACIA SRIM Limited

**Asset Management Company**  
ACACIA SRIM Limited

**Registered Office:**  
House 37, Road 12,  
Sector 3, Uttara  
Dhaka-1230- Bangladesh

**Corporate Office:**  
Rupayan Shelford (13<sup>th</sup> Floor),  
23/6 Mirpur Road, Shyamoli,  
Dhaka-1230, Bangladesh

**Trustee**  
Sentinel Trustee and Custodial Services Limited

**Custodian**  
Sentinel Trustee and Custodial Services Limited

Registered Office:  
Gulfesha Plaza(12<sup>th</sup>Floor), 8  
Shahid Sangbadik Selina Parvin Road, Moghbazar,  
Dhaka-1217

Registered Office:  
Gulfesha Plaza (12<sup>th</sup> Floor),8 Shahid Sangbadik  
Selina Parvin Road,  
Moghbazar, Dhaka-1217

**PROSPECTUS PUBLICATION DATE: 9<sup>th</sup> March, 2020**

This Offer Document puts forth concisely information about the **1st ACACIA SRIM SME Growth Unit Fund** (hereinafter the Fund) that a prospective investor ought to know before investing. This Offer Document should be read together with other constitutive documents of the Fund (the Documents) before making an application for the Units and should be retained for future reference.

Investing in the 1st ACACIA SRIM SME Growth Unit 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 out lined in the Documents.

**THE SPONSOR, ASSET MANAGEMENT COMPANY OR THE FUND IS NOT GUARANTEEING ANY RETURNS.**

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.

**The investors are advised, in their own interest, to carefully read the contents of the Prospectus, in particular the risk factors before making any investment decision**

**“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন।”**

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# Fund Directory

<b>Sponsor</b>	<b>ACACIA SRIM Limited</b>  Rupayan Shelford (13 <sup>th</sup> Floor), 23/6 Mirpur Road, Shyamoli, Dhaka-1230, Bangladesh Tel: +8802-51000205
<b>Trustee</b>	<b>Sentinel Trustee and Custodial Services Limited</b>  Gulfesha Plaza (Level-13), Sanbadik Selina Parvin Road, Moghbar, Dhaka-1217 Tel: +8802-9330481
<b>Custodian</b>	<b>Sentinel Trustee and Custodial Services Limited</b>  Gulfesha Plaza (Level-13), Sanbadik Selina Parvin Road, Moghbar, Dhaka-1217 Tel: +8802-9330481
<b>Auditor</b>	<b>Mahfel Huq &amp; Co., Chartered Accounts</b>  4 <sup>th</sup> Floor, BGIC Tower, 34 Topkhana Road, Dhaka-1000, Bangladesh Tel: + 8802-9553143
<b>Banker</b>	<b>Southeast Bank Limited</b>  Twin Tower, Plot No. 13, Block No. C Banasree Main Road, Banasree R/A Rampura, Dhaka-1219 Tel: + 8802-8399141, 8399143
<b>Investor Relation Office</b>	<b>ACACIA SRIM Limited</b>  Rupayan Shelford (13 <sup>th</sup> Floor), 23/6 Mirpur Road, Shyamoli, Dhaka-1230, Bangladesh Tel: +8802-51000205
<b>Selling Agent</b>	<b>ACACIA SRIM Limited</b>  Rupayan Shelford (13 <sup>th</sup> Floor), 23/6 Mirpur Road, Shyamoli, Dhaka-1230, Bangladesh Tel: +8802-51000205

# Definitions and Elaborations of Abbreviated Terms used in the Prospectus

বিধিমালা/ Rule	: সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১
Act	: সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন আইন, ১৯৯৩
Allotment	: Letter / Certificate of allotment for units
Asset Manager/Asset Management Company/Fund Manager/Investment Manager/AMC	: The Asset Management Company (AMC) refers to “ACACIA SRIM Ltd.”
Application Form	: An application form meant to be used by an investor to purchase units of the Scheme
BB	: Bangladesh Bank
BDT	: Bangladeshi Taka
BEFTN	: Bangladesh Electronic Fund Transfer Network
STCSL	: Sentinel Trustee and Custodial Services Ltd.
BO A/C	: Beneficial Owner Account or Depository Account
BSEC / Commission	: Bangladesh Securities & Exchange Commission
Business Day	: A day not being: 1) A weekend; 2) A day on which the stock exchanges are closed; 3) A day on which purchase and Surrender of units is suspended or a book closure period/record date announced by the Trustee/AMC; or 4) A day on which normal business cannot be transacted due to unavoidable circumstances or such other events as the AMC may specify from time to time; 5) A day on which banks are closed.
CAGR	: Compound Annual Growth Rate
CDBL	: Central Depository Bangladesh Ltd.
CEO/MD	: Chief Executive Officer/Managing Director
Cheque	: All payment instruments (Cheque / Pay Order / Demand Draft / Other Banking Instrument) should be MICR (Magnetic Ink Character Recognition) coded as per the Bangladesh Bank Rules
CIP	: Cumulative Investment Plan
Companies Act	: কোম্পানি আইন, ১৯৯৪
Confirmation of Unit Allocation	: Letter confirming allocation of units
CSE	: Chittagong Stock Exchange Ltd.
Custodian	: Sentinel Trustee and Custodial Services
Dividend	: Income distributed by the Fund, when/where applicable
DSE	: Dhaka Stock Exchange Ltd.
Effective Date	: The date of registration of the Trust Deed
EPU	: Earnings Per Unit
FIS	: Fixed Income Securities
Fund / Scheme	: 1st ACACIA SRIM SME Growth Unit Fund

Government	: The Government of the People's Republic of Bangladesh
IDRA	: Insurance Development & Regulatory Authority
IPO	: Initial Public Offering
Mutual Fund/The Fund/Unit Fund/Open End Mutual Fund	: 1st ACACIA SRIM SME Growth Unit Fund
NAV	: Net Asset Value
NBFI	: Non-Banking Financial Institution
NBR	: National Board of Revenue
Non-Resident Bangladeshi/NRB	: Non-resident Bangladeshi (NRB) means Bangladeshi citizens staying abroad including all those who have dual citizenship provided they have a valid Bangladeshi passport or those, whose foreign passport bear a stamp from the concerned Bangladesh Embassy /High Commission to the effect that <b><i>"no visa is required to travel to Bangladesh"</i></b>
Our Document	: This document issued by 1st ACACIA SRIM SME Growth Unit 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 offer document will be deemed to be updated by the addendum.
Offering price	: Price of the units of the Fund being offered
Ongoing Our Period	: Offer of Units of the Fund after the closure of the initial offer period
Prospectus	: The advertisements or other documents (approved by the BSEC) which contain the investment and all other information in respect of the Mutual Fund, as required by the বিধিমালা and is circulated to invite the public to invest in the Mutual Fund
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 / Surrender	: Repurchase of units by the Fund from a unit-holder
Repurchase / Surrender Price	: Price at which the Units can be purchased/ surrendered and calculated in the manner provided in this offer document prescribed by the rules and its amendment
Sales Agent/Selling Agent/Point of Sales	: AMC designated official points for accepting transaction / service requests from the investors
SME	: Small & Medium Enterprise
Sponsor	: ACACIA SRIM Limited
Trustee	: Sentinel Trustee and Custodial Services Ltd. (STCSL)
Unit	: One undivided share of the Mutual Fund
Unit Certificate / Certificate	: Unit Certificate of the Fund in dematerialized form under CDBL
Unit Holder	: A person (single / joint) or institution holding units of 1st SRIM SME Growth Unit Fund offered under this offer document



## 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

<b>Name of the Fund</b>	1st ACACIA SRIM SME Growth Unit Fund
<b>Type</b>	Open-End Mutual Fund
<b>Life and Size of the Fund</b>	Perpetual life and unlimited size
<b>Investment Objective</b>	To create a trust to launch an open end growth oriented Mutual Fund in the Bangladesh Capital Market with the objective to provide a capital market based platform for investors interested in Socially Responsible and sustainable investments; to channel capital toward companies that generate positive financial and social returns; to provide demand support for the SME trading platform launched by the bourses; to provide access to financing and growth capital to the SME sector companies; and to set an example of socially responsible and SME investment in Bangladesh that may attract global capital to deserving sectors of the economy.
<b>Sponsor</b>	ACACIA SRIM Limited (ACACIA)
<b>Asset Manager</b>	ACACIA SRIM Limited (ACACIA)
<b>Trustee</b>	Sentinel Trustee and Custodial Services Ltd. (STCSL)
<b>Custodian</b>	Sentinel Trustee and Custodial Services Ltd. (STCSL)
<b>Initial Size of the Fund</b>	BDT 100,000,000.00 (Ten Crore Taka) divided in to 10,000,000 (One Crore) Units of BDT10.00 (Ten Taka) each
<b>Face Value</b>	BDT 10.00 (Ten Taka) per unit
<b>Minimum Application Amount</b>	500 units equivalent to BDT 5,000 (during public subscription) for individuals 5,000 to BDT 50,000 (during public subscription) for institutions (Not applicable for SIP Investors)
<b>Loads</b>	Entry Load: NIL (purchase price is NAV at market price), Exit Load: Maximum 2% discount from NAV at Market Price. The Loads may vary as per the decision by the Board of the Asset Management Company.
<b>Transparency / NAV Disclosure</b>	NAV, Purchase Price and Surrender Price will be disclosed on weekly basis and will be published on website, notice board of the AMC and one national daily newspaper as per prescribed rule
<b>Target Group</b>	Individuals-both resident and non-resident, institutions- both local and foreign, mutual funds and Collective Investment Schemes are eligible to subscribe the units of the Fund
<b>Dividend</b>	Minimum 50% (Fifty percent) of realized profit of the Fund will be distributed as dividend in Bangladeshi Taka or SIP (if requested by the investor) only in each accounting year
<b>Dividend Distribution</b>	The dividend warrant will be distributed within 45 (forty-five) days from the date of declaration
<b>Transferability</b>	The Units of the Fund are transferable by way of inheritance/gift and /or by specific operation of the law
<b>Liquidity</b>	The Unit holders can surrender and encash their units to the Asset Manager and through the selling agents appointed by the Asset Manager during the business hours as specified by the Asset Management Company

<b>Systematic Investment Plan (SIP)</b>	Systematic Investment Plan or SIP allows 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. Investor can start SIP with a very small amount.
<b>Reports and Accounts</b>	Every Unit holder is entitled to receive annual report along with the quarterly, half-yearly, annual financial statements and portfolio statements as and when published in the official web site of the Asset Manager
<b>Tax Benefit</b>	Income will be tax free up to certain level, which is permitted as per finance act. Investment in the fund would qualify for investment tax credit under section 44 (2) of the Income Tax Ordinance 1984.
<b>Allowable / Eligible Investment</b>	Investment in the Mutual Fund will qualify for investment tax credit according to the Section 44(2) under Income Tax Ordinance, 1984

## ফান্ড হাইলাইটস্

ফান্ড এর নাম	ফার্স্ট একাশিয়া এসআরআইএম এসএমই গ্রোথ ইউনিট ফান্ড
প্রকৃতি	বে-মেয়াদী মিউচুয়াল ফান্ড
ফান্ড এর মেয়াদ এবং আকার	অসীম এবং বে-মেয়াদী
বিনিয়োগের উদ্দেশ্য	প্রধানত ইকুইটি এবং ইকুইটি সম্পর্কিত উপকরণ দিয়ে সৃষ্ট পোর্টফোলিও থেকে দীর্ঘ মেয়াদী মূলধন প্রত্যাশা
উদ্যোক্তা	একাশিয়া এসআরআইএম লিমিটেড
সম্পদ ব্যবস্থাপক	একাশিয়া এসআরআইএম লিমিটেড
ট্রাস্টি	সেন্দ্রিনাল ট্রাস্টি এন্ড কাস্টডিয়াল সার্ভিসেস লিমিটেড
হেফাজতকারী	সেন্দ্রিনাল ট্রাস্টি এন্ড কাস্টডিয়াল সার্ভিসেস লিমিটেড
ফান্ডের প্রাথমিক আকার	৳১০০,০০০,০০০/- (দশ কোটি টাকা মাত্র) যা প্রতিটি ৳১০/- (দশ টাকা মাত্র) অভিহিত মূল্যের ১০,০০০,০০০ (এক কোটি) ইউনিটে বিভক্ত
অভিহিত মূল্য	৳ ১০/- (দশ টাকা মাত্র) প্রতি ইউনিট
ন্যূনতম আবেদন মূল্য	ব্যক্তি বিনিয়োগকারী গণের জন্য প্রতি আবেদনে ৫০০ ইউনিট (প্রাথমিক গণপ্রস্তাবের সময়ে) ৳ ৫,০০০/- (পাঁচ হাজার টাকা মাত্র) এর সমতুল্য; প্রাতিষ্ঠানিক বিনিয়োগকারীগণের জন্য প্রতি আবেদনে ৫,০০০ ইউনিট (প্রাথমিক গণপ্রস্তাবের সময়ে) ৳ ৫০,০০০/- (পঞ্চাশ হাজার টাকা মাত্র) এর সমতুল্য। (নিয়মিত বিনিয়োগ পরিকল্পনা বা SIP বিনিয়োগকারীদেরও জন্য ইহা প্রযোজ্য নয়)
লোড	প্রবেশ লোড: নাই (NAV এর সমতুল্য ক্রয়মূল্য), প্রস্থানলোড: NAV (বাজারমূল্য) থেকে সর্বোচ্চ ২% হ্রাস। সম্পদ ব্যবস্থাপনা কোম্পানির বোর্ড এর সিদ্ধান্ত অনুযায়ী লোড পরিবর্তন হতে পারে
স্বচ্ছতা / NAV প্রকাশ	ফান্ডের সাপ্তাহিক নেট অ্যাসেট ভ্যালু (NAV), ক্রয়/বিক্রয়/সম্পর্কিত মূল্য অ্যাসেট ম্যানেজমেন্ট কোম্পানির ওয়েবসাইট, নোটিসবোর্ড এবং একটি জাতীয় দৈনিক পত্রিকায় প্রকাশ করা হবে
উদ্দিষ্ট বিনিয়োগকারীগণ	নিবাসী ও অনিবাসী ব্যক্তিবর্গ, দেশী ও বিদেশী প্রতিষ্ঠানসমূহ, নিবন্ধিত মিউচুয়ালফান্ড সমূহ এবং সামষ্টিক বিনিয়োগ ফ্রিমসমূহ ফান্ডে বিনিয়োগ করতে পারবে
লভ্যাংশ	ফান্ডের অর্জিত বাৎসরিক আয়ের ন্যূনতম ৫০ (পঞ্চাশ) শতাংশ বাংলাদেশী টাকা অথবা পুঞ্জীভূত বিনিয়োগ পরিকল্পনা (সিআইপি) হিসাবে প্রতি হিসাব বছরান্তে বিতরণ করা হবে
লভ্যাংশ বিতরণ	লভ্যাংশ ঘোষণার তারিখ থেকে ৪৫ (পঁয়তাল্লিশ) দিনের মধ্যে তা বিতরণ করা হবে
হস্তান্তর যোগ্যতা	ফান্ডের প্রতিটি ইউনিট উত্তরাধিকার/উপহার এবং আইনের নির্দিষ্ট বিধি বিধান অনুযায়ী হস্তান্তরযোগ্য
নগদীকরণ	ফান্ডের ইউনিট সম্পদব্যবস্থাপক এবং সম্পদ ব্যবস্থাপক কর্তৃক নিয়োগকৃত বিক্রয় প্রতিনিধির নিকট নির্ধারিত অফিস সময়ে সম্পর্কিত এবং নগদায়ন করা যাবে
নিয়মিত বিনিয়োগ পরিকল্পনা	নিয়মিত বিনিয়োগ পরিকল্পনা/এসআইপি (SIP) এর মাধ্যমে বিনিয়োগকারীগণ নির্দিষ্ট সময় অন্তর (মাসিক, ত্রৈমাসিক, বাৎসরিক প্রভৃতি) পূর্বনির্ধারিত পরিমাণ অর্থ বিনিয়োগ করতে পারবেন। ভবিষ্যৎ সঞ্চয় ও সম্পদ গড়ার লক্ষে এবং বিনিয়োগের জন্য নিয়মিত বিনিয়োগ পরিকল্পনা একটি পরিকল্পিত মাধ্যম। বিনিয়োগকারীগণ স্বল্প পরিমাণ অর্থ বিনিয়োগ করেও এসআইপি (SIP) শুরু করতে পারেন
হিসাবরক্ষণ ও প্রতিবেদন	ফান্ডের সকল ইউনিটধারী ফান্ডের বাৎসরিক, অর্ধ-বার্ষিকী এবং ত্রৈমাসিক হিসাব বিবরণী সহ নিরীক্ষিত বার্ষিক প্রতিবেদন পাওয়ার অধিকার রাখেন, যা সম্পদ ব্যবস্থাপকের অফিসিয়াল ওয়েবসাইট এ প্রকাশিত হবে
কর সুবিধা	ক) Income Tax Ordinance, 1984 অনুযায়ী মিউচুয়াল ফান্ড অথবা ইউনিট ফান্ড হতে অর্জিত আয়ের একটি নির্দিষ্ট সীমা পর্যন্ত করের আওতা মুক্ত থাকবে। খ) Section 44 (2), Income Tax Ordinance, 1984 অনুযায়ী বিনিয়োগ কর সন্মানী (Investment Tax Credit) সুবিধা পাওয়া যাবে
কর রেয়াত জনিত সুবিধা	মিউচুয়াল ফান্ড-এ বিনিয়োগ Income Tax Ordinance, 1984 এর ৪৪(২) ধারা অনুযায়ী বিনিয়োগ জনিত কর রেয়াত সুবিধা পেয়ে থাকবে

# RISK FACTORS

Investors should know that 1st ACACIA SRIM SME Growth Unit Fund is not a guaranteed or assured return scheme and the past performance of the Sponsor and their affiliates / AMC does not guarantee future performance of the Scheme. The name of the Scheme does not in any manner indicate either the quality of the Scheme or its future prospects and returns. Investing in the 1st ACACIA SRIM SME Growth Unit Fund involves some general risks and some scheme specific risks that investors should carefully consider before investing in the Fund.

## General Risk Factors:

- I. 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 **economy**, capital markets and money markets.
- II. Government policy and tax laws may change, affecting the return on investments of the fund, which may eventually affect the NAV and return of the Units.
- III. Large number of redemption requests, may lead to an asset-liability mismatch and therefore may require the investment manager to make a quick sale of the securities leading to realignment of the portfolio and consequently resulting in investment in lower yield instruments.
- IV. Delays or other problems in settlement of transactions could result in temporary periods when the assets of the Scheme remain idle and no return is earned there on. The inability of the Scheme to make intended securities purchases and sales, due to settlement problems, could cause the Scheme to miss certain investment opportunities.

**THE MUTUAL FUND IS NOT GUARANTEEING OR ASSURING ANY RETURNS**

# CHAPTER 1: PRELIMINARY

## 1.1 Publication of Prospectus for Public Offering

ACACIA SRIM Ltd (ACACIA) has received the Asset Management license from the Bangladesh Securities & Exchange Commission under Bangladesh Securities & Exchange Commission Act, 1993 and 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 of the public offering is available for public inspection at Rupayan Shelford (13th Floor), 23/6 Mirpur Road, Shyamoli, Dhaka-1230, Bangladesh, (Corporate Office of ACACIA SRIM Limited Rupayan Shelford (13th Floor), 23/6 Mirpur Road, Shyamoli, Dhaka-1230, Bangladesh) - the asset manager of the 1st ACACIA SRIM SME Growth Unit Fund, hereinafter 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 the Fund

The Fund, being an open-end one, will not be listed with any stock exchange of the country. Hence the units of the Fund will not be traded in the stock exchanges unless otherwise BSEC and Stock Exchanges make arrangement in future. In that case, public communication will be made as per BSEC's approval.

The securities will be kept in dematerialized form in Central Depository Bangladesh Limited (CDBL) to facilitate the holding and transfer of the units of the Fund. Units will always be available for sale and surrender/ repurchase except on the last working day of every week and during book closure period/ record date of the Fund at the corporate office of ACACIA SRIM Ltd and the authorized selling agents. ACACIA SRIM Ltd shall disclose selling price and surrender value /repurchase price of units at the beginning of business operation on the first working day of every week as per বিধিমালা.

## 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 web site of Bangladesh Securities and Exchange Commission ([www.secbd.org](http://www.secbd.org)) & ACACIA SRIM Limited ([www.acaciasrim.com](http://www.acaciasrim.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; the document may also be viewed on the web site of ACACIA SRIM Limited. 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 under Section 2CC of the Securities & Exchange Ordinance, 1969

- I. The Fund shall not account for any upward revaluation of its assets creating reserve without clearance from Bangladesh Securities and Exchange Commission;
- II. The Fund shall not be involved in option trading, short selling or carry forward transaction;
- III. A Confirmation of Unit allocation shall be issued at the cost of the Fund at par value of BDT 10.00 (Ten Taka) each within 90 (ninety) days from the date of sale of such Units;
- IV. Money receipt/ acknowledgement slip issued at the time of sale of units will be treated as allotment letter, which shall not be redeemable/transferable;
- V. The annual report of the Fund/or its abridged version will be published within 45 (forty-five) days of the closure

each accounting year of the Fund;

- VI. An annual report and details of scrip-wise investment and savings of the Fund shall be submitted to the Commission, Trustee and Custodian of the Fund within 90 (ninety) days from the closure of the accounts;
- VII. Half-yearly accounts/financial statements of the Fund will be published in at least one English and another Bangla national daily newspapers within 30 (thirty) days from end of the period;
- VIII. Dividend shall be paid within 45 (forty-five) days of its declaration, and a report shall be submitted to the BSEC, Trustee and Custodian within 7 (seven) days of dividend distribution;
- IX. Net Asset Value (NAV) of the Fund shall be calculated and disclosed publicly at least once a week or as prescribed by the Commission from time to time;
- X. The scrip-wise detail portfolio statement consisting of capital market and other than capital market holdings of the fund will be disclosed in the website on the Asset Management Company on quarterly basis within 30 (thirty) days of each quarter-end or as prescribed by the Commission from time to time;
- XI. After initial public subscription, sale and repurchase / surrender price of Units will be determined by the Asset Management Company. NAV at market price per unit calculated on a date shall form the highest sale price of Units by rounding up the amount and shall be effective per unit up to next calculation of NAV of the Fund. Difference between purchase and surrender price shall not be over 5% of the sale price of the unit. The Asset Manager may reduce the above difference for Systematic Investment Plan (SIP) or any other ground with the approval of the trustee;
- XII. BSEC may appoint auditors for special audit / investigation on the affairs of the Fund, if it so desires;
- XIII. The Fund shall maintain separate bank account(s) to keep the sale proceeds of Units and to meet up day-to-day transactions including payment against surrender of units. All transactions of the account shall be made through banking channel and shall be properly documented;
- XIV. The prospectus / abridged version of the prospectus shall be published in one widely circulated Bengali national daily newspaper provided that information relating to publication of prospectus be published in 2 (two) national daily newspapers (Bengali and English) and one online newspaper;
- XV. If abridged version of the prospectus is published in the newspaper, complete prospectus shall be made available to the applicants publishing it in their own web site;
- XVI. If the Fund manager fails to collect the minimum 40% of the initial target amount under বিধি 48 of the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১, they will refund the subscription money within 30 days without any deduction. In case of failure, the Fund manager will refund the same with an interest @ 18% per annum from its own account within the next month;
- XVII. The AMC should ensure compliance of বিধি ৪৬ of সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১;
- XVIII. On achievement of 40% of the initial target amount, the Fund is allowed to commence investment activities of the Fund with permission of the Trustee;
- XIX. The size of the Fund will be increased from time to time by the AMC subject to approval of the Trustee and with intimation to the Commission;
- XX. Confirmation of Unit Allocation of the sponsor's contribution amounting to BDT 10,00,000.00 (One Crore Taka only) shall be subject to a lock-in for a period of minimum three years from the date of formation of the Fund and after that period entire holding may be transferred to any eligible institution who has the qualification to be a sponsor of a mutual fund with prior permission of BSEC.
- XXI. A Confirmation of Unit Allocation amounting BDT 10,00,000.00 (10% 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 the Sponsor shall be made without prior approval of the Commission.
- XXII. Annual fee of the fund shall be submitted to the Commission on the fund size (i. e. year-end NAV at market price of the fund) on advance basis as per rule and may adjust the fee in next year, if necessary.

**Please ensure that the following are adhered to:**

- a. 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 45 (forty-five) days or for a period up to achievement of the initial target amount, whichever is earlier;
- b. 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;
- c. The Asset Management Company shall submit 10 (ten) copies of printed prospectus to the Commission for official record;
- d. The Asset Management Company shall ensure in writing to the Commission that the prospectus / abridged version is published correctly in the newspaper and own website and is a verbatim copy of the prospectus/ abridged version vetted by the Commission.
- e. The AMC shall apply the spot buying rate (TT clean) of Sonali Bank prevalent on the date of opening of subscription for conversion of foreign currencies;
- f. The AMC shall submit to the Commission a diskette containing the vetted prospectus and its abridged version;
- g. 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.
- h. After due approval by the Trustee regarding issue and formation expenses, the AMC shall submit in details along with supporting documents to the Commission regarding issue and formation expenses within 15 days of fund operation. The Auditor of the fund shall also put opinion about the above expenses in the initial financial statements of the fund;
- i. 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 guide line shall include among other issues, the investment delegation power of Chief Executive Officer and the Committee separately and also the meeting resolution presentation process.
- j. 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 days of issuing the consent letter.

## 1.6 General Information

- I. This prospectus has been prepared by ACACIA SRIM 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 ACACIA SRIM Limited.
- III. The issue as contemplated in this document is made in Bangladesh is subject to the exclusive jurisdiction of the courts 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 Purchase and Surrender of Units

ACACIA SRIM Ltd will maintain two separate BO Accounts with Sentinel Trustee & Custodial Services Ltd, custodian of 1st ACACIA SRIM SME Growth Unit Fund for creation and redemption of units namely “1st ACACIA SRIM SME Growth Unit Fund -Sale of units” and “1st ACACIA SRIM SME Growth Unit Fund -Repurchase of units” respectively.

For sale of units, ACACIA SRIM Ltd will issue a certificate for the units sold and send it to Sentinel Trustee & Custodial Services Ltd. for setting up of demat request. After the acceptance of demat setup by Sentinel Trustee & Custodial Services Ltd. from its terminal, units will be credited to the BO Account of “1st ACACIA SRIM SME Growth Unit Fund - Sale of units”. Then Sentinel Trustee & Custodial Services Ltd. will transfer the units from “1st ACACIA SRIM SME Growth Unit Fund - “Sale of units” to the unit holders’ BO Accounts as per instruction of ACACIA SRIM Ltd.

In the case of redemption/ repurchase by the Asset Manager, the unit holder will transfer his/her/ the Institutional



holder's units to the "1<sup>st</sup> ACACIA SRIM SME Growth Unit Fund - Repurchase of units". Sentinel Trustee & Custodial Services Ltd. will remit the units from the "1<sup>st</sup> ACACIA SRIM SME Growth Unit Fund - Repurchase of units" BO account as per instruction of ACACIA SRIM Ltd. Simultaneously, the payment will be made to the investor's Bank Account through Cheque / BEFTN as per the request of the investor.

## 1.8 Systematic Investment Plan (SIP)

A Systematic Investment Plan or SIP is a smart and hassle-free 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 in 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/ bi-monthly/ quarterly). Investor must have a BO Account; he/she will get the SIP units in his/her BO Account and may get a discount from ongoing Weekly "Investor's Buy Price" of the mutual 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, 1% discount from the "Investor's sale/ surrender price" may be applicable on total accumulated invested amount on the date of cancellation of the scheme. After maturity of SIP, the investor can easily surrender his/her total units through the AMC or the Selling Agents.

### Benefits may be offered for SIP Investors such as:

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

- **Flexibility:** Investor can start SIP with a very small amount i.e. BDT 3,000/ BDT 4,000/ BDT 5,000 or multiple of additional BDT 1,000. One can also increase/ decrease the amount being to be invested in regular fashion.
- **Flexible SIP Tenor:** The SIP will be offered for at least 2 years or any other higher period set by the AMC. However, investor can set SIP scheme for 3years/ 5years or as decided by the Asset Manager. After this period, the individual scheme will be matured and may surrender or continue after maturity. If surrendered, no fees/ charges may be charged on surrender and may also offer highest premium over the declared surrendered price at that time.
- **No Minimum lot size:** There will be no minimum lot size under the SIP as like normal investors. Based on "Investor's Buy Price" per unit available for SIP investors, units will be credited to investor's BO 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.
- **Buy at discount and Surrender at premium:** SIP investor may buy units at a discount from Weekly "Investor's Buy Price" offered to the normal investors. In addition to that, SIP investor may surrender at a premium of surrender 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). If a SIP investor chooses CIP (i.e. Dividend reinvestment process) instead of cash dividend, they may also enjoy CIP units at a discount of prevailing "Investor's Buy Price" used for CIP conversion. After CIP conversion, they will get dividend on total number of units in the next year.

**Detailed of SIP Scheme, Scheme information will be provided in the Scheme Brochure in future**

## 1.9 Declarations

### DECLARATIONS ABOUT THE RESPONSIBILITY OF THE SPONSOR

We, as the Sponsor of the “1<sup>st</sup> ACACIA SRIM SME Growth Unit Fund”, accept full responsibility for the authenticity and accuracy of the information contained in this Prospectus and other documents regarding the mutual fund. To the best of the knowledge and belief of the Sponsor, who has taken all reasonable care to ensure that all the conditions and requirements concerning this public offer and all information contained in this document, drawn up by virtue of the Trust Deed of the Fund by the entrusted Asset Management Company, have been met and there is no other information or documents, the omission of which may make any information or statements therein misleading.

We also confirm that full and fair disclosures have been made in this Prospectus to enable the investors to make an informed decision for investment.

Sd/-

Arunangshu Dutta

Chief Executive Officer & Managing Director

ACACIA SRIM Limited

### DECLARATIONS ABOUT THE RESPONSIBILITY OF THE TRUSTEE

We, as the Trustee of the 1<sup>st</sup> ACACIA SRIM SME Growth Unit Fund, accept the responsibility and confirm that we shall:

- a) be the guardian of the Fund, held in trust for the benefit of the unit holders in accordance with the Rules & the Trust Deed;
- b) always act in the interest of the unit holders;
- c) 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;
- d) make sure that there is no contradiction between the prospectus, trust deed and সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়ালফান্ড বিধিমালা, ২০০১);
- e) make such disclosures by the Asset Management Company to the investors as are essential in order to keep them informed about any information, which may have any bearing on their investments; and
- f) 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 the relevant Rules.

Sd/-

Dr. Jamaluddin Ahmed, FCA

Chief Executive Officer

Sentinel Trustee and Custodial Services Ltd.

## Declarations about the Responsibility of the Custodian

We, as the Custodian of the 1<sup>st</sup> ACACIA SRIM SME Growth Unit Fund, accept the responsibility and confirm that we shall:

- a) keep all the securities (both listed and non-listed) of the Fund including FDR receipts in safe and separate custody as per সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১ and shall provide the highest security for the assets of the Fund;
- b) 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) abide by the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১ and conditions imposed by the Commission in regard of the fund; and
- d) act to our best for the benefit and sole interest of the unit- holders of the fund.

Sd/-

Dr. Jamaluddin Ahmed, FCA  
Chief Executive Officer  
Sentinel Trustee and Custodial Services Ltd

## DECLARATION ABOUT THE RESPONSIBILITY OF THE ASSET MANAGER

We, as the Asset Manager of 1<sup>st</sup> ACACIA SRIM SME Growth Unit Fund, accept the responsibility and confirm that:

This Prospectus has been prepared by us based on the Trust Deed, the Investment Management Agreement, the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015, the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) , ২০০১, ডিপজিটরিআইন, ১৯৯৯ and other related agreements and examination of other documents as relevant for adequate disclosure of the Fund's objectives and investment strategies to the investors.

We also confirm that:

- i. The prospectus is in conformity with the documents, materials and papers related to the 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 mutual fund could be volatile as 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 high degree of risk, should invest in the mutual fund. Investors are requested to pay careful attention to the "Risk Factors" section of the Prospectus and to take proper cognizance of the risks associated with any investment in the mutual fund.

Sd/-

Arunangshu Dutta  
Chief Executive Officer & Managing Director  
ACACIA SRIM Limited

## 1.10 Due Diligence

### Due Diligence Certificate by the Sponsor

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

To  
The Honorable Chairman  
Bangladesh Securities & Exchange Commission

**Subject: 1st ACACIA SRIM SME Growth Unit Fund**

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

1. We, as the Sponsor of the above-mentioned mutual fund, have examined the prospectus and other documents and materials as relevant to our decision; and
2. We warrant that we shall comply with the Bangladesh Securities & Exchange Commission (Mutual Fund) Rules, 2001, Bangladesh Securities & Exchange Commission (Public Issue) Rules, 2015, Trust Deed of the mutual fund and the rules, orders, guidelines, directives, notifications and circulars that may be issued by the Bangladesh Securities & Exchange Commission from time to time in this respect.

#### WE CONFIRM THAT:

- a) All information in the prospectus forwarded to the Commission is authentic and accurate;
- b) We, as sponsor of the mutual 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 Bangladesh Securities & Exchange Commission (Mutual Fund) Rules, 2001 and conditions imposed by the Commission as regards of the mutual fund; and
- d) We shall act to our best for the benefit and interest of the unit-holders of the mutual fund.

For the Sponsor,

Sd/-  
Arunangshu Dutta  
Chief Executive Officer & Managing Director  
ACACIA SRIM Limited

## Due Diligence Certificate by the Trustee

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

To  
The Honorable Chairman  
Bangladesh Securities & Exchange Commission

**Subject: 1st ACACIA SRIM SME Growth Unit Fund**

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 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 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 interest of the unit holders of the fund;

For Trustee

Sd/-  
Dr. Jamaluddin Ahmed, FCA  
Chief Executive Officer  
Sentinel Trustee & Custodial Services Ltd.

## Due Diligence Certificate by the Custodian

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

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

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

### WE CONFIRM THAT:

- a) we will keep all the securities (both listed and unlisted) and Assets of the "1<sup>st</sup> ACACIA SRIM SME Growth Unit 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/-  
Dr. Jamaluddin Ahmed, FCA  
Chief Executive Officer  
Sentinel Trustee & Custodial Services Ltd.

## Due Diligence Certificate by the Asset Manager

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

To  
The Honorable Chairman  
Bangladesh Securities & Exchange Commission

**Subject: 1st ACACIA SRIM SME Growth Unit Fund**

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

1. We, as the Asset Manager of the above-mentioned mutual fund, declare and certify that the information provided in the prospectus, is complete and true in all aspects;
2. We further certify that we shall inform the Bangladesh Securities & 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, Bangladesh Securities & Exchange Commission (Mutual Fund) Rules, 2001, Bangladesh Securities & Exchange Commission (Public Issue) Rules, 2015, Trust Deed of the mutual fund, Dhaka Stock Exchange (Listing) Regulations, 2015, Chittagong Stock Exchange Commission (Listing) Regulations, 2015 and the rules, orders, guidelines, circulars, directives, notifications and circulars that may be issued by the Bangladesh Securities & Exchange Commission from time to time in this respect.

### WE CONFIRM THAT:

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

For the Asset Manager,

Sd/-  
Arunangshu Dutta  
Chief Executive Officer & Managing Director  
ACACIA SRIM Limited

## CHAPTER 2: BACKGROUND

### 2.1 Preamble to the formation of 1st ACACIA SRIM SME Growth Unit Fund

Mutual Fund is an investment tool that collects pool of fund from individual and institutional investors with a view to investing the fund in securities like stocks, bonds, money market instruments and other securities. Mutual funds are the most cost-effective way to diversify the investment portfolio across different asset categories. Moreover, mutual funds offer professional money management expertise at a reasonable cost. Especially in a developing country like Bangladesh where mass people are ignorant about investment management strategies, importance of such professional management services are beyond question.

The origin of mutual funds is often cited to be traced in Europe back in 19th century. By the time, mutual fund industry grew enormously with innovation of different investment strategies catering the need of different types of investors.

Recognizing the huge untapped market potential of mutual fund industry in Bangladesh and the need to offer a reliable solution for investment to the people, ACACIA SRIM Limited (ACACIA AML) has begun the process to launch its first open-end mutual fund namely “1st ACACIA SRIM SME Growth Unit Fund” subject to successful completion of regulatory compliance. In order to cater diverse investment needs of people, the “1st ACACIA SRIM SME Growth Unit Fund” will aim to generate long-term capital appreciation through investment predominantly in equity and equity related instruments.

### 2.2 Necessity of ACACIA SRIM Unit Fund in the Context of the Current State of Affairs of the Capital Market of Bangladesh:

The capital market of Bangladesh is still in a nascent stage which portrays both opportunities and challenges. Though stock exchanges were formally established as early as 1954, activities remained very low until 1990s. Market experienced both bubble and burst during its journey of around six decades. Though over the years the capital market is transforming in to a more structured and regulated form, it is still lagging behind in terms of number of stocks listed, asset classes available for investment etc. In emerging markets like Bangladesh where mass people lack the knowledge of proper investment decision, the scope of mutual fund industry, that offers professionally managed investment management service, is very bright. The mutual fund industry of Bangladesh is still very small compared to other countries.

In line with the above status, there is a significant need for new and diversified capital market instruments including mutual funds. In particular no such product exists that tracks socially responsible impact investments. The 1st ACACIA SRIM SME Growth Unit Fund offers the investors precisely such a product.

### 2.3 Advantages of investing in 1st ACACIA SRIM SME Growth Unit Fund

1<sup>st</sup> ACACIA SRIM SME Growth Unit Fund will be managed in manner that will ensure utmost benefit for the investors from their investment. Generally mutual funds are designed in such a way that reduces the risk of investment compared to direct investment in other securities like shares, debt instruments etc. In addition, investors will enjoy the following advantages from investing in “1<sup>st</sup> ACACIA SRIM SME Growth Unit Fund”:

- I. ACACIA SRIM Ltd through its proper corporate governance culture will ensure proper compliance with সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়ালফান্ড) বিধিমালা, ২০০১ under all circumstances.
- II. 1<sup>st</sup> ACACIA SRIM SME Growth Unit Fund will ensure adequate investment in the growth assets (predominantly in equity and equity related instruments) to fulfill the ultimate investment objective of providing capital gain in the long-run. The fund will maintain a diversified portfolio through adequate professional knowledge which will reduce individual investment risk that would have been otherwise difficult through direct investment.
- III. Experienced professional management will help identify and secure potential investment opportunities.



- IV. The fund will offer minimum 50% of annual realized profit as cash dividend on regular basis.
- V. Investors can hold larger number of securities through holding a single unit of the fund without having to incur high transaction cost like brokerage fee.
- VI. Mutual funds enjoy 10% reserved quota in Initial Public Offerings (IPOs) under the current rules provided by BSEC, which enables the investors to enjoy the benefits of participating in IPOs indirectly.
- VII. Income from this Fund will be tax free up to a certain level as permitted by the Finance Act. Investment in the fund would qualify for investment tax credit under section 44(2) of the Income Tax Ordinance 1984.
- VIII. As an open-end fund is not traded in the secondary market, its price will not be subjected to the interaction of demand and supply. As purchase and surrender price will be calculated based on Net Asset Value (NAV) as prescribed in সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১, the price of the fund will be more stable than that of other securities traded in secondary market.

## 2.4 Tax Advantages

Investment in this Fund by individual investors will enjoy tax exemption benefit under Section 44(2) of the Income tax Ordinance, 1984. Country's Finance Act and Government's tax policies will always determine the tax benefits from investment in mutual funds. However, investors in mutual funds are entitled to the following tax benefits under the current tax policies:

**THIS IS A SIMPLE ILLUSTRATION. THE AMOUNT CAN VARY AND WILL DEPEND ON INDIVIDUAL CIRCUMSTANCES. ALSO, PLEASE NOTE THAT THE TAX REBATES MAY CHANGE AS PER GOVERNMENT'S DECISION IN ANY YEAR. INVESTORS ARE ADVISED TO CONSULT WITH THE TAX ADVISOR, IF REQUIRED.**

## CHAPTER 3: 1<sup>st</sup> ACACIA SRIM SME Growth Unit Fund

### 3.1 Formation of the Fund

The Trust Deed of the Fund was registered on August 7, 2019 under the Trust Act, 1882 and Registration Act, 1908 through a Trust Deed entered into between ACACIA SRIM Limited. and Sentinel Trustee and Custodial Services Ltd (STCSL). The Fund was registered by the BSEC on July 25, 2019 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 (resident and non-resident) investors are eligible to invest in this Fund.

### 3.3 Size, Face Value and Denomination

- The initial target size of the Scheme shall be Tk. 100,000,000.00 (Taka Ten Crore) which may be increased from time to time by the Asset Management Company on requisition from the investors with due approval of the Trustee and notification to the BSEC.
- The Asset Management Company may constitute, organize, manage the Fund and will issue the unit certificates in any denomination of the par value of Tk 10.00 each.
- Initially, unit holders of the Fund shall be issued with a Confirmation of Unit Allocation letter by the Asset Manager at the cost of the Fund in any denomination but not less than 500 (five hundred) units for individuals and 5,000 (five thousand) units for institutions.

### 3.4 Investment Objective

To create a trust to launch an open end growth oriented Mutual Fund in the Bangladesh Capital Market with the objective to provide a capital market based platform for investors interested in Socially Responsible and sustainable investments; to channel capital toward companies that generate positive financial and social returns; to provide demand support for the SME trading platform launched by the bourses; to provide access to financing and growth capital to the SME sector companies; and to set an example of socially responsible and SME investment in Bangladesh that may attract global capital to deserving sectors of the economy.

### 3.5 Some important policies regarding investment and operation of the Fund

Investment Discipline	The Fund shall invest subject to the wewagvjv and only in those securities, deposits and investments approved by the Bangladesh Securities and Exchange Commission and / or the Bangladesh Bank and / or the Insurance Development and Regulatory Authority (IDRA) of Bangladesh or any other competent authority in this regard
Investment Exposure	<ul style="list-style-type: none"> <li>The Fund shall not invest more than 10% of its total assets in any one particular company.</li> <li>The Fund shall not invest in more than 15% of any company's paid up capital.</li> <li>The Fund shall not invest more than 20% of its total assets in shares, debentures or other securities of a single company or group.</li> <li>The Fund shall not invest more than 25% of its total assets in shares, debentures or other securities in any one industry.</li> </ul>
Investment Liquidity	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 shares,

	preference shares, debentures or securitized debts. The Mutual Fund shall get the securities purchased or transferred in the name of the Fund.
Investment Restriction	<ul style="list-style-type: none"> <li>• The Fund shall not invest in or lend to any scheme under the same Asset Management Company, as long as it is not permissible under the wewagyvjv.</li> <li>• 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.</li> <li>• 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;</li> <li>• 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 sell or carry forward transaction.</li> <li>• The Fund shall not involve in option trading or short selling or carry forward transaction, unless allowed by updated regulations of BSEC.</li> <li>• The Fund shall not buy its own unit.</li> </ul>

### 3.6 Valuation Policy

- 3.6.1 For listed securities, the average quoted closing 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.
- 3.6.2 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.
- 3.6.3 The fund shall fix the valuation method for the Scheme subject to the prior approval of the Commission.
- 3.6.4 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. The auditors shall comment in the annual report of the Scheme of the Fund.
- 3.6.5 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.
- 3.6.6 The valuation of non-listed securities will be made by the Asset Management Company with their reasonable value and approved by the Trustee and commented upon by the Auditors in the annual report of the Scheme;
- 3.6.7 Once non-listed securities are valued, the valued amount will be considered for the purpose of valuing the Fund's Assets at any interval of time until the securities are further revalued by the Asset Management Company.
- 3.6.8 As a socially responsible investment fund, the fund shall measure the socially responsible contribution of its portfolio companies for selection and reporting purposes; but such measurements shall not impact the company economic valuation.
- 3.6.9 The Asset Management Company and the Trustee will value the non-listed securities at least once in every three months.
- 3.6.10 In case of deferred expenses, accrued expenses for the period will be taken into account for determining total liabilities.

### 3.7 Net Asset Value (NAV) calculation

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

$$\text{Total NAV} = \text{V}_A - \text{L}_T$$

$$\text{NAV per unit} = \text{Total NAV} / \text{No. of units outstanding}$$

$$\text{V}_A = \text{Value of all securities in vault} + \text{Value of all securities placed in lien} + \text{Cash in hand and at bank} + \text{Value of all securities receivables} + \text{Receivables of proceeds of sale of investments} + \text{Dividend receivables net of tax} + \text{Interest receivables net of tax} + \text{Remaining issue expense after deducting amortization as on date} + \text{Remaining printing, publication and stationery expenses after deducting amortization as on date.}$$

$$\text{L}_T = \text{Value of all securities payable} + \text{Payable against purchase of investments} + \text{Payable as brokerage and custodial charges} + \text{Payable as Trustee fees} + \text{All other payable related to printing, publication and stationery} + \text{Accrue deferred expenses with regard to trustee fee, guarantee commission, annual fee, audit fee and safe keeping fee.}$$

### 3.8 Limitation of Expense

- 3.8.1 All expenses should be clearly identified and appropriated to the Fund.
- 3.8.2 The Asset Management Company may charge Fund for Investment Management.
- 3.8.3 Asset Management Company may amortize the initial issue costs of the Fund over a period as provided for in the বিধিমালা
- 3.8.4 Provided that initial issue expenses/Initial Public Offering (IPO) costs shall not exceed 5% of the Fund of the collected amount raised under the Fund.
- 3.8.5 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. Marketing and selling expenses including commissions of the agents, if any;
  - b. Brokerage and Transaction costs;
  - c. Cost of registrar services for transfer of securities sold or redeemed;
  - d. Trusteeship fees;
  - e. Custodian fees;
  - f. Dematerialization fees and others;
  - g. Re-registration fees, if any.
  - h. Relevant expenditure for calling meeting by the trustee committee;
  - i. Other expenses applicable to the Mutual Fund.
- 3.8.6 The expenses referred to hereinabove and any other fees payable or reimbursable or allowable by the relevant

Rules to the Asset Management Company or the Trustee shall be charged to the Open-End Mutual Fund.

### 3.9 Fixation of Price of Units

- 3.9.1 The sale and repurchase/surrender price of Units will be determined by the Asset Management Company based on the NAV. Difference between sales and repurchase price shall be governed by the বিধিমালা.

### 3.10 Purchase & Surrender Procedure

- 3.10.1 All unit holders of the Fund shall be issued with the unit certificate by the Asset Management Company at the cost of the Fund, in any denomination of par value of Tk. 10.00 each within the time frame as stipulated in the বিধিমালা.
- 3.10.2 The Asset Management Company may determine the minimum and the maximum limits of unit holding of a unit holder from time to time and may impose any restriction on sale of units to any person or institution for the benefit of the Fund, with permission of the Trustee and in accordance with applicable laws.
- 3.10.3 The CEO/ Head of Finance/ Compliance Officer and one director of the Asset Management Company shall be the joint signatory for the certificates of unit of the Fund.
- 3.10.4 The unit certificates of the Fund shall be freely redeemable and transferable by way of inheritance/gift and/or by specific operation of the law.
- 3.10.5 The unit holders may surrender their unit certificates during the business hour as specified by the Asset Management Company. The Asset Management Company shall be liable to repurchase the units on behalf of the Fund.

### 3.11 Winding up Policy

#### 3.11.1 Procedure of Winding Up

1. If the total number of outstanding unit certificates held by the unit holders after repurchase at any point in time falls below 25% of the actual certificate issued, the Fund will be subject to be wound up.
2. 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.
3. The Scheme may also be wound up if the Commission so directs in the interest of the unit holders.
4. 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.

#### 3.11.2 Manner of winding up

1. The Trustee shall call a meeting within 30 (thirty) days from the notice date of the unit holders of a Scheme to consider and pass necessary resolutions by three-fourth majority of the unit holders' present and voting at the meeting for authorizing the Trustee to take steps for winding up of the Scheme. If it fails to have three-fourth majority mandate, the Commission shall have the power' to supersede the mandate if situation demands such.

2. 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 Rules, shall in the first instance be utilized towards discharge of such liabilities as are properly due under the Scheme and after making appropriate provision for meeting the expenses connected with such winding up, the balance shall be paid to the unit holders in proportion to their respective interest in the assets of the Scheme as on the date when the decision for winding up was taken.
3. 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.

### 3.11.3 Effect of winding up

1. On and from the date of the notice of the winding up of the Fund, the Trustee or the Asset Management Company, as the case may be, shall:
  - (a) cease to carry on any business activities of the Open-End fund;
  - (b) cease to create and cancel unit of the Open-End fund;
  - (c) cease to issue and redeem units of the Open-End fund.

## 3.12 Dividend Policy

- 3.12.1 The accounting year of the Fund shall be July 01 to June 30;
- 3.12.2 The growth-oriented Fund in accordance with Rule 2 [1(প)] and Rule 66 of সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১ shall distribute minimum 50%, or as may be determined by the wewagyjv from time to time, of the annual net income of the Fund as dividend at the end of each accounting period after making provision for bad and doubtful investments. The Fund shall create a dividend equalization reserve by appropriation from the income of the Scheme;
- 3.12.3 Before declaration of dividend, the Asset Management Company shall make appropriate risk provisions and a mark-to-market provision in consultation with the Auditors if market value of investments goes below the acquisition cost and the method of calculation of this provision will be incorporated in notes of accounts;
- 3.12.4 Surpluses arising simply from the valuation of investments shall not be available for dividend;
- 3.12.5 Dividend warrants will be dispatched within 45 days from the declaration of such dividends and due reporting shall be done in accordance with the বিধিমালা.

## CHAPTER 4: INVESTMENT APPROACH AND RISK CONTROL

A top down and bottom up approach may adopt the following investment approaches and risk control measures, namely: -

- i. Investments will be pursued in selected sectors based on the analysis of business cycles, regulatory reforms, competitive advantage, etc.
- ii. Selective stock picking will be done from the selected sectors, including the use of ACACIA's proprietary **Socially Responsible Impact Management (SRIM) Platform**.
- iii. The Asset Management Company in selecting its portfolio may use, in compliance with position limits allowed by Rules, indexation to its **Socially Responsible Impact Investment Index (SRIII)** scripts will focus on the fundamentals of the business, the industry structure, the quality.
- iv. The Asset Management Company in selecting scripts will focus on the fundamentals of the business, the industry structure, the quality of management, sensitivity to economic factors, the financial strength of the company and key earnings drivers.
- v. In addition, the Asset Management Company will study the macro-economic conditions, including the political, economic environment and factors affecting liquidity and interest rates,
- vi. Since disciplined investing requires risk management, the Asset Management Company would incorporate adequate safeguards for controlling risks in the portfolio construction process,
- vii. Risk will also be reduced through adequate diversification of the portfolio, Diversification will be achieved by spreading the investments over a range of industries/sectors,

# CHAPTER 5: FORMATION, MANAGEMENT AND ADMINISTRATION

## 5.1 Sponsor of the Fund

ACACIA SRIM Ltd is the sponsor of 1st ACACIA SRIM SME Growth Unit Fund. The company was incorporated under Companies Act 1994 vide Certificate of Incorporation NoC-14218/1992 of 1984-1985, dated 23<sup>rd</sup> May of 1985.

Established in 2010, ACACIA Socially Responsible Investment Management Ltd. is a specialized financial services company focused in channeling socially responsible investment into the MSME sector of Bangladesh. ACACIA was founded on the core principle that the goal of development should shift from conventional economic growth to responsible growth. At ACACIA, we believe that the long-term costs of many commercial endeavors to humanity and the environment are very real. Thus, our goal is to facilitate growth of Bangladeshi enterprises that have a positive impact on the society and the environment: from creating jobs and stimulating growth to reducing pollution and syndication in fresh food value chains.

We are working with our partners, which include alternative lenders, large ICT companies and microfinance institutions to consolidate and create statistically-significant databases of MSMEs, with detailed, segmented, searchable and sortable information on their operations, financials and addressing data. This data will be used to source investees for impactful socially responsible investment.

## 5.2 Trustee of the Fund

Sentinel Trustee and Custodial Services Limited (STCSL) will act as the Trustee of 1st ACACIA SRIM SME Growth Unit Fund. STCSL, is the first Service Provider who are exclusively focused on Trustee and Custodial services. STCSL has received the license on 1<sup>st</sup> June, 2019. The company runs the business operation under the supervision of board of Director and a Team of Chartered Accountants, Lawyers and Trust Practitioners with experience of handling complex and sensitive matters.

## 5.3 Custodian of the Fund

Sentinel Trustee and Custodial Services Limited (STCSL) will act as the Trustee of 1st ACACIA SRIM SME Growth Unit Fund. STCSL, is the first Service Provider who are exclusively focused on Trustee and Custodial services. STCSL has received the license on 23<sup>rd</sup> June, 2019. The company runs the business operation under the supervision of board of Director and a Team of Chartered Accountants, Lawyers and Trust Practitioners with experience of handling complex and sensitive matters.

## 5.4 Asset Manager of the Fund

### The Company

ACACIA SRIM Ltd (hereinafter ACACIA) will act as the Asset Manager of the Fund.

ACACIA is one of the Third-Generation asset management companies and received its Asset Management license in March 14, 2017. ACACIA was founded on the core principle that the goal of development should shift from conventional economic growth to responsible growth. ACACIA goal is to facilitate growth of Bangladeshi enterprises that have a positive impact on the society and the environment: from creating jobs and stimulating growth to reducing pollution and syndication in fresh food value chains. partners, which include alternative lenders, large ICT companies and microfinance institutions to consolidate and create statistically-significant databases of MSMEs, with detailed, segmented, searchable and sortable information on their operations, financials and addressing data. This data will be used to source investees for impactful socially responsible investment.

The ACACIA Team: With about 15 professionals, ACACIA team includes (1) Senior Bangladeshi professionals from the local banking and financial services industry with strong operational experience and an extensive contact base among the local business community; (3) a cadre of young professionals who have gained unique insights into the local capital markets through the application of sophisticated investment techniques and on-the-ground research.



The investment management operation of ACACIA is managed by a team of investment professionals and is guided by an Investment Committee. The Investment Committee reviews the Fund portfolio selection process to ensure compliance with the objectives set out in the Trust Deed. In addition, the ACACIA Investment Committee pays special regard to the BSEC guidelines regarding restriction on investments/investment limits as prescribed from time to time; these restrictions relate to single company/group investments, investments in associate companies, investments in unrated debt instruments etc. In addition, the ACACIA Investment Committee also reviews the portfolio periodically to assess liquidity positions and evaluate the risk parameters and will, from time to time, rebalance the portfolio.

Brief Profiles of the Directors and Senior Management of the Asset Manager responsible for investment of the 1<sup>st</sup> ACACIA SRIM SME Growth Unit Fund:

- **Arunganshu Dutta, Chief Executive Officer & Managing Director**

Highly accomplished senior banking executive equipped with a commanding track record of driving growth, building organizational capabilities and establishing world class sales, governance/risk management controls for a leading global financial institution. Provided Investment Custodial Services as being the Power of Attorney in Bangladesh to world's top ranking global custodians, broker-dealers and funds' port-folio investments mainly from North-American, European and Far East Asian continents.

Introduced Investment Custodial Services for the first time in Bangladesh which Standard Chartered Bank (SCB) entered into as a new business operation in 1991 across 15 countries in the Asia Pacific region. Pioneered, benchmarked and established service capabilities and straightened up various bottlenecks in line with clients' service and regulatory requirements and SCB group requirements in a completely new market which opened its door to foreign portfolio investments in September 1991.

Throughout the length of his services with Standard Chartered Bank, Bangladesh branch for over 27 years he maintained a pivotal role of securities custodian role in the market of Bangladesh and had extensive opportunities to witness and participate almost in all significant banking developments including switching to e-banking platforms and relevant changes in product programs and of Bangladesh capital markets including opening doors to foreign portfolio investors in 1991, inception of BSEC 1993, establishment of CSE, introduction of automated trading system in CSE and DSE, 1997/98, ground breaking interactions with regulators, brokers and other market participants including listed company secretariats; conception, organization, development and finally commencement of CDBL operations in 2004; various change market behaviors, regulatory and service development aspects, ups and downs in the market.

- **Sadiqur Rahman Khan, Compliance Officer & Finance Manager**

Sadiqur Rahman Khan is an accomplished Accounts Manager and compliance expert with 7 years of relevant experience with organizations both home and abroad equipped with an in-depth understanding of project and fund accounting earned through his role in different positions across multiple organizations. Mr. Khan has successfully fulfilled his responsibilities in projects funded by international organizations like DFID-UK, DFAT-Australia, Oxfam and USAID to name a few. Throughout the length of his services, Mr. Khan has always made it a point to go above and beyond to fulfill organizational expectations through his hard work, attention to detail and collaborative spirit. He likes to garner a teaching environment, leading teams of young people to gain insights and experience under his leadership. Mr. Khan completed his secondary and higher secondary education from Dhanmondi Government Boy's High School and Dhaka Commerce College respectively, then went on to pursue his Certified Accounting Technician (CAT), Advanced Diploma in Accounting & Business professional qualifications before receiving his BSc (Hons) in Applied Accounting degree from Oxford Brookes University.

- **Mahbub Are Rahman, Chief Financial Officer**

Mr. Rahman is a highly experienced employee of ACACIA SRIM Ltd. He is a double master's holder, completed his MBA in Accounting from University of Wales, Cardiff, London and Master's in Accounting from National University. Mr. Rahman is also pursuing ACCA and has partly completed the degree's required curriculums. Mr. Rahman has worked in an international conglomerate company for more than 3 years as Senior Accountant and then upon returning to the country he had worked at a joint venture of Alliance Capital Asset Management Company as head of accounts. He had also fulfilled the role of a part-time lecturer of accounting at Dhaka Business Institution. Since joining ACACIA SRIM Ltd., Mr. Rahman has been involved in different critical financial structuring and financial management activities.

- **Hridoy Islam, Research Associate**

Hridoy Islam was appointed a Research Analyst of ACACIA SR Investment Management Limited (ACACIA) and is currently employed in the role of Research Associate. Over his tenure at ACACIA Mr. Islam has been involved in structuring financial models for the purposes of promoting business development and valuation analysis of smallholder agribusinesses across Bangladesh, listed company valuations. Mr. Islam has also been involved in assisting management in building relationships with potential institutional investors. There, Mr. Islam was primarily responsible for performing bank reconciliation of bank statements against the general ledger; preparing invoices and vouchers for treasury related transactions in the ORACLE system; and, assisting in the maintaining bank accounts and debt repayment schedules. Mr. Islam was an intern in the Corporate and Investment Banking department of Citibank N.A. Bangladesh where his primary responsibilities included assisting the Global Subsidiaries Group (GSG) in the preparation of facilities agreements; and, preparing quarterly business review and country economic outlook presentations for GSG. Mr. Islam completed his Bachelors of Business Administration from North South University in 2016. He majored in Finance & Accounting and Economics and graduated Summa Cum Laude.

- **Mostofa Al Touhid, Research Analyst**

Mostofa Al Touhid has been working ACACIA SRIM Limited as a Research Analyst. He has completed his MBA from Ahsanullah University of Science & Technology with an area of concentration in Finance and he finished his BBA from the same university majoring in Accounting. He has had previous experience of working Lanka Bangla Finance Limited. He has participated in multiple competitions and workshops during his university years.

- **Rico Richard, Accounts Officer**

Mr. Richard is a highly dedicated employee of ACACIA SRIM Limited and has been associated with the company for the last few years. He has completed his Bachelor's in Finance & Accounting from University of Liberal Arts and completed his MBA from Northern University Bangladesh majoring in Human Resource Management and He had completed his internship from Trust Bank Limited. During his graduation years he had participated in different trainings such as leadership skill development.

#### **ACACIA Approach to Fund Management: Highly Process-Driven Investment Approach**

A flexible yet disciplined investment process is the hallmark of a professional investment management fund. Incorporating the intellectual capital and collective experience of the ACACIA's senior investment professionals, ACACIA has developed a 7-step investment process:

Step 1: Universe Selection: The first step of the investment process begins with identifying the universe of stocks. These stocks are then classified in four categories based on ACACIA's proprietary selection methodology.

Step 2: Focus List: The universe of stocks is then narrowed down to build a prospective focus list. This step is usually done in phases. The first phase involves narrowing down the list through ACACIA's proprietary filtering process. The second phase involves narrowing the list further through the fundamental research inputs.

Step 3: "Top Down" Analysis: This step involves analysis of macroeconomic trends, analysis on broad market indices, analysis of fund flow trend to formulate sector biases and sector allocations.

Step 4: "Bottoms Up" Company Analysis: This step involves a combination of individual security and financial instrument analysis based on multiple parameters, including valuation, qualitative analysis to identify business trends, competitive outlook and corporate management. These analyses are supplemented by company visits and information exchange with management.

Step 5: Portfolio Construction: The next step is to create an optimum portfolio with the goal of maximizing returns and minimizing risk.

Step 6: Risk Management: This step applies the pre-determined position limits to the portfolio, limiting sector exposure and individual stock exposure. Maintaining lower volatility is also an important concern; to this end, beta adjustment and other sophisticated risk analysis is used.

Step 7: Trade Execution: ACACIA uses a combination of quantitative strategies and market information to maximize its trade executions. To this end, ACACIA has selected a panel of brokers to execute its trades in an efficient and confidential manner.

## 5.5 Auditor of the Fund

Mahfel Huq & Co., Chartered Accountants having office at 4th floor, BGIC Tower, 34 Topkhana Road, Dhaka - 1000, Bangladesh, shall be the first auditor of the Fund and the auditor shall be paid a service fee of Tk. 50,000.00 (Taka Fifty Thousand) only, plus VAT (if any), for the first year.

## 5.6 Fees and Expenses

The Fund will pay the fees of the 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, public offering, listing fee (if applicable) 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, guarantee or under writing commission and fees due to the BSEC. The Fund will 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 BDT2 100,000,000 (Ten crore Taka only), ACACIA SRIM Ltd has estimated the normal annual operating expenses of the Fund (including the commission for the sales agents), which will not exceed 4% of the average NAV of the Fund. However, there may be variation in the actual operating expenses of the Fund. Major expenses of the Fund are detailed as follows:

### Issue and Formation Expenses

Initial issue and formation expenses are estimated not to be over 5% (five percent) of the collected fund. The issue and formation expenses will be amortized within 7 (seven) years on a straight-line method. Assuming the initial collected amount as BDT 100,000,000 (Ten crore Taka only), the estimated expenses for the issue and formation of the Fund are presented below:

SL No.	Type of Expenses	% of Fund Size (Initial)	Total (Taka)	Sub Total (BDT)	Description
1.	Formation Fee Payable to AMC	1.00%	1,000,000	Set-Fee	Formation fee to Asset Manager on Collected fund of approved fund size
2.	Management Fee for Pre-scheme formation period	0.60%	600,000	On Scheme	Management Fee of Asset Manager for pre-scheme formation period as per BSEC directive (SEC/CMRRCD/2009-193/160) dated 28 May, 2014
3.	Legal & Compliance related Expenses (Application, Registration fees etc.)	0.35%	347,500	10,000	BSEC Application Fees
				200,000	BSEC Registration Fees
				50,000	Trust Deed Registration related fees
				50,000	Legal Advisory Fee
				15,000	CDBL Fee (Distribution of 1 Crore Unit*BDT 10*0.00015)
				2,500	CDBL Documentation Fee
				20,000	CDBL Annual Fee
4.	Printing, Publication & Distribution	0.19%	190,000	190,000	Publication of Abridged Version, printing of prospectus, printing of forms and other documents
5.	Other expenses	0.07%	70,000	70,000.00	Others & Miscellaneous
	<b>Total</b>	<b>2.21%</b>	<b>2,207,500</b>		

### Management Fee:

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

### Trustee Fee:

The Trustee shall be paid annual Trusteeship fee of @ 0.10% p.a. of the Net Asset Value (NAV) of the Fund on semi-annual in advance basis, from the Trust Deed registration date during the life of the fund or as may be agreed upon between the parties.

### Custodian Fee:

The Custodian shall have physical possession of the stock and securities of the Fund and be responsible for safekeeping of the securities. The Fund shall pay to the Custodian a safe keeping fee @ 0.05% per annum on balance worth of securities held by the Fund, calculated on the basis of average market value per month and a transaction fee of Tk. 200.00 per transaction. However, a fee cap of 0.08% per annum on balance securities held by the fund, calculated on the average market value per month would be applicable if the total expenses (including custodian fees, transaction fees and other expenses, mentioned above) per annum go higher than the mentioned fee cap amount. The fee for

Custodian services will be paid semi-annually.

**CDBL Fee:**

The Fixed CDBL Annual Fee will be BDT 20,000.00 (Twenty Thousand Taka), plus applicable VAT (if any). 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.

**Fund Registration and Annual Fee:**

The Fund has paid BDT 200,000.00 (Two Lac Taka only, 0.20% of the Initial Fund Size) to the Bangladesh Securities and Exchange Commission as registration fee. In addition, the Fund will have to pay @ 0.10% of the NAV of the Fund or BDT 50,000.00 (Fifty Thousand Taka only), whichever is higher, as annual fee as per the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১.

The audit fee will be BDT 30,000 (Thirty Thousand Taka only) for the first accounting year and the trustee will fix the audit fees for the subsequent years.

**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 0.45% -1.00% 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 per সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১. The selling agent commission may change in future with prior approval from the Trustee.

**Amortization of Issue and Formation Expenses:**

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

**Brokerage Fee:**

The fund will pay commission to the stock broker @ 0.20%-0.30% of the total transaction amount which may vary in future based on market practice.

**Operational Expenses:**

The total expense charged to the fund, except the amortization of initial issue expense, 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 fee payable to the custodian against acquisition or disposal of securities, the annual registration fees payable to the Commission, Audit Fees, cost for publication of reports and periodicals, bank charge, etc. shall not exceed 4% (Four percent) of the weekly average net asset value during any accounting year.

## CHAPTER 6: SIZE OF THE FUND, TAX AND RIGHTS OF UNIT HOLDERS

### 6.1 Size of Issue

The initial size of the Fund shall be BDT 100,000,000.00 (Ten Crore Taka only) divided into 10,000,000 (One Crore) units of BDT 10.00 (Ten Taka) 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:

Subscribers	No. of Units	Face Value (BDT/Unit)	Amount (BDT)	Remarks
Sponsor (ACACIA SRIM Ltd.)	1,000,000	10.00	10,000,000.00	Subscribed
General investors	9,000,000	10.00	90,000,000.00	To be subscribed
Total	10,000,000	10.00	100,000,000.00	

### 6.2 Sponsor's Subscription

ACACIA SRIM Limited, the Sponsor, has already subscribed BDT 10,000,000.00 (One Crore Taka only) for 1,000,000 (One million) units of BDT10.00 (ten) each (at par) on September 09, 2019, the effective date as per বিধিমালা.

### 6.3 Tax

Investment in this Fund by individual investors will enjoy tax exemption benefit under Section 44(2) of the Income tax Ordinance, 1984. Country's Finance Act and Government's tax policies will always determine the tax benefits from investment in mutual funds.

### 6.4 Rights of the Unit holders

#### 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. In case of poll, every unit holder present in person and /or by a proxy shall have one vote for every unit of which he/she is the holder.

#### Transfer of Units

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

#### Dividend

All the unit holders have equal but proportionate right in respect of dividend. Dividend will be paid in Bangladeshi Taka only.

#### 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.

#### Accounts and Information

The Fund's financial year will be closed on June 30<sup>th</sup> every year or as determined from the Commission. Annual report or major head of income & 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 (forty-five) days from the closure of each accounting year.

**Beneficial Interest**

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

# CHAPTER 7: UNITS SUBSCRIPTION

## Terms and Conditions of Unit Subscription

- i. The Units of the Fund may be bought/surrendered through ACACIA SRIM Ltd. and authorized selling agents appointed by ACACIA SRIM Ltd. from time to time and any other procedure as prescribed by the Asset Manager.
- 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. Applications from the Insurance Companies, Financial or Capital Market Intermediaries or any other Companies must be accompanied by Memorandum and Articles of Association.
- 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 of the Units. On death of both the joint holders, the title of the Units will be best owed upon the nominee mentioned in the application form.
- iv. Minimum purchase amount during public subscription is-
  - For individual investors: BDT5,000.00 (Five Thousand Taka) against 500 units
  - For institutional investors: BDT50,000.00 (Fifty Thousand Taka) against 5,000 units

The minimum subscription amount for the individual or institution may change in the future upon due approval from the trustee.
- v. Application for purchase of Units should be accompanied by an account payee cheque / pay order / bank draft / BEFTN/RTGS/IBFT or any other process as approved by the regulatory authority in favor of “1st ACACIA SRIM SME Growth Unit Fund” for the total value of the Units.
- vi. After clearance/encashment of cheque / pay order / bank draft / BEFTN/RTGS/IBFT or any other process as approved by the regulatory authority, the applicant will be issued with a “Confirmation of Unit Allocation” against every purchase of Unit she/she/ the institutional investor applies for.
- vii. Partial surrender is allowed without any additional cost subject to minimum surrender quantity is 500 Units for individuals and 5,000 units for 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 may 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.

**APPLICATIONS NOT IN CONFORMITY WITH THE ABOVE REQUIREMENTS ARE LIABLE TO BE REJECTED**



## CHAPTER 8: SALES AGENT, BANKER & FORM

### 8.1 Name of the Sales Agents

The following organizations have been appointed initially to act as the sales agents of the mutual fund by the asset manager:

Sl. No.	Name of the Selling Agents	Type of Business
1	ACACIA SRIM Limited	Non-Banking Financial Institution

The asset manager in future may appoint other organizations as its agent or cancel any of the agents named above subject to approval of the Trustee and with due intimation to the BSEC. In addition to that, individuals will also be eligible to work as Sales Agent to be appointed by the Asset Manager as per সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১.

### 8.2 Details of the Sales Agents

A. ACACIA SRIM Limited.

1	Rupayan Shelford (13 <sup>th</sup> Floor), 23/6 Mirpur Road, Shyamoli, Dhaka-1230, Bangladesh Tel: +8802-51000205
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### 8.3 Banker

The public subscription money collected from the investors through the Selling Agents will be remitted to the following bank accounts:

Sl No.	Account Name	Currency	Account Number	Bank	Branch
01	1st ACACIA SRIM SME Growth Unit Fund	BDT	008313500000043	South East Bank Limited	Banasree

### 8.4 Forms

Specimen copies of the following forms are given in the following pages:

- Application Form to Purchase Units, Individual
- Application Form to Purchase Units, Institution
- Surrender/Repurchase Form
- Transfer Form



## NOMINEE 1 (if any)

☐ Mr.

☐ Mrs.

☐ Ms.

Name:

Address:

Contact No:  E-Mail:  Date of Birth:

National ID / Passport:  Relationship with A/C Holder:  % of Holding Units:

## NOMINEE 2 (if any)

☐ Mr.

☐ Mrs.

☐ Ms.

Name:

Address:

Contact No:  E-Mail:  Date of Birth:

National ID / Passport:  Relationship with A/C Holder:  % of Holding Units:

## GUARDIANS (if Nominee is a Minor)

☐ Mr.

☐ Mrs.

☐ Ms.

Name:

National ID / Passport:  Relationship with Nominee:  Contact:

Address:

## ENCLOSED DOCUMENTS

- ☐ NID / Passport / Birth Certificate (Applicants, Nominee, Guardian (if applicable))  
☐ Passport Size Photograph (2 – Applicant ; 1 – Nominee & Guardian)

- ☐ E-Tin Certificate (Applicant)  
☐ Photocopy of Blank Cheque Leaf/Bank Statement

## PHOTOGRAPHS & SIGNATURES

PRINCIPAL  
APPLICANT

JOINT  
APPLICANT

1<sup>ST</sup> NOMINEE  
(Attested by Principal  
Applicant)

2<sup>ND</sup> NOMINEE  
(Attested by Principal  
Applicant)

GUARDIAN  
(Attested by Principal  
Applicant)

## TERMS & CONDITIONS, FUNDAMENTALS OF MUTUAL FUND

I / We confirm that I / we have received the acknowledgement slip against my / our investment in 1<sup>st</sup> ACACIA SRIM SME Growth Unit Fund and agree that I / We will abide by the Terms & Conditions, which may be altered, replaced and modified from time to time by ACACIA SRIM LIMITED. I / We also understand the Fundamentals of Mutual Fund enclosed with this application form.

### SIGNATURES:

Principal Applicant

Joint Applicant

1<sup>st</sup> Nominee

2<sup>nd</sup> Nominee

Guardian

## FOR OFFICE USE ONLY

### CUSTOMER SERVICE DEPARTMENT:

Date:

Pending Documents Details:

Name:  Designation:  Signature:

## 1<sup>st</sup> ACACIA SRIM SME GROWTH UNIT FUND

I / We would like to meet my / our following financial goals (✓):

☐ Dream Home ☐ Children's Education ☐ Children's Marriage ☐ Retirement ☐ Others  By Year:

**Dividend Option:** ☐ Cash ☐ CIP (In the form of Units) **Sale Proceeds Options:** ☐ BEFTN ☐ Cheque

**Mode of Communication:** ☐ Phone ☐ Email

**For Joint Investment:** Mode of Operation: ☐ Singly ☐ Joint

TERMS & CONDITIONS

1. The Units of 1<sup>st</sup> ACACIA SRIM SME Growth Unit Fund, hereinafter referred to as the “Fund”, may be bought & surrendered through ACACIA SRIM Limited and/or any authorized selling agents appointed by ACACIA from time to time.
2. The application may be made by an individual (both resident and non-resident), other eligible investors (both local and foreign), a trust or a society (registered in or outside of Bangladesh) and not by a minor or person of unsound mind.
3. Minimum purchase and surrender amount is 500 (Five hundred) Units for the individual investors and 5,000 (Five Thousand) Units for the institutional investors.
4. Joint application is acceptable by two persons for individual investment. Registration and Unit allocation will be in favour of principal applicant while dividend and other benefits, if any, will be addressed to the bank account of principal applicant mentioned in the application form. In case of death of any of the joint account holders, only the survivor shall be recognized as having any title of the Units. On the death of both the joint account holders, the Units will bestow upon the nominee (if any) as mentioned in the application form.
5. Units can be surrendered on all business days except Thursday and during the book closure period/record date of the fund.
6. Surrender of Units should be done by transferring units from unit-holder's BO account to Mutual Fund's designated BO account.
7. Partial surrender is allowed subject to minimum surrender quantity as 100 (One Hundred) units for individuals and 2,500 (Two Thousand Five Hundred) units for institutions. Upon partial surrender, a new Confirmation of Unit Allocation will be issued in favour of the Unit holder representing the balance amount of holding units.
8. Application for purchase of units should be accompanied by account-payee cheque / pay-order / bank draft / online fund transfer as approved by the regulatory authority in favour of ACACIA SRIM Limited.
9. After clearance/encashment of DDI (Direct Debit Instruction) / cheque / bank draft / pay order / online fund transfer, the units will be allocated in favour of the principal applicant against every purchase with a denomination of the number of units proportionate to the prevailing NAV (Net Asset Value) of the week. The units will be credited to the unit holder's BO Account in demat form.
10. The Units may be transferred by way of inheritance/gift and/or by the specific operation of the law. In case of transfer, the mutual fund may charge a nominal fee as decided by the asset manager from time to time except in the case of transfer by way of inheritance.
11. The dividend may be delivered in cash or by way of Units under Cumulative Investment Plan (CIP) as the applicant mentioned in the application form.
12. All payment receipts in connection with or arising out of transactions of the Units shall be in Bangladeshi Taka (BDT).

FUNDAMENTALS OF MUTUAL FUND

I / We understand and am/are aware of the following basic points about mutual fund investment:

আমি / আমরা মিউচুয়াল ফান্ড সম্পর্কিত নিম্নোক্ত বিষয়গুলো সস্বত্ব অবগত -

1. Mutual Fund is a long-term wealth accumulation tool.

মিউচুয়াল ফান্ড একটি দীর্ঘ মেয়াদী সম্পদ বৃদ্ধিকারী মাধ্যম।

2. The longer an investor stays with a mutual fund, the greater benefit s/he is expected to derive.

একজন বিনিয়োগকারী যত বেশি সময় মিউচুয়াল ফান্ডে টাকা রাখেন, তার ততো বেশি লাভের সম্ভাবনা থাকে।

3. A mutual fund does not give return at fixed rate.

মিউচুয়াল ফান্ড কোন নির্দিষ্ট হারে মুনাফা প্রদান করেনা।

4. In short term, upward/downward movements of the Net Asset Value (NAV) of mutual fund is a natural phenomenon of investment.

স্বল্পমেয়াদে মিউচুয়াল ফান্ড ব্যবস্থাপনায় Net Asset Value এর ঊর্ধ্বমুখী / নিম্নমুখী পরিবর্তন একটি স্বাভাবিক প্রবণতা।

5. By regulation, investments of mutual fund are done in diverse assets and as a result, investment risks are mitigated.

মিউচুয়াল ফান্ড ব্যবস্থাপনার আইন অনুযায়ী ফান্ডের অর্থ ভিন্ন ভিন্ন খাতে বিনিয়োগ করতে হয় এবং এর ফলে বিনিয়োগ ঝুঁকি হ্রাস পায়।

6. Tax Advantages\* for the individual investors:

ব্যক্তিগত বিনিয়োগকারীদের জন্য কর সুবিধা -

▪ No tax against income up to BDT 25,000.

মিউচুয়াল ফান্ড থেকে ২৫,০০০ টাকা পর্যন্ত আয়ের উপর কোনো কর প্রযোজ্য নয়।

▪ Allowable Investment for tax rebate.

এটি কর ছাড়ের (Tax Rebate) জন্য একটি বিধি সংগত বিনিয়োগ।

▪ According to Income Tax Ordinance, 1984 and as provisioned in Budget for FY 2017-2018. This is subject to change as provisions of prevalent budget.

\*ভারতের অধ্যাদেশ, ১৯৮৪ এবং ২০১৭-২০১৮ অর্থ বছরের বাজেটের বিধান অনুযায়ী। প্রচলিত বাজেট অনুযায়ী পরিবর্তনযোগ্য।

**Asset Manager: ACACIA SRIM LIMITED (ACACIA)**  
**APPLICATION FORM TO PURCHASE UNITS - INSTITUTION (NON SIP)**  
(Please Read the "Terms & Conditions" Carefully)

To,  
CEO & Managing Director  
ACACIA SRIM LIMITED  
Rupayan Shelford (23/6), 13th Floor,  
Mirpur Road, Shyamoli,  
Dhaka-1207, Bangladesh

**FOR OFFICE USE ONLY**

Registration No:.....  
Sale No:.....  
Selling Agent's Signature & ID:.....  
Authorized Person's Signature:.....

(Please fill up the Form in BLOCK LETTERS)

I / we would like to purchase \_\_\_\_\_ units of the 1<sup>st</sup> ACACIA SRIM SME Growth Unit Fund at a price of BDT \_\_\_\_\_ per unit,  
prevailing on the sale date. I / we have enclosed the following instrument(s) with this application:

Cheque / P.O. / D.D. No.: \_\_\_\_\_ Bank: \_\_\_\_\_ Branch: \_\_\_\_\_

Total amount of BDT \_\_\_\_\_ (In words \_\_\_\_\_)

Name of Institution:

Type of Institution: ☐ Local Company ☐ Foreign Company ☐ Society ☐ Trust ☐ Other:

Registration No:  E-Tin:  Fax No:

Contact Person:  Contact:  E-mail:

Bank:  Branch:  A/C No.:

Address:

BO A/C No.:

Name of CEO / MD:

**DETAILS OF AUTHORIZED PERSON(S) (if any)**

Name	Designation	Contact	Signature
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

**Mode of Operation:** Singly By:  Jointly By:

**Dividend Option:** ☐ Cash ☐ CIP (In the form of Units) **Sale Proceeds Options:** ☐ BEFTN ☐ Cheque **Mode of Communitation:** ☐ Phone ☐ Email

**ACKNOWLEDGEMENT SLIP**

Certified that this selling agent has received following instruments for an amount of BDT \_\_\_\_\_ (In Words \_\_\_\_\_ ) from \_\_\_\_\_ and being the application money for \_\_\_\_\_ units of 1<sup>st</sup>

ACACIA SRIM SME Growth Unit Fund:

Cheque/P.O/D.D. No. : \_\_\_\_\_ Bank: \_\_\_\_\_ Branch: \_\_\_\_\_

Selling Agent's Signature (With Seal):  
Selling Agent's ID No:

Sale Number:

Authorized Person's Signature:  
Name & Designation:

## PHOTOGRAPHS &amp; SIGNATURES

CEO / MD

1st Authorized Person

2<sup>nd</sup> Authorized Person

3<sup>rd</sup> Authorized Person

## ENCLOSED DOCUMENTS

- |   |  |  |
|---|--|--|
| <input type="checkbox"/> Memorandum & Article of Association    | <input type="checkbox"/> Extract of Board Resolution | <input type="checkbox"/> Power of Attorney |
| <input type="checkbox"/> Certification of Incorporation         | <input type="checkbox"/> E-TIN Number                | <input type="checkbox"/> Updated Form XII  |
| <input type="checkbox"/> NID / Passport of Authorized Person(s) | <input type="checkbox"/> Trade License / Trust Deed  |  |

## TERMS &amp; CONDITIONS, FUNDAMENTALS OF MUTUAL FUND

I / We confirm that I / we have received the acknowledgement slip against my / our investment in 1<sup>st</sup> ACACIA SRIM SME Growth Unit Fund and agree that I / We will abide by the Terms & Conditions, which may be altered, replaced and modified from time to time by ACACIA SRIM LIMITED. I / We also understand the Fundamentals of Mutual Fund enclosed with this application form.

**Signatures:**

1<sup>st</sup> Authorized Person

2<sup>nd</sup> Authorized Person

3<sup>rd</sup> Authorized Person

*I have explained the “Terms & Conditions” and “Fundamentals of Mutual Fund” to this Investor.*

Date of Application: 

Selling Agent's Signature: \_\_\_\_\_

## FOR OFFICE USE ONLY

**CUSTOMER SERVICE DEPARTMENT:**

Date: 

Pending Documents Details: \_\_\_\_\_

Name: \_\_\_\_\_ Designation: \_\_\_\_\_ Signature: \_\_\_\_\_

1<sup>st</sup> ACACIA SRIM SME GROWTH UNIT FUND

**Mode of Operation:** Singly By:  Jointly By: 
**Dividend Option:** ☐ Cash ☐ CIP (In the form of Units) **Sale Proceeds Options:** ☐ BEFTN ☐ Cheque **Mode of Communication:** ☐ Phone ☐ Email

TERMS & CONDITIONS

1. The Units of 1<sup>st</sup> ACACIA SRIM SME Growth Unit Fund, hereinafter referred to as the “Fund”, may be bought & surrendered through ACACIA SRIM Limited and/or any authorized selling agents appointed by ACACIA from time to time.
2. The application may be made by an individual (both resident and non-resident), other eligible investors (both local and foreign), a trust or a society (registered in or outside of Bangladesh) and not by a minor or person of unsound mind.
3. Minimum purchase and surrender amount is 500 (Five hundred) Units for the individual investors and 5,000 (Five Thousand) Units for the institutional investors.
4. Joint application is acceptable by two persons for individual investment. Registration and Unit allocation will be in favour of principal applicant while dividend and other benefits, if any, will be addressed to the bank account of principal applicant mentioned in the application form. In case of death of any of the joint account holders, only the survivor shall be recognized as having any title of the Units. On the death of both the joint account holders, the Units will bestow upon the nominee (if any) as mentioned in the application form.
5. Units can be surrendered on all business days except Thursday and during the book closure period/record date of the fund.
6. Surrender of Units should be done by transferring units from unit-holder's BO account to Mutual Fund's designated BO account.
7. Partial surrender is allowed subject to minimum surrender quantity as 100 (One hundred) units for individuals and 2,500 (Two Thousand Five Hundred) units for institutions. Upon partial surrender, a new Confirmation of Unit Allocation will be issued in favour of the Unit holder representing the balance amount of holding units.
8. Application for purchase of units should be accompanied by account-payee cheque / pay-order / bank draft / online fund transfer as approved by the regulatory authority in favour of ACACIA SRIM Limited.
9. After clearance/encashment of DDI (Direct Debit Instruction) / cheque / bank draft / pay order / online fund transfer, the units will be allocated in favour of the principal applicant against every purchase with a denomination of the number of units proportionate to the prevailing NAV (Net Asset Value) of the week. The units will be credited to the unit holder's BO Account in demat form.
10. The Units may be transferred by way of inheritance/gift and/or by the specific operation of the law. In case of transfer, the mutual fund may charge a nominal fee as decided by the asset manager from time to time except in the case of transfer by way of inheritance.
11. The dividend may be delivered in cash or by way of Units under Cumulative Investment Plan (CIP) as the applicant mentioned in the application form.
12. All payment receipts in connection with or arising out of transactions of the Units shall be in Bangladeshi Taka (BDT).



FUNDAMENTALS OF MUTUAL FUND

I / We understand and am/are aware of the following basic points about mutual fund investment:

আমি / আমরা মিউচুয়াল ফান্ড সম্পর্কিত নিম্নোক্ত বিষয়গুলো সস্বক্কে অবগত -

1. Mutual Fund is a long-term wealth accumulation tool.

মিউচুয়াল ফান্ড একটি দীর্ঘ মেয়াদী সম্পদ বৃদ্ধিকারী মাধ্যম।

2. The longer an investor stays with a mutual fund, the greater benefit s/he is expected to derive.

একজন বিনিয়োগকারী যত বেশি সময় মিউচুয়াল ফান্ডে টাকা রাখেন, তার ততো বেশি লাভের সম্ভাবনা থাকে।

3. A mutual fund does not give return at fixed rate.

মিউচুয়াল ফান্ড কোন নির্দিষ্ট হারে মুনাফা প্রদান করেনা।

4. In short term, upward/downward movements of the Net Asset Value (NAV) of mutual fund is a natural phenomenon of investment.

স্বল্পমেয়াদে মিউচুয়াল ফান্ড ব্যবস্থাপনায় Net Asset Value এর ঊর্ধ্বমুখী / নিম্নমুখী পরিবর্তন একটি স্বাভাবিক প্রবণতা।

5. By regulation, investments of mutual fund are done in diverse assets and as a result, investment risks are mitigated.

মিউচুয়াল ফান্ড ব্যবস্থাপনার আইন অনুযায়ী ফান্ডের অর্থ ভিন্ন ভিন্ন খাতে বিনিয়োগ করতে হয় এবং এর ফলে বিনিয়োগ ঝুঁকি হ্রাস পায়।

6. Tax Advantages\* for the individual investors:

ব্যক্তিগত বিনিয়োগকারীদের জন্য কর সুবিধা -

▪ No tax against income up to BDT 25,000.

মিউচুয়াল ফান্ড থেকে ২৫,০০০ টাকা পর্যন্ত আয়ের উপর কোনো কর প্রযোজ্য নয়।

• Allowable Investment for tax rebate.

এটি কর ছাড়ের (Tax Rebate) জন্য একটি বিধি সংগত বিনিয়োগ।

• According to Income Tax Ordinance, 1984 and as provisioned in Budget for FY 2017-2018. This is subject to change as provisions of prevalent budget.

\*আয়কর অধ্যাদেশ, ১৯৮৪ এবং ২০১৭-২০১৮ অর্থ বছরের বাজেটের বিধান অনুযায়ী। প্রচলিত বাজেট অনুযায়ী পরিবর্তনযোগ্য।

**Asset Manager: ACACIA SRIM LIMITED (ACACIA)**  
**REPURCHASE / SURRENDER FORM**  
(Please Read the "Terms & Conditions" Carefully)

To,  
CEO & Managing Director  
ACACIA SRIM LIMITED  
Rupayan Shelford (23/6), 13th Floor,  
Mirpur Road, Shyamoli,  
Dhaka-1207, Bangladesh

**FOR OFFICE USE ONLY**

Registration No:.....  
Sale No:.....  
Selling Agent's Signature & ID:.....  
Authorized Person's Signature:.....

(Please fill up the Form in BLOCK LETTERS)

Registration Number:

I / we \_\_\_\_\_, address (if changed) \_\_\_\_\_

am / are the holder(s) of \_\_\_\_\_ units of 1<sup>st</sup> ACACIA SRIM SME Growth Unit Fund. I / we would like to surrender \_\_\_\_\_ units (In Words: \_\_\_\_\_) at the Surrender /

Repurchase price of BDT \_\_\_\_\_ per unit as declared by the Asset Manager on

My / Our surrender request is summarized below:

SI #	Confirmation of Unit Allocation No.	# of Units Held	Units to be Surrendered		
			No. of Units	Surrender / Repurchase Price BDT/ Unit	Total Surrender Value

I / we attach herewith the above mentioned confirmation of unit allocation(s). Please issue an account payee cheque / BEFTN in favour of me / us for total surrender amount and issue a confirmation of balance units, if any.

Date:

Principal Applicant's Signature \_\_\_\_\_

Joint Applicant's Signature \_\_\_\_\_

**BROKER INFORMATION**

Name:

Contact Person:  Contact No.:

E-Mail:  DP ID:

**WITNESS**

1 Signature:

Name:

Father's / Spouse Name:

Address:

2 Signature:

Name:

Father's / Spouse Name:

Address:

**ACKNOWLEDGEMENT SLIP**

Certified that this selling agent has received a request for Transferring \_\_\_\_\_ units of 1<sup>st</sup> ACACIA SRIM SME Growth Unit Fund from \_\_\_\_\_ to \_\_\_\_\_.

Confirmation of Unit Allocation: \_\_\_\_\_ Holding Quantity: \_\_\_\_\_ Surrender Quantity: \_\_\_\_\_

Issuing Officer's Signature :  
Date:

Surrender Number:

Authorized Person's Signature:  
Name:  
Designation:

TERMS & CONDITIONS

I / We confirm that I / we have received the acknowledgement slip against my / our surrender request in 1<sup>st</sup> ACACIA SRIM SME Growth Unit Fund. I / We will abide by the "Terms & Conditions", which may be altered, replace and modified from time to time by ACACIA SRIM Limited.

Date:

DD / MM / YYYY

Principal Applicant

Joint Applicant

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Cheque No.:

Bank:

Date:

Amount:

In Word:

Issued in Favor of:

**For Balance Unit (if any):**

Reg No.:

Surrender No.:

No. of Units:

Confirmation of Unit Allocation No.:

CHECKS & VERIFICATION

Date:

DD / MM / YYYY

Checked and Verified By:

Signature:

SEAL & SIGNATURE OF ISSUING OFFICE

TERMS & CONDITIONS

- The Units of 1<sup>st</sup> ACACIA SRIM SME Growth Unit Fund, hereinafter referred to as the Fund, may be bought through ACACIA SRIM Limited and authorized selling agents appointed by ACACIA from time to time Surrender of Units is allowed only through ACACIA or the Selling agents appointed by ACACIA 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 individual and 5,000 (Five Thousand) Units for Institutional Unit holders.
- Partial surrender is allowed without any additional cost subject to minimum surrender quantity of 100 (One Hundred) Units for individuals and 2,500 (Two Thousand Five Hundred) units for institutions upon particular surrender, the unit holder will be issued with a new Confirmation representing the balance of his / her unit holding.
- 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 five working days. In case of joint holding, account payee cheque will be issued / made in favor of principal holder.

**Asset Manager: ACACIA SRIM LIMITED (ACACIA)**  
**TRANSFER FORM**  
(Please Read the "Terms & Conditions" Carefully)

To,  
CEO & Managing Director  
ACACIA SRIM LIMITED  
Rupayan Shelford (23/6), 13th Floor,  
Mirpur Road, Shyamoli,  
Dhaka-1207, Bangladesh

## FOR OFFICE USE ONLY

Registration No:.....  
Sale No:.....  
Selling Agent's Signature & ID:.....  
Authorized Person's Signature:.....

(Please fill up the Form in BLOCK LETTERS)

## TRANSFEROR

I / we \_\_\_\_\_, address (if changed) \_\_\_\_\_  
hereinafter referred to as transferor, am / are the holder(s) of \_\_\_\_\_ units of 1<sup>st</sup> ACACIA SRIM SME Growth Unit Fund. I / we  
would like to transfer \_\_\_\_\_ units (In Words: \_\_\_\_\_) to the  
following person / institution, hereinafter referred to as transferee:

## PRINCIPAL APPLICANT

☐ Mr.

☐ Mrs.

☐ Ms.

Name:

Father:  Mother:

Spouse:  Occupation:  Date of Birth:

Contact No:  E-Mail:  Nationality:

Present Address:

Permanent Address:

National ID / Passport:  E-Tin:  Fund Registration Number (If Any):

Bank:  Branch:  A/C No.:

BO A/C No.:

Means of Transfer: ☐ Inheritance ☐ Gift ☐ Operation of Law

**Dividend Option:** ☐ Cash ☐ CIP (In the form of Units)

**Sale Proceeds Options:** ☐ BEFTN ☐ Cheque

**Mode of Communication:** ☐ Phone ☐ Email

## NOMINEE (if any)

☐ Mr.

☐ Mrs.

☐ Ms.

Name:

Address:

Contact No:  E-Mail:  Date of Birth:

National ID / Passport:  Relationship with A/C Holder:  % of Holding Units:

## ACKNOWLEDGEMENT SLIP

Certified that this selling agent has received a request for Transferring \_\_\_\_\_  
units of 1<sup>st</sup> ACACIA SRIM SME Growth Unit Fund from \_\_\_\_\_ to \_\_\_\_\_.

Issuing Officer's Signature :  
Date:

Transfer Number:

Authorized Person's Signature:  
Name:  
Designation:

## BROKER INFORMATION

Name:

Contact Person:  Contact No.:

E-Mail:  DP ID:

## WITNESS

<p>1 Signature: <input type="text"/></p> <p>Name: <input type="text"/></p> <p>Father's / Spouse Name: <input type="text"/></p> <p>Address: <input type="text"/></p>	<p>2 Signature: <input type="text"/></p> <p>Name: <input type="text"/></p> <p>Father's / Spouse Name: <input type="text"/></p> <p>Address: <input type="text"/></p>
---	---

Signature of Transferor

Signature of Transferee

## PHOTOGRAPHS & SIGNATURES



## FOR OFFICE USE ONLY

Transferee's Registration No: \_\_\_\_\_ Transfer No: \_\_\_\_\_

Confirmation of Unit Allocation: \_\_\_\_\_ No. of Units: \_\_\_\_\_ Certificate No.: \_\_\_\_\_

## SEAL AND SIGNATURE OF ISSUING OFFICE

I / We confirm that I / we have received the acknowledgement slip and do hereby agree to accept and take the said Confirmation of Unit Allocation on the same terms and conditions on which they were held by the said transferor.

**SIGNATURE:** \_\_\_\_\_

Seal:

## TERMS & CONDITIONS

- 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 ACACIA SRIM Limited from time to time except in the case of transfer by way of inheritance.
- Transfer of Units is allowed through the Selling Agents and the Asset Manager only.
- 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.
- The Confirmation of Unit Allocation(s) of the transferor is/are required to be attached with the Transfer Form.
- 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 will deliver the new Confirmation of Unit Allocation in the name of Transferee within a period of five working days.
- The conditions applicable for initial Confirmation of Unit Allocation will apply even after transfer of Units in the name of Transferee.

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**Registered Office:**  
House 37, Road 12,  
Sector 3, Uttara  
Dhaka-1230, Bangladesh

**Corporate Office:**  
Rupayan Shelford (13th Floor),  
23/6 Mirpur Road, Shyamoli,  
Dhaka-1207, Bangladesh

**Contact:**  
Phone: +(88) 02-5100 0205  
Email: [info@acaciasrim.com](mailto:info@acaciasrim.com)  
Web: [www.acaciasrim.com](http://www.acaciasrim.com)