

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

" In The Name Of ALLAH, Most Gracious, Most Merciful "

ICL INCTL SHARIAH FUND

AN OPEN-END MUTUAL FUND THAT INVESTS IN SHARIAH-
COMPLIANT SECURITIES, VETTED BY THE SHARIAH
ADVISORY BOARD, TO SUSTAINABLY GROW CAPITAL AND
INCOME FOR INVESTORS.

Prospectus
of
ICL INCTL SHARIAH FUND
An Open-end Mutual Fund (Shariah Compliant)

Initial Issue Size	:	BDT 250,000,000 (Two Hundred Fifty Million)
Initial Number of Units	:	25,000,000 (Twenty-Five Million) units
Initial Offer Price	:	BDT 10 (Ten) per unit
Sponsor's Contribution	:	BDT 25,000,000 (Twenty-Five Million)
Initial Public Offering	:	BDT 225,000,000 (Two Hundred Twenty-Five Million)
Initial Subscription Period	:	21st August 2023 to 04th October 2023

Sponsor

Impress-Newtex Composite Textiles Limited



Impress-Newtex
Composite Textiles Ltd.

Evergreen Plaza (6th Floor)
260/B, Tejgaon Industrial Area
Dhaka 1208

Trustee

Bangladesh General Insurance Company Limited (BGIC).



Dilkusha Center
42 Dilkusha C/A
Dhaka 1000

Asset Manager

Impress Capital Limited



IMPRESS CAPITAL LIMITED
unlocking opportunities

Evergreen Plaza (1st Floor)
260/B, Tejgaon Industrial Area
Dhaka 1208

Custodian

BRAC Bank Limited



ব্র্যাক ব্যাংক

Anik Tower, 220/B,
Tejgaon Gulshan Link Road
Tejgaon, Dhaka 1208

Date of Publication of the Prospectus: 21st August 2023

This Offer Document sets forth concisely the information about the Fund that a prospective investor ought to know before investing. This Offer Document should be read before making an application for the units and should be retained for future reference.

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

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 অ্যান্ড এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১, as amended till date and filed with Bangladesh Securities and Exchange Commission (BSEC).

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।

CONTENTS

Fund Directory.....	vi
Definitions and Elaboration of Abbreviated Terms	vii
Fund Highlights	x
CHAPTER 1: PRELIMINARY.....	1
1.1 Publication of Prospectus for Public Offering.....	1
1.2 Consent of the Bangladesh Securities and Exchange Commission.....	1
1.3 Listing of the Fund.....	1
1.4 Availability of Documents for Inspection	1
1.5 Conditions under Section 2CC of the Securities and Exchange Ordinance, 1969.....	2
1.6 General Information	4
1.7 Sale and Repurchase of Units	4
1.8 Systematic Investment Plan (SIP).....	5
1.9 Declarations	7
1.10 Due Diligence	9
CHAPTER 2: BACKGROUND	13
2.1 The preamble to the formation of the ICL INCTL Shariah Fund.....	13
2.2 Growing Opportunities for Investments in Capital Market	13
2.3 Advantages of Investing in ICL INCTL Shariah Fund	15
CHAPTER 3: THE FUND.....	17
3.1 Formation of the Fund.....	17
3.2 Tenure of the Fund.....	17
3.3 Size, Face Value and Denomination.....	17
3.4 Investment Objective.....	17
3.5 Scope of Investments.....	17
3.6 Investment Policies	18
3.7 Investment Liquidity	18
3.8 Investment Restriction.....	18
3.9 Investment Decision	19
3.10 Shariah Screening Policies and Guidelines	19
3.10.1 Business Activities Based Screening:.....	19
3.10.2 Accounting Based Screening:	20
3.10.3 Other Shariah Compliant Instruments:.....	20
3.11 Valuation Policy.....	20

3.12	Accounting and Reporting for Provision for Diminution (or Appreciation) in Fair Value of Investments in Financial Assets.....	22
3.13	Accounting for Net Asset Value per Unit of the Fund and Fair Valuation of Financial Instruments	23
3.14	Measurement of Earnings and Payment of Dividends.....	23
3.15	Net Asset Value (NAV) Calculation.....	24
3.16	Classification of Income and Expenses:	24
3.17	Limitation of Expenses	25
3.18	Price Fixation Policy	26
3.19	Sale and Repurchase Procedure	26
3.20	Lock-in for Sponsor's Contribution.....	27
3.21	Winding up Policy.....	27
3.21.1	Procedure of Winding Up.....	27
3.21.2	Manner of winding up.....	27
3.21.3	Effect of winding up.....	28
3.22	Borrowing Policy:.....	28
3.23	Dividend Policy.....	28
CHAPTER 4: RISK FACTORS		29
4.1	Systematic Risk.....	29
4.2	Unsystematic Risk.....	29
4.3	Risk Control Mechanism of the Asset Manager.....	30
CHAPTER 5: FORMATION, MANAGEMENT & ADMINISTRATION.....		31
5.1	Sponsor of the Fund.....	31
5.2	Trustee of The Fund.....	31
5.3	Custodian of the Fund.....	31
5.4	Shariah Advisory Board	32
5.5	Asset Manager of the Fund.....	33
5.6	Investment Management Process.....	33
5.7	Board of Directors of ICL.....	34
5.8	Management of ICL.....	35
5.9	Fees & Expenses	37
5.9.1	Issue and Formation Expenses.....	37
5.9.2	Management Fee	38
5.9.3	Trustee Fee	38
5.9.4	Custodian Fee	38

5.9.5	Fund Registration and Annual Fee	38
5.9.6	Commission Payable to Selling Agent(s)	38
5.9.7	Audit Fee	39
5.9.8	CDBL Fee.....	39
5.9.9	Brokerage Commission	39
5.9.10	Operational Expenses	39
5.9.11	Amortization of Issue and Formation Expenses	39
5.10	Auditor	39
CHAPTER 6: SIZE OF THE FUND AND RIGHTS OF UNIT HOLDERS		40
6.1	Size of Issue.....	40
6.2	Sponsor's Subscription	40
6.3	Public Subscription through IPO	40
6.4	Rights of the Unit Holders	40
6.4.1	Voting Rights	40
6.4.2	Transfer of Units.....	40
6.4.3	Dividend	40
6.4.4	Periodic Disclosure.....	41
6.4.5	Accounts and Information	41
6.4.6	Beneficial Interest.....	41
CHAPTER 7: UNIT SUBSCRIPTION (TERMS & CONDITIONS)		42
CHAPTER 8: BROKER, BANKER & FORM.....		43
8.1	Name and Address of the Brokers	43
8.2	Banker	43
8.3	Selling Agent:	43
8.4	Forms	43

For prospectus or any other information, please contact the Asset Management Company.

Fund Directory

- Sponsor** : **Impress-Newtex Composite Textiles Limited**
Evergreen Plaza (6th Floor)
260/B Tejgaon Industrial Area, Dhaka 1208
Tel: +880-29830329-32
Email: info@impress-newtex.com
- Asset Manager** : **Impress Capital Limited**
Evergreen Plaza (1st Floor)
260/B Tejgaon Industrial Area
Dhaka 1208, Bangladesh
Tel: +880 2 9830776, +880 2 9830765
Email: info@impresscapital.com
- Trustee** : **Bangladesh General Insurance Limited (BGIC)**
42, Dilkusha C/A, Dhaka 1000
Tel: 02223383056-58,
Email: info@bgicinsure.com
- Custodian** : **BRAC Bank Limited**
Anik Tower, 220/B Tejgaon Gulshan Link Road, Dhaka 1208
Tel: 02-8801301-32
- Auditor** : **Hussain Farhad & Co. Chartered Accountants**
House: 15, Road:12, Block: F, Niketon, Gulshan 1
Dhaka 1212
Tel: 02-8836015
- Investor Relation Office** : **Impress Capital Limited**
Evergreen Plaza (1st Floor)
260/B, Tejgaon Industrial Area
Dhaka 1208, Bangladesh
Tel: +880 2 9830776
- Broker** : BRAC EPL Stock Brokerage Limited
UCB Stock Brokerage Limited
- Banker** : Midland Bank Limited-Islami Banking Window
Gulshan Branch
NB Tower, Level-5, 40/7 North Avenue,
Gulshan 2, Dhaka 1212.

Definitions and Elaboration of Abbreviated Terms	
বিধিমালা / Rule	: সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১
Act	: সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন আইন, ১৯৯৩
Allotment/Confirmation of Unit Allocation	: Letter/certificate confirming allocation of units
Asset Manager/Asset Management Company/Fund Manager/Investment Manager/AMC/ICL	: Impress Capital Limited
Application Form	: An application form is meant to be used by an investor to purchase units in the Scheme.
BB	: Bangladesh Bank
BBL	: BRAC Bank Limited
BDT	: Bangladeshi Taka
BEFTN	: Bangladesh Electronic Fund Transfer Network
BO Account	: Beneficial Owner Account or Depository Account
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 repurchase of units is suspended or a book closure period/record date announced by the Trustee/AMC. 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; or 5) A day on which banks are closed.
CAGR	: Compound Annual Growth Rate
CEO/MD	: Chief Executive Officer/Managing Director
Cheque	: All payment instruments (Cheque/Pay Order/Other Cash Instrument) should be MICR (Magnetic Ink Character Recognition) coded as per the Bangladesh Bank Rules.
CDBL	: Central Depository Bangladesh Limited
Commission/BSEC	: Bangladesh Securities and Exchange Commission
Companies Act	: কোম্পানি আইন, ১৯৯৪

Definitions and Elaboration of Abbreviated Terms	
CSE	: Chittagong Stock Exchange Limited
Custodian	: BRAC Bank Limited
Dividend	: Income distributed by the Fund, when and where applicable.
DSE	: Dhaka Stock Exchange Limited
Effective Date	: The date of registration of the Trust Deed
EPS	: Earnings Per Share
FIS	: Fixed Income Securities
CIP	: Cumulative Investment Plan
Government	: The Government of the People's Republic of Bangladesh
Mutual Fund/The Fund/Unit Fund/Open End Mutual Fund	: ICL INCTL SHARIAH FUND
IPO	: Initial Public Offering
NAV	: Net Asset Value
NBFI	: Non-Banking Financial Institution
NBR	: National Board of Revenue
Non-Resident Bangladesh/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 no visa is required to travel to Bangladesh
Offering Price	: Price of the units of the fund being offered
Ongoing Offer 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 Mutual Fund.
Purchase/Subscription	: Subscription/purchase of units of the Fund
Purchase Price	: The price, circulated in the manner provided in this offer document, at which the units can be purchased.
Reinvestment	: Distribution of profit by issuing units based on most recent NAV of the Mutual Fund.

Definitions and Elaboration of Abbreviated Terms		
Repurchase/Surrender	:	Repurchase of units by the fund from a unit holder
Repurchase Price	:	Price at which the units can be redeemed/repurchased 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.
Sponsor	:	Impress-Newtex Composite Textile Limited
SIP	:	Systematic Investment Plan
Trustee	:	Bangladesh General Insurance Company Limited
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 ICL INCTL SHARIAH FUND offered under this offer document.
Shariah Board	:	A Shariah Board or Shariah Supervisory Board which certifies Islamic financial products as being Shariah-compliant.

Interpretation:

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

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

Fund Highlights

Name	: ICL INCTL SHARIAH FUND
Type	: Open-end Mutual Fund (Shariah Compliant)
Life and Size of the Fund	: Perpetual life and unlimited size
Objective	: The objective of the ICL INCTL Shariah Fund is to generate profits by investing in a portfolio of Shariah-compliant securities that has been vetted by the Shariah Advisory Board. The Fund aims to distribute these profits to investors in the form of dividends and capital appreciation while strictly adhering to Shariah Principles.
Sponsor	: Impress-Newtex Composite Textiles Limited (INCTL)
Asset Manager	: Impress Capital Limited (ICL)
Trustee	: Bangladesh General Insurance Company Limited (BGIC)
Custodian	: BRAC Bank Limited (BBL)
Initial Size of the Fund	: BDT 250,000,000 (Two Hundred Fifty Million) divided into 25,000,000 (Twenty-Five million) units of BDT 10 (Ten) each
Face Value	: BDT 10 (Ten) per unit
Minimum Application Amount	: BDT 1,000 per application (100 units) for individuals BDT 100,000 per application (10,000 units) for institutions (Not applicable for SIP investor)
Transparency	: NAV, Sales Price and Repurchase Price will be calculated on a weekly basis and shall be published on the website of the Asset Manager (www.impresscapital.com) and as prescribed in the Rule.
Target Group	: Individuals-both resident and non-resident, Institutions-both local and foreign, mutual funds and collective investment schemes are eligible to subscribe the units of the fund.
Dividend	: The Fund shall distribute at least 50 (Fifty) percent of realized annual income of the Fund as dividend in Bangladeshi Taka or CIP (if requested by the investor) after keeping appropriate provision to the satisfaction of the auditor in each accounting year.
Dividend Distribution	: The dividend warrant will be distributed within 45 (forty-five) days from the date of declaration.

Transferability	: The units of the Fund are transferable by way of inheritance/ gift and/or by specific operation of the law.
Encashment	: The unit holders can surrender and encash their units to the Asset Manager and through selling agents appointed by the Asset Manager during business hours as specified by the Asset Manager.
Reports and Accounts	: Every unit holder is entitled to receive an annual report along with the quarterly, half-yearly, and yearly statements of accounts as and when published from the official website of Asset Management Company.
Loads	: Entry Load: NIL (Purchase Price at NAV at market price). Exit Load: Maximum BDT 0.10 discount from NAV at Market Price.
Systematic Investment Plan (SIP) facility	: Systematic Investment plan or SIP allows investor to invest a certain pre-determined amount at a regular interval (monthly, quarterly, semi-annually, annually etc.) A SIP is a planned approach towards investments and helps to inculcate the habit of savings among investors and building wealth for the future. Investor can start SIP with a very small amount i.e. minimum BDT 1,000 or any multiple of BDT 1,000.
Allowable/ Eligible Investment	: Investment in the Mutual Fund will qualify for investment tax credit up to BDT 500,000 according to the section 78 under Income Tax Act, 2023.

ফান্ড এর সংক্ষিপ্ত বিবরণী	
নাম	: আইসিএল আইএনসিটিএল শরিয়াহ ফান্ড
ধরণ	: শরিয়াহ সম্মত বে-মেয়াদী মিউচুয়াল ফান্ড
ফান্ডের মেয়াদ ও আকার	: চিরস্থায়ী এবং বে-মেয়াদী
উদ্দেশ্য	: আইসিএল আইএনসিটিএল শরিয়াহ ফান্ডের উদ্দেশ্য হল শরিয়াহ পরামর্শক বোর্ড দ্বারা যাচাইকৃত শরিয়াহ সম্মত সিকিউরিটিজে বিনিয়োগ করে মুনাফা অর্জন করা এবং এই মুনাফা বিনিয়োগকারীদের মধ্যে ডিভিডেন্ড এবং ক্যাপিটাল এপ্রেশিয়েশনের রূপে বন্টন করা
উদ্যোক্তা	: ইমপ্রেস নিউটেক্স কম্প্যাজিট টেক্সটাইলস লিমিটেড (আইএনসিটিএল)
সম্পদ ব্যবস্থাপক	: ইমপ্রেস ক্যাপিটাল লিমিটেড (আইসিএল)
ট্রাস্টি	: বাংলাদেশ জেনারেল ইন্স্যুরেন্স কোম্পানি লিমিটেড (বিজিআইসি)
হেফাজতকারী	: ব্র্যাক ব্যাংক লিমিটেড (বিবিএল)
ফান্ডের প্রাথমিক আকার	: ২৫০,০০০,০০০ (পঁচিশ কোটি) টাকা যা ২৫,০০০,০০০ (দুই কোটি পঞ্চাশ লক্ষ) ইউনিটে বিভক্ত এবং যার প্রতিটির অভিহিত মূল্য ১০ (দশ) টাকা
অভিহিত মূল্য	: প্রতি ইউনিটের মূল্য ১০ (দশ) টাকা
ন্যূনতম বিনিয়োগ	: ব্যক্তির জন্য ১,০০০ টাকা (১০০ ইউনিট) প্রতিষ্ঠানের জন্য ১,০০,০০০ টাকা (১০,০০০ ইউনিট) (এসআইপি বিনিয়োগকারীর জন্য প্রযোজ্য নয়)
স্বচ্ছতা	: প্রতি সপ্তাহে নেট এসেট ভ্যালু, ক্রয়মূল্য ও পুন ক্রয়মূল্য গণনা করা হবে ও সম্পদ ব্যবস্থাপকের প্রাতিষ্ঠানিক ওয়েবসাইটে প্রকাশ করা হবে এবং বিধি অনুযায়ী কার্যকর হবে।
সম্ভাব্য বিনিয়োগকারী	: আবাসী ও প্রবাসী বাংলাদেশি ব্যক্তিবর্গ, দেশি ও বিদেশি প্রতিষ্ঠানসমূহ, মিউচুয়াল ফান্ড এবং সমন্বিত বিনিয়োগ ফ্রিম সমূহ এই ফান্ডে বিনিয়োগ করতে পারবে।

লভ্যাংশ	:	প্রতি হিসাব বছরে ফাল্গু তার অর্জিত নীট মুনাফার কমপক্ষে ৫০ (পঞ্চাশ) শতাংশ লভ্যাংশ হিসেবে বাংলাদেশি টাকায় বিতরণ করবে।
লভ্যাংশ বিতরণ	:	লভ্যাংশ ঘোষণার তারিখ থেকে ৪৫ (পঁয়তাল্লিশ) দিন এর মধ্যে লভ্যাংশ পত্র (ডিভিডেন্ড ওয়ারেন্ট) বিতরণ করা হবে।
হস্তান্তরযোগ্যতা	:	উত্তরাধিকার/উপহার এবং/অথবা আইন দ্বারা অনুমোদিতভাবে এই ফাল্গুর ইউনিট সমূহ হস্তান্তর করা যাবে।
নগদায়ন	:	ইউনিট হোল্ডারগণ সম্পদ ব্যবস্থাপক দ্বারা নির্ধারিত কর্ম দিবসে সম্পদ ব্যবস্থাপক কোম্পানি অথবা সম্পদ ব্যবস্থাপক কোম্পানি দ্বারা নিযুক্ত বিক্রয় প্রতিনিধিগণ এর মাধ্যমে সম্পদ ব্যবস্থাপক কর্তৃক নির্ধারিত সময়ে তাদের ইউনিট সমর্পন করে বিনিয়োগ নগদায়ন করতে পারবেন।
প্রতিবেদন ও হিসাবসমূহ	:	প্রত্যেক ইউনিট হোল্ডার সম্পদ ব্যবস্থাপক কর্তৃক তাদের প্রাতিষ্ঠানিক ওয়েবসাইটে প্রকাশিত বার্ষিক, অর্ধবার্ষিক ও ত্রৈমাসিক হিসাবসহ বার্ষিক প্রতিবেদন পাবেন।
লোডস	:	প্রবেশ লোড : শূন্য (ক্রয়মূল্য নেট এসেট ভ্যালুর বাজার মূল্য অনুযায়ী) প্রস্থান লোড : সর্বোচ্চ নেট এসেট ভ্যালুর বাজার মূল্য থেকে ০.১০ টাকা ডিসকাউন্ট।
এস আই পি (সিস্টেমটিক ইনভেস্টমেন্ট প্ল্যান) সুবিধা	:	সিস্টেমটিক ইনভেস্টমেন্ট প্ল্যান (এসআইপি) এর মাধ্যমে বিনিয়োগকারীগণ নির্দিষ্ট সময় (মাসিক, ত্রৈমাসিক, অর্ধবার্ষিক অথবা বার্ষিক) অন্তর অন্তর পূর্ব নির্ধারিত বিনিয়োগের মাধ্যমে ইউনিট ক্রয়ের সুযোগ পাবেন। এসআইপি একটি পরিকল্পিত বিনিয়োগ প্রক্রিয়া এবং এটি ভবিষ্যৎ এর জন্য সম্পদ রক্ষা ও গড়ে তোলার অভ্যাস তৈরি করে। বিনিয়োগকারীগণ কমপক্ষে ১,০০০ (এক হাজার) টাকা অথবা ১,০০০ টাকার যেকোনো গুণিতক এর সমপরিমান অর্থ বিনিয়োগ করে এস আই পি শুরু করতে পারবেন।
অনুমোদনযোগ্য/উপযুক্ত বিনিয়োগ	:	সেকশন ৭৮, আয়কর আইন, ২০২৩ অনুযায়ী মিউচুয়াল ফান্ডে সর্বোচ্চ ৫০০,০০০ টাকা পর্যন্ত বিনিয়োগ কর ক্রেডিট এর উপযুক্ত হবে।

CHAPTER 1: PRELIMINARY

1.1 Publication of Prospectus for Public Offering

ICL INCTL Shariah Fund has been established as a Trust under the Trust ACT 1982 by Impress Capital Limited (ICL) and registered with the Sub Registrar's Office under the Registration Act, 1908, on March 14, 2023. The Fund has received Registration Certificate from the Bangladesh Securities & Exchange Commission (BSEC) on April 02, 2023, under the সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন আইন, ১৯৯৩, and the সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১, made thereunder and received consent for issuing prospectus for public offering. A complete copy of the prospectus is available for public inspection at "Evergreen Plaza" (1st Floor), 260/B, Tejgaon Industrial Area, Dhaka 1208 the registered office of Impress Capital Limited-the asset manager of ICL INCTL SHARIAH 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 অ্যান্ড 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-ended 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 exchange 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 of the Fund will always be available for sale and surrender/repurchase except on the last working day of every week and during book closure period/record date of the Fund at the office of the Asset Manager and the offices of authorized selling agents. Asset Manager shall disclose selling price and surrender/repurchase price of units at the beginning of business operation on the first working day of every week as per the Rules.

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 at the website of Bangladesh Securities and Exchange Commission (www.sec.gov.bd) and the website of Impress Capital Limited (www.impresscapital.com)
- II. Copy of the registered trust deed will be available for public inspection during business hours at the office of the asset manager of the Fund. One will be able to purchase a copy of the trust deed by paying the price as determined by the Asset Manager.

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

PART-A

1. The Fund shall not account for any upward revaluation of its assets creating reserve without clearance from the Bangladesh Securities and Exchange Commission;
2. The Fund shall not be involved in option trading, short selling or carry forward transaction;
3. A confirmation of unit allocation shall be issued at the cost of the Fund at par value of BDT 10.00 (Ten) each within 90 (Ninety) days from the date of sale of such units;
4. Money receipt/acknowledgement slip issued at the time of sale of units will be treated as allotment, which shall not be redeemable/transferable;
5. The annual report of the Fund/or its abridged version will be published within 45 (Forty-five) days of the closure of each accounting year of the Fund;
6. An annual report and details of scrip-wise investment and savings of the Fund shall be submitted to the Commission, Trustee and Custodian within 90 (ninety) days from the closure of the accounts;
7. Half-yearly accounts/financial results of the Fund will be published in at least one English and another Bangla national daily newspaper and on the website of the company within 30 (thirty) days from end of the period;
8. Dividend shall be paid within 45 (forty-five) days of its declaration, and a report shall be submitted to BSEC, Trustee and Custodian within 7 (seven) days of dividend distribution;
9. Net Asset Value of the Fund shall be calculated and disclosed publicly at least once a week;
10. The scrip-wise detail portfolio statement consisting of capital market and other than capital market holdings of the fund will be disclosed on the website of the Asset Management Company on quarterly basis within 07 (Seven) days of each quarter-end;
11. After initial public subscription, the 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 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 sale and repurchase price per unit shall not be over 1% of the NAV per unit at fair value of the Fund;
12. BSEC may appoint auditors for special audit/investigation on the affairs of the Fund, if it so desires;
13. The Fund shall maintain separate bank account(s) to keep the sale proceeds of units and to meet up day-to-day transactions including payment against repurchase of units. All transactions of the account shall be made through banking channel and shall be properly documented;
14. The prospectus/abridged version of the prospectus shall be published in one widely circulated Bengali national daily newspaper provided that information relating to publication of prospectus in the form of advertisement be published in 2 national daily newspapers (Bengali and English) and one online newspaper;
15. If abridged version of the prospectus is published in the newspaper, complete prospectus shall be made available to the applicants by publishing it in their own website;
16. If the Fund manager fails to collect the minimum 40% of the initial target amount or at least BDT 100 million under section 48 of the সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা,

২০০১, it will refund the subscription money within 30 days from the closure of subscription without any deduction. In case of failure, the Fund manager will refund the same with an interest rate of 18 percent per annum from its own account within the following month;

17. The AMC should ensure compliance of বিধি 46 of সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১;
18. On achievement of 40% of the initial target amount as per rules, the Fund is allowed to commence investment activities of the Fund with permission of the Trustee;
19. The size of the Fund will be increased from time to time by the AMC subject to approval of the Trustee and intimation to the Commission.
20. Confirmation of unit allocation of the Sponsor's contribution amounting to BDT 25,000,000 (Twenty-Five million) only shall be subject to a lock-in for a period of one year from the date of formation of the Fund and then 1/10th of the Sponsor's contribution shall be subject to a lock-in period of full tenure of the Fund until liquidation.
21. A confirmation of unit allocation amounting to BDT 25,000,000 (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 units of Sponsor shall be made without prior approval of the Commission.
22. The annual Fee of the fund shall be submitted to the Commission on the fund size i.e., year-end Net Asset Value at market price of the fund on advance basis as per rule and may adjust the fee in the next year, if necessary.

PART-B

Please ensure that the following are adhered to:

1. As per provisions contained in the সিকিউরিটিজ অ্যান্ড 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.
2. The paper cutting of the published prospectus and all other published documents/notices regarding the Unit Fund shall be submitted to the Commission within 24 hours of publication thereof.
3. The Asset Management Company shall submit 10 (Ten) copies of the printed prospectus to the Commission for official record.
4. The Asset Management Company shall ensure in writing to the Commission that the prospectus/ abridged version is published correctly in the newspaper and in their own website and is a verbatim copy of the prospectus/abridged version vetted by the Commission.
5. 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.
6. The AMC shall submit to the Commission a diskette containing the vetted prospectus and its abridged version.
7. All conditions imposed under Section 2CC of the Securities and Exchange Ordinance, 1969 must be complied with and be incorporated in the body of Prospectus and in its abridged version.

8. After due approval by the Trustee regarding issue and formation expenses, the AMC shall submit in detail along with supporting documents to the Commission regarding issue and formation expenses within 15 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.
9. Bank statements along with the subscribers list, copies of agreements with Custodian and Selling Agents (if applicable) shall be submitted to the Commission within 15 (Fifteen) days of the completion of the subscription.
10. 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 receiving of the Consent Letter. The Investment Policy and Guideline shall include other issues, the investment delegation power of the Chief Executive Officer and the Committee separately and also the meeting resolution presentation process.
11. After due approval of the Trustee, the Asset Manager shall submit the systematic investment plan (SIP) brochure to the Commission complying with the Rules within 30 (Thirty) days of issuing the consent letter.

1.6 General Information

1. This prospectus has been prepared by Impress Capital 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.
2. 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 Impress Capital Limited.
3. The issue as contemplated in this document is made in Bangladesh is subject to the exclusive jurisdiction of the court of Bangladesh. Forwarding this prospectus to any person residing outside Bangladesh in no way implies that the issue is made in accordance with the laws of that country or is subject to the jurisdiction of the laws of that country.

1.7 Sale and Repurchase of Units

ICL will maintain two separate BO Accounts with BRAC Bank Limited, custodian of ICL INCTL SHARIAH FUND for creation and redemption of units namely "ICL INCTL SHARIAH FUND - sale a/c" and "ICL INCTL SHARIAH FUND – repurchase a/c".

For sale of units, ICL will issue a certificate for the units sold and send it to BRAC Bank Limited for setting up of 'demat request'. After the acceptance of demat setup by ICL from its terminal, units will be credited to the BO Account of "ICL INCTL SHARIAH FUND - Sale of units". Then BRAC Bank Limited will transfer the units from "ICL INCTL SHARIAH FUND - Sale of units" to the unit holders' BO Accounts as per instruction of ICL.

In the case of redemption/repurchase by the Asset Manager, the unit holder will transfer his/her/the institutional holder's units to the "ICL INCTL SHARIAH FUND – Repurchase of units". The Custodian will debit the units from the investor's BO Accounts and transfer it to the "ICL INCTL SHARIAH FUND

– Repurchase of units”. Simultaneously, the payment will be made through A/C payee Cheque or funds will be transferred to investor’s Bank Account through BEFTN as per the request of the client.

1.8 Systematic Investment Plan (SIP)

A Systematic Investment Plan or SIP is a very convenient and disciplined way of investing money in Mutual Funds. SIP allows an investor to invest a certain pre-determined amount at a regular interval (monthly, quarterly, semi-annually, annually, etc.). A SIP is a planned approach towards investments and helps to inculcate the habit of saving and building wealth for the future.

Investment Horizon

An investor can invest in the plan with an investment horizon of 2 years/3 years/5 years/10 years with the choice of a pre-determined amount to investment at a regular interval (monthly/quarterly/semi-annually/annually). At maturity, the investor may surrender or continue with existing/new plan.

Buy Process

An investor can invest through SIP in following two ways:

- a) The investor may give an auto debit instruction to the Bank on which s/he is maintaining a bank account to credit a specific amount of fund for a specified period to the Bank account of “ICL INCTL SHARIAH FUND”, or
- b) The investor may provide post-dated account payee cheques in favor of “ICL INCTL SHARIAH FUND” mentioning specific investment amount to the asset manager/selling agents at a regular interval (monthly, quarterly, semi-annually, annually, etc.).

Surrender Process

SIP encourages disciplined investment. It is advisable to continue SIP investments with a long-term perspective but 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 repurchase/surrender price will be applicable on total accumulated invested amount on the date of cancellation of the scheme. After the maturity of SIP, the investor can easily surrender through AMC or Selling Agents.

After receiving the surrender application form, the investor will be paid within 5 (Five) working days through an account payee cheque/BEFTN as per client’s request in case the withdrawal amount is equivalent or below BDT 5 million. In case the withdrawal amount is above BDT 5 million, the investor shall receive the fund within 7 (Seven) working days of receiving the surrender request.

Benefits offered for SIP Investors

1. Flexibility in Periodic Investment: SIP is a systematic investment plan. An investor can start SIP with any amount multiple of BDT 1,000 by mentioning pre-determined investment amount through a specified period.
2. No Minimum lot size: Under SIP, there will be no minimum lot size as normal investors. Based on the investment amount and available weekly NAV at that point of time, units will be credited to the investor's account. However, any fraction amount remaining will be converted when it sums up to one unit. The fractional amount will be kept as liability of the fund in a separate account head and will be adjusted with the next available investment amount.
3. CIP option for the SIP investors: SIP investors can enjoy either cash dividend or cumulative investment plan (CIP). In case of CIP, the investor will be allotted new units of the fund equivalent to the cash dividend, if the investor so wishes to.

DETAILS 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 “ICL INCTL SHARIAH FUND”, accepts full responsibility for the authenticity and accuracy of the information contained in this Prospectus and other documents regarding the Fund. To the best of the knowledge and belief of the Sponsor, who has taken all reasonable care to ensure that all 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/-

Tariful Islam Taskeen

Managing Director & CEO

Impress-Newtex Composite Textiles Limited

Declarations about the Responsibility of the Trustee

We, as the Trustee of the ICL INCTL SHARIAH 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 অ্যান্ড এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) 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/-

Ahmed Saifuddin Chowdhury

Managing Director & CEO

Bangladesh General Insurance Company Limited

Declarations about the Responsibility of the Custodian

We, as Custodian of the ICL INCTL SHARIAH FUND accept the responsibility and confirm that we shall:

- a) keep all the securities in the safe custody and shall provide the highest security for the assets of the Fund which are duly kept under our custody; and
- b) preserve necessary documents and record of the Fund provided by the Asset Manager as per সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১.

Sd/-

Tareq Refat Ullah Khan

DMD & Head of Corporate Banking
BRAC Bank Limited

Declarations about the Responsibility of the Asset Manager

We, as the Asset Manager of ICL INCTL SHARIAH 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 অ্যান্ড এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১, and Depository Act, 1999 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:

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

Investors should be aware that the value of investments in the Mutual Fund (Shariah Compliant) could be volatile and such no guarantee can be made about the returns from the investments that the Fund will make. Like any other equity investment, only investors who are willing to accept a moderate degree of risk should invest in the Fund. Investors are requested to pay careful attention to the "Risk Factors" section of the Prospectus and to take proper cognizance of the risks associated with any investment in the Fund.

Sd/-

Arastoo Khan

Managing Director & CEO
Impress Capital Limited

1.10 Due Diligence

Due Diligence Certificate by the Sponsor

To

The Honorable Chairman
Bangladesh Securities & Exchange Commission
Securities Commission Bhaban
Plot E-6/C, Agargaon, Sher-e-Bangla Nagar
Dhaka 1207

Subject: ICL INCTL SHARIAH FUND

We, the Sponsor of the above-mentioned forthcoming Shariah Compliant Mutual Fund, state as follows:

- a) We, as the Sponsor of the above-mentioned Shariah Compliant Mutual Fund, have examined the prospectus and other documents and materials as relevant to our decision; and
- b) 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 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 Fund; and
- d) We shall act to our best for the benefit and interests of the unit holders of the Fund.

For the Sponsor,

Sd/-

Tariful Islam Taskeen
Managing Director & CEO
Impress-Newtex Composite Textiles Limited

Due Diligence Certificate by the Trustee

To

The Honorable Chairman
Bangladesh Securities & Exchange Commission
Securities Commission Bhaban
Plot E-6/C, Agargaon, Sher-e-Bangla Nagar
Dhaka 1207

Subject: ICL INCTL SHARIAH FUND

We, the under-noted trustee to the above-mentioned forthcoming 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 অ্যান্ড 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 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 অ্যান্ড 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 অ্যান্ড এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১ and conditions imposed by the Commission as regards of the Fund; and
- f) We shall act to our best for the benefit and sole interests of the unit holders of the Fund;

For Trustee,

Sd/-

Ahmed Saifuddin Chowdhury
Managing Director & CEO
Bangladesh General Insurance Company Limited

Due Diligence Certificate by the Custodian

To

The Honorable Chairman
Bangladesh Securities & Exchange Commission
Securities Commission Bhaban
Plot E-6/C, Agargaon, Sher-e-Bangla Nagar
Dhaka 1207

Subject: ICL INCTL SHARIAH FUND

Dear Sir,

We, the under-noted custodian to the above-mentioned forthcoming Mutual Fund, state as follows:

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

WE CONFIRM THAT:

- a) we will keep all the securities (both listed and Non-listed) and Assets of the "ICL INCTL SHARIAH FUND" including FDR receipts in safe and separate custody as per বিধি ৪১ of সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১ and will provide highest security for the assets which are duly kept under our custody 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 অ্যান্ড 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/-

Tareq Refat Ullah Khan
DMD & Head of Corporate Banking
BRAC Bank Limited

Due Diligence Certificate by the Asset Manager

To

The Honorable Chairman
Bangladesh Securities & Exchange Commission
Securities Commission Bhaban
Plot E-6/C, Agargaon, Sher-e-Bangla Nagar
Dhaka 1207

Subject: ICL INCTL SHARIAH FUND

We, the Asset Manager of the above-mentioned forthcoming ICL INCTL Shariah Fund, state as follows:

1. We, as the Asset Manager of the above-mentioned 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 Fund, Dhaka Stock Exchange (Listing) Regulations, 2015, Chittagong Stock Exchange (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 Fund;
- b) All the legal requirements connected with the said 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 Fund.

For the Asset Manager,

Sd/-

Arastoo Khan
Managing Director & CEO
Impress Capital Limited

CHAPTER 2: BACKGROUND

2.1 The preamble to the formation of the ICL INCTL Shariah Fund

A Mutual Fund is a financial instrument that pools funds from various individual and institutional investors, with the aim of investing the funds in a variety of securities like stocks, bonds, money market instruments, and other assets. One of the key benefits of mutual funds is their ability to provide a cost-effective way to diversify an investment portfolio across different asset categories. In developing countries like Bangladesh, where most people lack knowledge of investment management strategies, the value of professional management services provided by mutual funds is paramount. In addition to professional expertise, mutual funds also offer other benefits such as ease of investment, liquidity, and transparency.

The ICL INCTL Shariah Fund, offered by Impress Capital Limited, is a trusted and transparent investment solution for those seeking Shariah-compliant investment opportunities. As part of the Impress Group, we are committed to providing our investors with professional investment management expertise and ensuring the highest levels of trust, reliability, and transparency in all our investment offerings.

The Fund pools funds from individual and institutional investors to invest in a portfolio of Shariah-compliant securities that have been vetted by our Shariah Advisory Board. The Fund intends to generate profits through both capital appreciation and dividend income, while strictly adhering to the principles of Shariah.

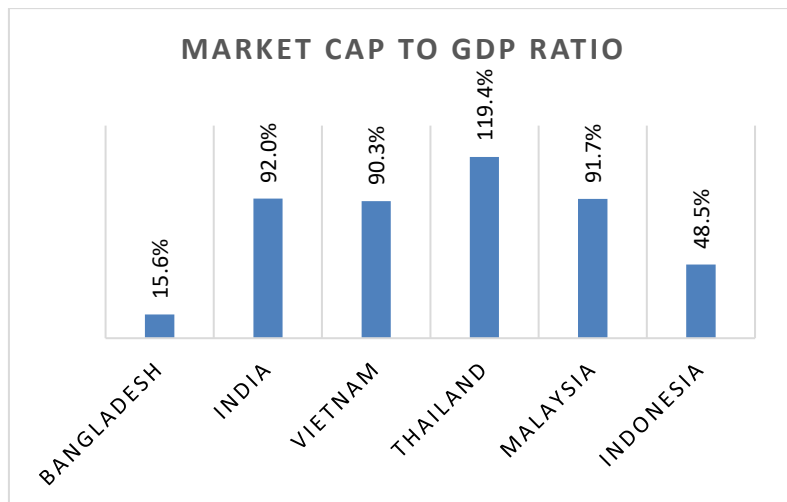
In a country where Muslims constitute around 90.0% of the population, there is a growing demand for Shariah-based investment tools. However, the mutual fund industry in Bangladesh still lacks diversity in terms of products that cater to different investment preferences. The ICL INCTL Shariah Fund aims to address this gap by offering investors a Shariah-compliant mutual fund that provides a diversified investment portfolio across different asset categories.

At Impress Capital Limited, we understand that many people in developing countries like Bangladesh lack sufficient knowledge related to investment management strategies. That is why we believe that mutual funds are the most cost-effective way to diversify an investment portfolio, while also offering professional investment management expertise. With the ICL INCTL Shariah Fund, we aim to bring these benefits to a wider audience.

We are confident that the ICL INCTL Shariah Fund will be a valuable addition to the mutual fund industry in Bangladesh and offer investors a reliable, transparent, and profitable investment opportunity that adheres to the principles of Shariah.

2.2 Growing Opportunities for Investments in Capital Market

The Capital Market has been a crucial factor in the development of economies globally. It not only provides essential growth funding for most successful companies worldwide but also serves as a desirable investment destination for long-term savers such as pension funds, insurance funds, and individuals. As of April 2023, the stock market capitalization of Bangladesh stands at approximately USD 72 Billion, equivalent to around 15.6% of the country's GDP.



Source: BBS, MoF Vietnam, and Ceicdata

The low market cap to GDP ratio in Bangladesh compared to major emerging countries such as India, Vietnam, and Malaysia indicates significant potential for growth and development in the country's capital market. This presents an attractive opportunity for investors looking to capitalize on the country's potential growth prospects.

While Bangladesh's capital market is currently facing some macroeconomic challenges such as high inflation, a fuel crisis, a fragile banking sector, a trade deficit, and depleting foreign exchange reserves, it is important to note that these challenges are not insurmountable. The government and central bank are actively taking measures to address these issues, and in the long run, these efforts are likely to create a more favorable investment climate. Despite the short-term challenges, Bangladesh's capital market still presents attractive investment opportunities, and investors who exercise caution and seek professional advice may benefit from the country's potential for growth and development.

The Bangladesh Securities and Exchange Commission (BSEC) has been making continuous efforts to make the capital market more vibrant and attractive to investors. Recent initiatives introduced by BSEC include the trading of government bonds, the DSE-SME platform for small and medium-sized enterprises, and the Alternative Trading Board (ATB). The ATB allows both institutional and individual investors to transact non-listed and de-listed securities. BSEC has also organized numerous roadshows to attract foreign investors and promote the country's capital market. These efforts demonstrate BSEC's commitment to developing a dynamic and robust capital market in Bangladesh and present new opportunities for investors looking to invest in the country's growing economy.

Considering all the factors, Bangladesh is to enjoy significant growth, and some of the listed sectors and companies within are likely to be beneficiaries of this growth, as well. In this backdrop, this is perhaps a more appropriate time to invest in the leading growth potential sectors/industries of Bangladesh.

2.3 Advantages of Investing in ICL INCTL Shariah Fund

Following are the advantages the investors of ICL INCTL Shariah Fund will enjoy:

- I. **Shariah-compliant (Halal) investment:** The fund is designed for investors who want to invest in Shariah-compliant securities. The fund invests in companies that operate in compliance with the principles of Shariah, which prohibits investment in certain sectors like alcohol, tobacco, gambling, and interest-based financial services. The Fund's activities are overseen by an independent Shariah Supervisory Board made up of Islamic scholars.
- II. **Corporate Governance:** Under all circumstances, ICL will ensure proper compliance with the BSEC (Mutual Fund) Regulations, 2001 ensuring that all relevant information of the fund shall be properly disclosed to BSEC, Trustee, and Custodian.
- III. **Research Driven Investment:** Impress Capital Limited has a dedicated team that continuously analyzes local & global economic indicators and conducts sector-specific analysis. Based on economic and sector outlook, the team identifies companies that are undervalued, fundamentally sound, and growing with an optimistic outlook which helps the investment managers to identify potential investment opportunities.
- IV. **Diversified Portfolio:** The seasoned industry professionals of the team build an efficiently diversified portfolio by diversifying across the sectors and within the companies based on in-depth research by investment analysts. Therefore, the result of thorough research and a diversified portfolio is likely to be an opportunity for investors to enjoy the benefits of professional investment management.
- V. **Research Coverage:** The Research Team of ICL conducts spontaneous research on a regular basis on individual scripts on which investments are made from the fund taking into consideration any policies which might affect the economy, any significant industrial movement and to be specific any policies which might directly impact any companies on which investments are made. Accordingly, the investment management team with due approval from the Investment Committee allocates the assets of the fund to optimize the portfolio.
- VI. **IPO Quota:** Mutual Funds shall enjoy a 5% quota on public issues under the BSEC (Public Issue) Rules, 2015. The investors of the fund shall enjoy the benefit of participating in the IPO as the Initial Public Offering (IPO) in Bangladesh has historically performed very well.
- VII. **Re-investment Opportunities:** The fund shall offer a minimum of 50% of annual realized profit as cash dividends on a regular basis.
- VIII. **Flexibility in Investment:** In an open-end unit fund, investors have the full discretion to invest and withdraw funds as and when deemed appropriate. So, an investor may invest a lump sum at one period and withdraw the funds after a certain interval (e.g. 3-5 Years). At the same time, other investors can choose to invest small amounts on a monthly/quarterly basis just like the DPS scheme of banks, and later withdraw a bigger sum. All in all, such open-end funds give individuals complete flexibility to structure their investment, repurchase, and withdrawal plan based on their own needs.

IX. Tax Advantages: The 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 Income Tax Act 2023:

(a) Tax advantage on Income:

Tax on capital gain is fully exempted for individual investors for investment in the mutual fund according to SRO No. 196/আইন/আয়কর/২০১৫.

(b) Investment Tax Credit:

Investment in the Mutual Fund will qualify for investment tax credit up to BDT 500,000 according to the section 78 under Income Tax Act, 2023.

According to Section 78 under Income Tax Act 2023, the maximum investment tax credit will be 3% of total income or 15% of actual allowable investment and Taka 1,000,000 whichever is lower.

Therefore, Individual can avail tax credit up to BDT 75,000 ($500,000 \times 15\%$) on investing in Mutual Fund.

CHAPTER 3: THE FUND

3.1 Formation of the Fund

The trust deed of the Fund was entered between Impress-Newtex CompositeTextiles Limited, the Sponsor, and Bangladesh General Insurance Company Limited, the Trustee on March 14, 2023. The trust deed of the Fund was subsequently registered under the Trust Act, 1882 and Registration Act, 1908. The Fund was registered by Bangladesh Securities and Exchange Commission on April 02, 2023, under the সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১.

3.2 Tenure of the Fund

The Fund will be an Open-end Mutual Fund (Shariah Compliant) with a perpetual life. Institutional (local & foreign), and individual (resident & non-resident) investors are eligible to invest in this Fund.

3.3 Size, Face Value and Denomination

The initial target size of the Fund will be BDT 250,000,000 (Two Hundred Fifty million) divided into 25,000,000 (Twenty-Five million) units of BDT 10 (Ten) each. Size of the Fund will be increased from time to time by the Asset Manager subject to approval of the Trustee and with due intimation to the BSEC.

Face value of each unit will be BDT 10 (Ten) only. Initially, unit holder 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 100 (One hundred) units for individuals and 10,000 (Ten thousand) units for institutions.

3.4 Investment Objective

The objective of the Fund is to sustainably grow the net asset value of the Fund and to generate regular income which would be substantial for the investors by investing in shariah compliant asset classes only. The Fund will invest in shariah compliant equity securities, bonds, initial public offerings (IPO), quasi-equity securities, debt securities and shariah compliant money market instruments and deposits.

3.5 Scope of Investments

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

Securities listed with a stock exchange.

- i. Money market instruments including government securities.
- ii. Privately placed bonds, debentures and pre-IPO capital of entities with explicit plan to be listed with a stock exchange within two years from the date of the investments.
- iii. Securitized debt instruments, which are either asset backed, or mortgage-backed securities.
- iv. Open-end mutual funds approved by the Commission.
- v. Any other instruments approved by the BSEC from time to time.

3.6 Investment Policies

The details of the investment policies are as follows:

- The Fund shall invest subject to the বিধিমালা 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 duly approved by Shariah Advisory Board.
- Not more than 80% of total assets of the Fund shall be invested in capital market instruments. Of this, at least 50% shall be invested in listed securities that are actively trading in stock exchanges. Investments in Government Securities shall not be considered as an exposure to capital market instruments.
- Not less than 20% (twenty percent) of the total asset of the Fund shall be invested in Shariah Compliant debt securities including government or government-backed securities, money market receipts or deposits and corporate sukuk or bonds.
- Non-listed securities that are “investment grade” and enjoy “very strong” credit rating by a licensed credit rating agency are eligible for investment under the mutual fund. The Fund can invest in investment grade unlisted securities only after prior approval of the commission.
- The Fund shall get the securities purchased or transferred in the name of the Fund.
- Only the Asset Management Company will make the investment decisions and place orders for securities to be purchased or sold for the Scheme's portfolio.

3.7 Investment Liquidity

- All money collected under the Fund shall be invested only in Shariah Compliant encashable/transferable instruments, securities either in money market or capital market or privately placed Pre-IPO equity shares, IPOs, preference shares, debentures or securitized debts. The Fund shall get the securities purchased or transferred in the name of the Fund.

3.8 Investment Restriction

- A mutual fund shall not, under any circumstance, trade in units of mutual funds, schemes of mutual funds, under the control of the same Asset Management Company.
- No Asset Management Company shall, for the purpose of inducing, dissuading, effecting, preventing, or in any manner influencing or framing to its advantage, the sale or purchase of any security, directly or indirectly,
 - a) create a false and misleading appearance of active trading in any security.
 - b) effect any transaction in securities between mutual funds under the control of an Asset Management Company.
 - c) directly or indirectly effect a series of transactions in any security creating the appearance of actively trading therein or of raising of price for the purpose inducing its purchase by others or depressing its price for the purpose of inducing its sale by others.
- Not more than 10% of the total assets of the fund shall be invested in non-listed securities at any particular date. In case of investment in non-listed corporate bonds or pre-IPO capital, the asset manager shall obtain prior approval of the Commission.
- The fund shall not invest in more than 10% of paid-up capital (or other securities such as bond or debenture) issued by any company.
- The Fund shall not invest more than 10% of its total assets in shares, debentures or other securities of a single company or a group of companies under the control of a parent company.
- This condition shall not be applicable in case of investment in Government Securities.

- The Fund shall not invest more than 30% of its total assets in shares, debentures or other securities in any one industry.
- The Fund shall not invest in, or lend to, any scheme under the same Asset Management Company.
- 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.
- 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.
- The Fund shall buy and sell securities on the basis of deliveries and shall, in all cases of purchases, take delivery of securities and in all cases of sale, deliver the securities on the respective settlement dates as per the custom and practice of the stock exchanges and shall in no case put itself in a position whereby it has to make short sale or carry forward transaction.
- The Fund shall not involve in option trading or short selling or carry forward transaction.
- The Fund shall not buy its own unit.

3.9 Investment Decision

Only the Asset Management Company will make the investment decisions and place orders for securities to be purchased or sold for the Scheme's portfolio.

3.10 Shariah Screening Policies and Guidelines

Apart from the policies and restrictions outlined in section 3.5 and 3.7 of this document, the Fund will strictly follow the following Shariah based screening policies and guidelines as described below:

3.10.1 Business Activities Based Screening:

The basic business of the investee committee should be in consistence with the Shariah Law. Although no universal consensus exists among contemporary Shariah Scholars on the prohibition of companies, most Shariah Boards have advised against investment companies involved in the activities of:

1. Advertising and Media (exceptions: News Channels, Newspapers)
2. Alcohol
3. Embryonic or stem cell research and cloning
4. Conventional Banks, Insurance and Leasing/Finance Companies
5. Gambling
6. Pork
7. Pornography
8. Tobacco
9. Trading of gold and silver as cash on deferred basis

10. During the selection process, each company's audited report will be reviewed to ensure that the company is not involved in any Shariah non-compliant activity. Those that are found to be non-compliant will be screened out. The above industries are not considered Islamic and would not be appropriate for investment for observant Muslims.

3.10.2 Accounting Based Screening:

After removing companies with non-compliant business activities, the rest of the companies are examined for compliance in financial ratios, as certain ratios may violate compliance measurements. Three areas of focus are leverage, cash and share of revenues derived from non-compliant activities. All of these are subject to evaluation on an ongoing basis.

1. Leverage Compliance:
 - I. Debt to Total Market capitalization (36-month average) ratio < 33.0%
2. Cash Compliance:
 - I. Accounts receivables/market value of equity (36-month average) < 49%
 - II. (Cash & Interest-Bearing Securities)/Market value of Equity (36-month average) < 33%
3. Revenue Share from Non-Compliant Activities. In certain cases, revenues from non-compliant activities are permissible, if they comply with the following threshold:
 - I. (Non-permissible Income other than Interest Income)/Revenue < 5%

3.10.3 Other Shariah Compliant Instruments:

The Fund may also invest in other Shariah Compliant instruments as and when they are available for investment, specially:

Certificate of Participation, Mudaraba Term Certificates, Musharaka and Murabaha deposits and all other asset backed securities.

In contracts, securities or instruments of companies, organizations and establishments issued on the principles of Bai'Mu'ajjal, Bai' Salam, Istisna'a, Mudaraba, Bai-Murabaha and Musharaka.

In the form of Riba-free cash deposits (Mudaraba) with Islami Banks or Financial Institutions with the object of maintaining sufficient liquidity to meet the day to day requirement and to take advantage of suitable investment opportunities as and when they arise.

In other instruments that may be allowed by the বিধিমালা and confirmed as Shariah Compliant by the Shariah Advisory Board of the Fund from time to time.

3.11 Valuation Policy

As per section 58 of the সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১, the Fund shall fix the valuation method for the Scheme subject to the prior approval of the Commission. The investment valuation policy of the Fund will be as follows:

- I. For listed securities, the average quoted closing price on the stock exchanges on the date of valuation shall form basis of any calculation of Net Asset Value of such securities in the portfolio of the Fund.

- II. At initial recognition, an Asset Management Company shall measure a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Likewise, an AMC shall recognize the sale of a financial asset at net realized value, that is, the selling price net of transaction costs.
- III. The Asset Management Company shall recognize a financial asset or a financial liability in its statement of financial position when, and only when, the company becomes a party to the contractual provisions of the financial instrument. At initial recognition, a company shall measure a financial asset or a financial liability at its fair value plus (or minus) transaction costs that are directly attributable to the acquisition (or issue) of the financial asset or financial liability.
- IV. After initial recognition of a financial asset, an Asset Management Company shall classify, subject to the approval of the Commission, the financial asset as subsequently measured at fair value through profit or loss, fair value through other comprehensive income, or amortized cost on the basis of both:
 - a) the company's business model for managing financial assets and
 - b) the contractual cash flow characteristics of the financial assets.
- V. An AMC shall have the option, at initial recognition, to irrevocably designate a financial asset and a financial liability to be measured at fair value through profit or loss.
- VI. After initial recognition, that is, at subsequent balance sheet dates, an AMC shall measure a financial asset at fair value through profit or loss, fair value through other comprehensive income or amortized costs and in compliance with provisions of IFRS.
- VII. After initial recognition of a financial liability, an AMC shall classify and measure, subject to the approval of the Commission, all financial liabilities at fair value through profit or loss, or amortized costs and comply with provisions of IFRS. An AMC shall have the option, at initial recognition, to irrevocably designate a financial liability to be measured at fair value through profit or loss.
- VIII. A gain or loss on a financial asset or financial liability that is measured at fair value shall be recognized in profit or loss unless:
 - a) It is an investment in an equity instrument and the AMC has elected to present gains and losses on that investment in other comprehensive income.
 - b) It is a financial asset measured at fair value through other comprehensive income.
 - c) It is a financial liability designated as at fair value through profit or loss but the entity is required to present the effects of changes in the liability's credit risk in other comprehensive income. In that case, the remainder amount of change in the fair value shall be presented in profit or loss.
- IX. At initial recognition, an AMC may elect to present in other comprehensive income subsequent changes in the fair value of an investment in an equity instrument which is not held for trading. The AMC shall however recognize in profit or loss any dividends from investments in equity instruments that are not held for trading.
- X. A gain or loss on a financial asset measured at fair value through other comprehensive income shall be recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains or losses.
- XI. Adequate disclosure shall be made regarding the valuation of investment in securities and other financial instruments in both the interim and annual financial statements. Trustee shall not approve any financial statements without adequate disclosure of accounting policies as to the fair valuation of investments in securities.

- XII. The excess of fair value over cost of investments in securities, if true in aggregate, shall be reported as an 'other comprehensive income' in the Statement of Profit or Loss or Other Comprehensive Income and not be a part of earnings for the period.
- XIII. An independent external auditor shall give opinions as to the fair value of investments in securities and/or financial instruments of the Fund. The external auditor shall specifically comment on assumptions and inputs used for the valuation of investments in unlisted securities of the Fund.

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

- I. After the initial recognition of a financial asset, an Asset Management Company shall make provision for diminution in the fair value of investments in securities of a mutual fund whenever the fair value of a security is less than its acquisition cost. At subsequent balance sheet dates, if the fair value of the financial asset further decreases, a new provision to that extent shall accrue with respect to that particular financial asset. On the other hand, if the fair value rises since the previous balance sheet date but remains below the acquisition costs of the financial asset, a reversal of past provision to the extent of the rise shall be made and added to the earnings for the period of the Fund.
- II. Investments in financial assets shall be reported at fair value, not at acquisition costs, in the statement of financial position of a mutual Fund.
- III. If the fair value of investments in a security exceeds the acquisition cost, the excess of the fair value over the acquisition cost shall be recognized as 'other comprehensive income,' not to be offset against aggregate provision for diminution in the fair value of investments in other securities.
- IV. Other comprehensive income shall be reported as a part of the unit holders' equity of the Mutual Fund.
- V. Any financial asset, which is not actively trading in any organized stock exchange, shall be classified as a "Non-performing financial asset" if the issuer of the security fails to pay a return, either a dividend or an interest income, to the Asset Management Company in consecutive two financial years.
- VI. The fair value of a 'non-performing financial asset shall be done following International Financial Reporting Standards (IFRS), supplemented by a full disclosure of inputs and methods of the valuation, and be subject to the approval of the Trustee of the Fund.
- VII. The external auditor shall comment on the fair valuation of investments in financial assets which are either unlisted or not actively trading in a stock exchange and on the quality of accompanying disclosure on investments in financial assets.

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

- 3.13.1 An Asset Management Company shall calculate Net Asset Value (NAV) per unit of a mutual fund at fair value on a weekly basis and be disclosed in the manner specified by the Commission.
- 3.13.2 The Net Asset Value of a Fund shall be equal to the fair value of identifiable assets minus the fair value of liabilities of the Fund. Net asset Value per unit shall be calculated by dividing the Net Asset Value by units outstanding of the Fund at the measurement date.
- 3.13.3 An asset is identifiable if it either:
- a) is separable, i.e. capable of being separated or divided from the entity, or sold, transferred, licensed, rented, or exchanged, either individually or together with a related contract, identifiable asset or liability, regardless of whether the entity intends to do so; or
 - b) arises from contractual or other rights, regardless of whether those rights are transferable or separable from the entity or from other rights and obligations.
- 3.13.4 Identifiable assets may include intangibles including monetary assets without physical substance but shall exclude fictitious assets such as unamortized issue costs, preliminary costs, and/or advances, deposits and prepayments which embody no future economic benefits and cash flows to the company.
- 3.13.5 Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement shall be done for a particular asset or liability. A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or in the absence of the principal market, in the most advantageous market for the asset or liability.
- 3.13.6 In order to do fair valuation of assets and liabilities of a Fund, the Asset Management Company shall strictly comply with accounting recognition and measurement principles and disclosure provisions of International Financial Reporting Standards (IFRS) particularly including that of IFRS 13 (Fair Value Measurement).

3.14 Measurement of Earnings and Payment of Dividends

- I. Net income for a financial period of a mutual fund shall be measured following International Financial Reporting Standards (IFRS) and after incorporating all valid income, eligible expenses as well as provision for diminution in the fair value of investments in securities and other financial assets.
- II. Trustee shall examine every item of expenses of a mutual fund and determine their eligibility to be a valid charge against income of the Fund.
- III. Adequate disclosure shall be made with respect to provision (or reversal of provision) for diminution (or appreciation) in fair value of investments in securities. The excess of fair value over cost of investments in securities, if true in aggregate, shall be reported as an 'other comprehensive income' in the Statement of Profit or Loss or Other Comprehensive Income and not be a part of earnings for the period.

- IV. Other comprehensive income shall be reported as a separate line item under the unit holders' equity and not be aggregated with any other reserve(s).
- V. A mutual fund shall make a full disclosure of the provision for diminution in fair value of investments in the statement of changes in unit holders' equity specifically showing changes in the provision account during the period.
- VI. The Fund shall not issue reinvestment unit (RIU) under any circumstance, other than under any Cumulative Investment Plan (CIP)
- VII. Dividend shall never be paid out of other comprehensive income and/or unrealized capital gains
- VIII. Without violating provisions of this Directive, a mutual fund may create a dividend equalization reserve in order to stabilize payments of dividends in future.

3.15 Net Asset Value (NAV) Calculation

The Fund intends to determine its NAV per unit on the last business day of each week by dividing the value of the net asset of the Fund (the value of total assets less total liabilities as per Rule 60 of the সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১) by the total number of outstanding units. The Fund will use the following formula to derive NAV per unit:

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

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

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

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

3.16 Classification of Income and Expenses:

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

3.17 Limitation of Expenses

- I. All expenses should be clearly identified and appropriate to the Fund.
- II. The initial issue cost of a mutual fund, or any scheme of a mutual fund, shall not exceed 3% of capital actually raised under the Fund or the scheme of the Fund.
- III. Total operating expense, excluding amortization of initial issue costs and provision for diminution in the fair value of investments, of a mutual fund, a scheme of a fund, shall not exceed 4 (four) percent of net asset value (NAV) at fair value of the Fund.
- IV. The Asset Management Company may charge Fund for Investment Management and Advisory fees;
- V. An Asset Management Company shall amortize the initial issue costs of the Fund within a maximum period of five (05) years. In case of availability of profits, an AMC can amortize the initial issue expense over a shorter period than five years.
- VI. An Asset Management Company shall be entitled to asset management fees which will be calculated once a week on the basis of net asset value (NAV) at fair value of a mutual fund at the end of each quarter of a financial year and according to rates as per the Rules.
- VII. Asset management fees shall be payable on quarterly basis.
- VIII. An Asset Management Company shall also be eligible to charge the following additional expenses against a mutual fund in addition to the asset management fees as defined in Rule 65(2):
 - 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) Other expenses applicable to the Mutual Fund.
- IX. The expenses referred to herein above and any other fees payable or reimbursable to the Asset Management Company or the Trustee shall be charged to the Open-End Mutual Fund.
- X. In addition to the fees mentioned here-in-above, the Asset Management Company shall charge the Schemes of the Mutual Fund with the following recurring expenses, namely:
 - a) Bank charges
 - b) Annual fees payable to the Commission as per Rule (11).
 - c) CDBL Fees.
 - d) Listing fees.
 - e) Audit Fees.
 - f) Costs for publication of reports and periodicals specifically related to the Fund.
 - g) Distribution and publicity costs
 - h) Valid expense for organizing a unit holders' meeting in compliance with the Mutual Fund Rules 2001.
- XI. For an open-end mutual fund, no selling/marketing expense shall be applicable for the issue of new units to investors.
- XII. Legal expenses of an Asset Management Company shall not be a charge against income of a Mutual Fund.

- XIII. An Asset Management Company shall not charge transaction costs (including brokerage commission) as an expense in the statement of profit or loss and other comprehensive income.

3.18 Price Fixation Policy

After completion of initial subscription, the Fund will be opened to the investors for regular buy/sale of units. The date of re-opening shall be declared by the Asset Manager upon approval of the Trustee and with due intimation to the BSEC.

The Asset Management Company shall disclose selling price and repurchase price (surrender value) per unit of the Fund to be calculated based on the fair valued Net Asset Value (NAV) per unit and duly published the information in its website at the end of each week. The difference between the selling price and repurchase/surrender price shall not exceed 1% of the fair valued NAV per unit of the Fund.

3.19 Sale and Repurchase Procedure

- I. The units of ICL INCTL SHARIAH FUND may be bought/surrendered through Impress Capital Limited and authorized selling agents appointed by the Asset Manager from time to time and any other procedure as prescribed by the Asset Manager. Surrender of units is allowed only through Impress Capital Limited or the selling agent from which the units were originally purchased.
- II. Minimum purchase amount during public subscription is:
 - a. For individual investors: BDT 1,000 (One thousand)
 - b. For institutional investors: BDT 100,000 (One hundred thousand)The minimum subscription amount for the individual or institution may change in the future upon due approval from the trustee.
- III. Application for purchase of units should be accompanied by an account payee cheque/pay order/bank draft in favor of "ICL INCTL SHARIAH FUND" for the total value of units.
- IV. Partial surrender (fraction of total units held under a unit allocation confirmation) is allowed without any additional cost subject to minimum surrender quantity is 100 (One hundred) units for individuals and 10,000 (Ten Thousand) units for institutions. Upon partial surrender, the unit holder will be issued with a new confirmation of unit allocation representing the balance of his/her/ its unit holding.
- V. All payments/receipts in connection with or arising out of transactions in the units shall be in Bangladeshi Taka.
- VI. After receiving the surrender application form at the AMC's office, the client will be paid within 5 (five) working days through account payee cheque/BEFTN upon client's request.
- VII. The redemption (or repurchase) of units of the Fund or the Scheme of the Fund shall be made on first come first serve basis. In the event of the redemption request on a particular day exceeding 5% of the total units outstanding, the Asset Management Company may defer, if required, the redemption request over 5% for a maximum period of 3 (three) working days. Provided that redemption in excess of 5% of total units outstanding shall also be done at repurchase price of the day when redemption requests were actually submitted to the asset manager.

3.20 Lock-in for Sponsor's Contribution

As per সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১, confirmation of unit allocation of the sponsor's contribution shall be subject to a lock-in for a period of one year from the date of formation of the Fund and then 1/10th of the Sponsor's contribution shall be subject to a lock-in period of full tenure of the Fund until liquidation.

3.21 Winding up Policy

3.21.1 Procedure of Winding Up

- I. If the total number of outstanding unit certificates held by the unit holders after repurchase at any point of time falls below 25% of the actual certificate issued, the Fund will be subject to wound up.
- II. The Fund may be wound up on the happening of any event, which, in the opinion of the Trustee with approval from the Commission, requires the Scheme to be wound up.
- III. The Scheme may also be wound up if the Commission so directs in the interest of the unit holders.
- IV. Where a Scheme is to be wound up in pursuance to the above, the Trustee and the Asset Management Company shall give simultaneously separate notice of the circumstances leading to the winding up of the Scheme to the Commission and if winding up is permitted by the Commission, shall publish in two national daily newspapers including a Bangla newspaper having circulation all over Bangladesh.

3.21.2 Manner of winding up

- I. The Trustee shall call a meeting within 30 days from the notice date of the unit holders of a Scheme to consider and pass necessary resolutions by three-fourth majority of the unit holders present and voting at the meeting for authorizing the Trustee to take steps for winding up of the Scheme. If it fails to have three-fourth majority mandate, the Commission shall have the power to supersede the mandate if situation demands such.
- II. The Trustee shall dispose off the assets of the Scheme of the Fund in the best interest of the unit holders.
- III. 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.
- IV. 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.

3.21.3 Effect of winding up

On and from the date of the notice of the winding up of the Fund, the Trustee or the Asset Management Company, as the case may be, shall:

- 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.

3.22 Borrowing Policy:

The Fund is not permitted to borrow to finance investments or to advance any term loan or guarantee any term loan for any purpose. However, if the BSEC withdraws or relaxes these restrictions, it may well opt for borrowing, if necessary, from any legal source at competitive rates.

3.23 Dividend Policy

- The accounting year of the Fund shall be July 01 to June 30 or as determined by the commission.
- The Fund shall distribute minimum 50%, or as may be determined by the বিধিমালা 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 or doubtful investments. The Fund may create a dividend equalization reserve by suitable appropriation from the income of the Scheme to ensure consistency in dividend disbursement for each year.
- Before declaration of dividend the Asset Management Company shall make a 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 the notes of accounts.
- Surpluses arising simply from the valuation of investments shall not be available for dividend.
- The Asset Management Company will dispatch the Dividend warrants, at the expense of the Fund, within 45 days from the declaration of such dividend and submit a statement within next 7 (seven) days to the Commission, Trustee and Custodian.
- Before registration for transfer of ownership, a transferee shall not possess the right to any dividend declared.
- There will be a Cumulative Investment Plan (CIP) scheme in this Unit Fund. Under this scheme, a unit holder, instead of receiving dividend may reinvest such accrued dividend income for purchasing Unit at a rate determined by Impress Capital Limited. The unit holders may change their dividend preference in future as per their need.

CHAPTER 4: RISK FACTORS

Investors should know that ICL INCTL SHARIAH FUND is not a guaranteed or assured return scheme, and the past performance of the 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.

The Fund invests in listed shariah compliant securities, (i.e. shariah compliant equities, Islamic bonds, sukuk, etc.), thus has moderate risk aversion level. Following are the risk associated with investing in Funds having exposure to listed shariah compliant equity securities:

4.1 Systematic Risk

Risks associated to the economy and market that can't be diversified are as follows:

- i. **Market Risk:** The price of shares may fall from the cost price, due to market and economy related factors.
- ii. **Interest Rate Risk:** The rise and fall of interest rate may change demand flow in capital market, hence may have positive or adverse impact.
- iii. **Regulatory Risk:** Changes in rules regarding fund management, and any regulatory issues related to the companies in the portfolio may expose the Fund to regulatory risks.
- iv. **Political Risk:** A radical adverse political change may impact the economy, capital market and businesses of the companies in the portfolio.

4.2 Unsystematic Risk

Sector and Company specific risks that can be diversified are as follows:

- I. **Business Risk:** The possibility a company will have lower than anticipated profits or experience a loss rather than taking a profit.
- II. **Financial Risk:** The Fund investing in equities of companies which may fail to meet its debt and interest payment obligations.
- III. **Credit Risk:** The Fund investing in equities of lending institutions (Banks and NBFIs) may possess some credit risk, as well.

By considering all the risks associated with investments, the Fund is managed through investment research and due diligence. The risk is managed and minimized through dynamic and long-term based investment management and asset allocation strategies.

4.3 Risk Control Mechanism of the Asset Manager

ICL INCTL SHARIAH FUND aims to generate better risk adjusted return for the investors through professional investment management of the Fund to generate both capital gain and dividend income. The Fund will invest dynamically in Shariah Compliant undervalued assets, so it is very important for the Fund manager to understand all the associated risks with the Shariah Compliant investment securities and establish proper control mechanisms to minimize those risks. ICL has engaged qualified investment professionals who have thorough knowledge about the downside risks of investment securities and would analyze all the publicly available data to discover the actual risk adjusted return of the securities. Apart from a well-qualified fund management team, there will be policies to check the investment risks.

- ICL's internal investment philosophy, which prioritizes good governance and adequate management capacity in case of investment decision, will immune the fund from investments in poorly governed investment securities.
- To minimize the risk of the Fund, the investment of the Fund will be managed professionally and prudently on a long-term basis.
- Every investment will be driven by thorough research and fundamental analysis.
- To minimize the downside risk of an investment, ICL would maintain proper margin of safety during investment.
- Liquidity risk will be addressed by properly assessing the ease of convertibility of the asset into cash.

THE MUTUAL FUND IS NOT GUARANTEEING OR ASSURING ANY RETURNS.

CHAPTER 5: FORMATION, MANAGEMENT & ADMINISTRATION

5.1 Sponsor of the Fund

Impress-Newtex Composite Textiles Limited (INCTL), started as Karnaphuli Knitting & Dyeing Limited (KKDL) on 13th June 1995 vide registration No.- C-28585 (2431)/95 under the Companies Act 1994 as a private company limited by shares. On 23rd November 2010, the name of the organization was changed to Impress-Newtex Composite Textiles Limited. The Company was converted into public company limited by shares on 12 April 2016 and converted the share price from Tk. 100 to Tk. 10 per share. INCTL exports readymade knit garments to various countries and finished fabrics to 100% export oriented knit garments industries. The main function of the Company is to produce gray knit fabric, dyeing, finishing and readymade knit garments. Impress Group acquired this company during 2009 to offer a one-stop solution to its buyers around the world, equipped with the most modern machinery and equipment of European origin. The company has installed Effluent Treatment Plant (ETP) to comply with buyers' requirements. The Company made exports of USD 85 million in FY 2020-21 and USD 150 million in FY 2021-22.

5.2 Trustee of The Fund

Bangladesh General Insurance Company Limited (BGIC), a general insurance company incorporated under the Companies Act 1994 and governed by the Insurance Act 2010. BGIC is a leading private sector first generation general insurance company so far engaged in insurance activities and is qualified and capable to act as the Trustee of a mutual fund. The company runs the business operation under the supervision of Board of Director and legal framework of the insurance Act, 2010 and the insurance rules, as issued from time to time. BGIC is listed with both Dhaka and Chittagong Stock Exchanges. BGIC obtained registration as Trustee from the BSEC on July 08, 2009.

5.2.1 Trustee Committee

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

Chairman-BGIC Limited	Member
Managing Director & CEO- BGIC Limited	Member
Financial Consultant- BGIC Limited	Member
Advisor- BGIC Limited	Member
Deputy Managing Director- BGIC Limited	Member

5.3 Custodian of the Fund

BRAC Bank Limited (BBL) is the Custodian of the Fund. BBL, operating in Bangladesh since 2001, is one of the fastest growing private commercial banks of the country with 187 branches and 450 SME Units. BBL provides personal banking, trade financing, SME, retail and corporate credit, lease financing, project financing, issuing debt and credit cards, SMS banking, internet banking, phone banking, call center, remittance facilities, dealing in government securities, custodial services etc. BBL is the fastest

growing Custodian bank in the country having a dedicated Custodial Services Department. BRAC Bank Limited obtained registration as Custodian from the BSEC on December 15, 2009.

5.4 Shariah Advisory Board

Shariah Advisory Board means an institution or a body, having knowledge of Islamic Law to supervise and monitor the activities of the Fund and to certify that all its activities comply with Shariah Law. The duties and responsibilities of Shariah Advisory Board are as follows:

- I. Advising the Asset Manager on matters relating to preparation of guidelines for selection/screening of acceptable Companies/Instruments as per Shariah Law
- II. Recommending general investment guidelines consistent with Shariah Law
- III. Approving the halal income, identifying/segregating doubtful or impure or haram income and recommending distribution of those income to the charitable or other institutions as per Shariah Principle
- IV. Issuing certificates to the effect that the investment has been following Shariah Law at the end of each accounting year.
- V. The decision given by the Shariah Advisory Committee on the matter related to Shariah Law should be acceptable to the Trustee, Asset Manager, the Unit Holders and other related parties.
- VI. Trustee will determine the remuneration of Shariah Advisory Board members from time to time.

The Shariah Advisory Board of ICL INCTL Shariah Fund includes the following members:

Name	Particulars
Dr. Md. Anwar Hosain Molla	Chairman, Shariah Supervisory Committee. The City Bank Limited.
Md. Fariduddin Ahmed	Chairman, Shariah Supervisory Committee. ICB Islamic Bank Limited. Former Managing Director & CEO-Islami Bank Bangladesh Limited and Export Import Bank of Bangladesh Limited
Dr. Md. Mahabbat Hossain	Associate Professor, Bangladesh Institute of Bank Management (BIBM)
Md. Abdullah Sharif	Secretary General Central Shariah Board for Islamic Banks of Bangladesh
Arastoo Khan	Managing Director & CEO, Impress Capital Limited Former Secretary of the Government Former Chairman, Islami Bank Bangladesh Limited

5.5 Asset Manager of the Fund

Impress Capital Limited (ICL), the wealth management arm of Impress Group and third generation wealth management company, was incorporated as a private limited company on June 11, 2014, under the Company's Act, 1994 with the vision "To be the most respected and trusted wealth management institution of Bangladesh".

As a wealth management company, ICL's principal activities are primary investment management, secondary investment management and providing advisory services. Apart from this, the company has its own equity investment. Bangladesh Securities and Exchange Commission (BSEC) thereafter issued an asset management license in favor of ICL effective from February 02, 2015 and registration certificate to act as the fund manager to Alternative Investment Funds on August 03, 2017. The company is presently operating with an authorized capital of BDT 500 million and paid-up capital of BDT 110 million. At present ICL is managing three open-end Mutual Funds, named ICL Balanced Fund, BCB ICL Growth Fund and Esquire ICL Apparel Fund, the asset under management is approximately BDT 850 million.

5.6 Investment Management Process

The fund will subscribe to the DSEX Shariah Index (DSES) or any other rigorous Shariah-based index which will provide the list of Shariah-compliant securities where the fund may invest. The Shariah Advisory Board (SAB) will confirm that all the investments of the fund are made in accordance with the Shariah law. The SAB will also oversee the dividend purification process and ensure full compliance with relevant Shariah rules and accordingly will issue a certificate in this regard, vetting the Shariah compliance of the fund.

The investment research team will conduct an in-depth analysis of economic conditions and monitor global and local economic indicators. Based on that analysis, the team will select sectors with the highest potential and forecast the business potential of the companies within those sectors. The investment analysis process will employ standard valuation methods to determine the fair value of the securities.

The investment management team will build an optimized investment portfolio based on the fund's investment policy, capital market expectations, and the prevailing capital market situation. The Chief Investment Officer (CIO) will evaluate investment opportunities recommended by the investment analysts and will take decisions. The investment decisions will be subject to final approval by the Investment Committee (IC). The IC will comprise the Managing Director, Chief Investment Officer, and a representative from the investment research team and operation team, who will meet periodically to formulate a broad investment strategy and review the portfolio's performance.

The IC will be responsible for ensuring that investments comply with internal and regulatory guidelines, scheme investment objectives, and the best interests of unit holders. The ICL INCTL Shariah Fund's ethical and Shariah-compliant investment practices will ensure a robust and compliant investment opportunity for investors.

5.7 Board of Directors of ICL

REAZ AHMED KHAN

Chairman

Reaz Ahmed Khan, a successful entrepreneur, and founding member of the multifaceted Impress Group, ventures projects with the same innovative vision, and passionate drive that gave birth to the prosperous conglomerate. With an abundance of priceless experience, and a finger always on the pulse of untapped potential, Mr. Khan is prepared to join hands with those who wish to flourish and contribute to humanity. Mr. Khan, a visionary entrepreneur, and a dynamic leader, is proactively involved in a diverse range of businesses including textile, readymade garments, media, pharmaceuticals, construction, capital market including alternative investment, etc. He is the 'architect', specialized in business reform and transformation by capitalizing people power along with market demand.

ABDUR RASHID MAJUMDER

Director

Abdur Rashid Majumder, a visionary entrepreneur and active leader, is the founding Chairman of Impress Group and one of the founding Director of Impress Capital Limited. He is proactively involved in a diverse range of businesses including textile, readymade garments, media, pharmaceuticals, construction and capital market including alternative investments.

ABDUL MUQEED MAJUMDAR

Director

Abdul Muqeed Majumder, is a successful businessman with a long history of corporate achievement in diverse industries of Bangladesh and abroad. Mr. Majumdar completed his secondary and higher secondary education in Bangladesh, Graduation and Post-graduation in the UK, and the USA. In 1984, he came back to Bangladesh and started his professional career as a Director of Impress Group (IG). Since then, with his charismatic leadership, IG's continuous development has made it one of the leading group of companies in the country.

ZAHIRUDDIN MAHMUD

Director

Zahiruddin Mahmud, a far-sighted entrepreneur and dynamic leader, is one of the founders of Impress Group and founding Director of Impress Capital Limited. Mr. Mahmud is proactively involved in a varied range of businesses including textile, readymade garments, media, pharmaceuticals, construction and capital market including alternative investments. He took the role of Group Finance Director and was involved in all the strategic financial decisions of the Group. In addition, he acts as the Managing Director of Impress Fashions Limited and Impress Aviation Limited.

5.8 Management of ICL

ARASTOO KHAN Managing Director & CEO

Mr. Arastoo Khan joined as the Managing Director and CEO of Impress Capital Limited (ICL). He is also the Chair of the Advisory Board for Build Bangladesh under Impress Group. Mr. Khan, a Harvard Graduate belongs to Bangladesh Civil Service 1982 batch. Before assuming his current roles, Mr. Khan was a Member of the Planning Commission, Ministry of Planning, and Secretary to the Government. He was Chairman of Islami Bank Bangladesh Limited, Bangladesh Commerce Bank Limited, and also Acting Chairman of Agrani Bank Limited. He served for 5 years as Additional Secretary at the Economic Relations Division (ERD), under the Ministry of Finance.

He spent around 10 years in Finance Division, serving as the Deputy Secretary, Joint Secretary and Additional Secretary. He was responsible for formulating the National Budget of Bangladesh for over 8 years and was responsible for all International Development Association (IDA) credit support to Bangladesh along with major interventions in water, power, education, and local government sectors.

MD. SHIFUL ISLAM Chief Investment Officer

Md. Shiful Islam is a passionate wealth management professional in the local industry. Over his last fourteen years of assignments, he was responsible as Chief Investment Officer, Head of Research, Investment Consultant, Research/Investment Analyst and Project Analyst with Ekush Wealth Management Limited, Impress Capital Limited (Impress Group), IDLC Investments Limited, Peninsula Asset Management Limited, IDLC Finance Limited, Lanka Bangla Securities Limited, IIDFC Limited and Digital Architects Limited (IIMI). His vision is to combine wealth management with public welfare for a "Greater Good". Mr. Islam has completed B.B.A from Finance Department of Faculty of Business Studies, University of Dhaka and C.C.N.A from BUET. He is also pursuing CFA program and passed CFA Level II.

MS. NILANJANA RAHMAN Head of Finance & Operations

Ms. Nilanjana Rahman joined Impress Capital Limited (ICL) in 2016 and has demonstrated exceptional competence and dedication throughout her tenure. With her expertise and proven track record, she has steadily advanced within the organization, assuming the role of Head of Finance & Operations. Ms. Rahman oversees critical aspects of the company's financial management and operational efficiency. Her responsibilities include financial planning, budgeting, reporting, compliance, risk management, and overall operational excellence. She collaborates closely with cross-functional teams, including finance, operations, and executive leadership, to drive strategic initiatives and ensure the Company's financial health. Ms. Nilanjana Rahman completed her Bachelor of Business Administration (BBA) from Ahsanullah University of Science and Technology. Afterward, she pursued her Master of Business Administration (MBA) from the University of Dhaka, further enhancing her knowledge and skills in the field of finance and business management.

MR. MUMITUL ISLAM**Deputy Investment Manager, Investment & Research**

Mr. Mumitul Islam has been a part of ICL since October 2018, starting as a Management Trainee. He possesses almost six years of experience in Bangladesh's investment management industry and is skilled in investment research, financial modeling, and portfolio management. Before joining ICL, he worked as a Research Analyst at International Leasing Securities Limited, where he was involved in equity research activities. Mr. Mumitul Islam holds a Bachelor of Business Administration degree, with a major in finance, from North South University. He is also pursuing the Chartered Financial Analyst (CFA) Program offered by the CFA Institute and has already passed Level I of the program in 2021.

MR. MD. YOUSUF ALI**Assistant Investment Manager, Investment & Research**

Mr. Ali is associated with the Investment & Research Department of Impress Capital Limited. He has more than 4 years of experience in financial analysis, investment research, and portfolio management. Having an extensive understanding of the designated businesses in the consumer, power, banking, and telecommunication sector, Mr. Ali is well-equipped to facilitate the investment decisions made by the Chief Investment Officer. Mr. Ali passed the CFA Level II exam in 2023. He also attained his Bachelor of Business Administration degree from the Department of Finance, Faculty of Business Studies, University of Dhaka.

MR. ASHIQ-UR RAHMAN**Assistant Manager, IT**

Mr. Ashiq-ur Rahman is a skilled Assistant Manager of IT at Impress Capital Limited, with over three years of experience in the organization. He is responsible for overseeing and managing the organization's technology infrastructure, ensuring its smooth functioning and driving IT strategies. Mr. Rahman is an expert in software development, database management, and system administration, and has played a crucial role in developing and implementing Impress Capital's IT solutions. He holds a Bachelor of Science degree in Electrical and Electronic Engineering from BRAC University and has previous experience as an Assistant Engineer in Summit Communications Limited.

MR. SUMON PAUL ACA**Assistant Manager, Finance & Operations**

Mr. Sumon Paul is the Assistant Manager of Impress Capital Limited (ICL). Prior to joining ICL, Mr. Paul worked at Hussain Farhad & Co, Chartered Accountancy in his CA articleship. He is an associate member of Chartered Accountant of the Institute of Chartered Accountants of Bangladesh (ICAB). He has more than 5 years of experience in the field of accounting, auditing, financial analysis, legal compliances, and taxation. He has intensive knowledge of Financial Reporting and Compliance issues.

MS. MAKSUDA AKTER**Executive, Finance & Operations**

Ms. Maksuda Akter is a finance professional who currently serves as an executive in Finance & Operations at Impress Capital Limited. With a strong academic background Maksuda completed both her bachelor's and master's degrees major in Finance from University of Dhaka. Her strong analytical skills and attention to detail have helped the company make informed decisions and her ability to work collaboratively with teams to achieve organizational objectives.

5.9 Fees & 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 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 costs, registration expenses and fees due to the BSEC. The Fund shall also bear all the other incidental expenses including printing, publication and stationery relating to its smooth and fair operation. Major expenses of the Fund are detailed as follows:

5.9.1 Issue and Formation Expenses

Initial issue and formation expenses are estimated not to be over 3 (Three) per cent of the collected Fund size. The issue and formation expenses will be amortized within 5 (Five) years on a straight-line method. The estimated expenses for the issue and formation of the Fund are presented below:

Estimated Issue and Formation Expense					
SL	Type of expenses	Percentage of total target fund	Total Amount (BDT)	Sub Total/ Details	Description
1	Formation Fee payable to AMC	1.00%	2,500,000	Set fee	Formation fee payable to AMC on collected fund of the approved fund size
2	Management fee for pre-scheme formation period	0.07%	184,929	On scheme	Management fee of the Asset Manager for pre- formation period (Approximated) as per BSEC Directive No.: SEC/CMRRCD/2009 – 193/160 dated 28 May 2014
3	Legal & Compliance related expenses	0.28%	689,340		
				100,000	BSEC application fee
				500,000	BSEC registration fee
				3,340	Trust Deed Registration Expense -Govt. Fees
				37,500	CDBL Fees: Dematerialization Fee (25,000,000 Units X BDT 10 X 0.00015)
				40,000	CDBL Annual Fee
				6,000	CDBL Connection Fee
				2,500	CDBL Documentation Fee
4	DSES Index Fee	0.20%	500,000		DSES Index Subscription Fee
5	Printing & Publication	0.28%	700,000		
				400,000	Publication of abridge version of prospectus and notification of subscription
				300,000	Printing of Prospectus & Application Form
6	Others	0.006%	15,000		Trustee application processing fees
	TOTAL	1.84%	4,589,269		

*The above costs are made in best estimates, which may vary in actual. The trustee shall approve the formation expenditure and they will inform BSEC within 15 days of such formation meeting.

5.9.2 Management Fee

As per the সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১, management fee to the Asset Management Company will be accrued and payable quarterly or as determined or consented by the Commission from time to time on the following manner:

Weekly Average NAV at Fair Value	Applicable Fee
Less than or equal to BDT 50,000,000	2.50%
From BDT 50,000,001 Up to 250,000,000	2.00%
From BDT 250,000,001 Up to 500,000,000	1.50%
Above BDT 500,000,000	1.00%

5.9.3 Trustee Fee

The Trustee shall be paid an annual Trusteeship fee not exceeding 0.10% of the Net Asset Value (NAV) of the Fund on a semi-annual in advance basis, during the life of the Fund.

5.9.4 Custodian Fee

The fee for custodian services shall not exceed 0.08% per annum of the fair value of securities (both listed and non-listed) held by the Fund, to be calculated and paid semiannually.

5.9.5 Fund Registration and Annual Fee

- i. The Fund has paid BDT 500,000 (Five Hundred Thousand) only to the Bangladesh Securities and Exchange Commission as registration fee. The fund has also incurred BDT 3,340 as Trust Deed Registration Fee. In addition, the Fund will have to pay @ 0.10% of the Fund value or BDT 100,000 (One Hundred Thousand), whichever is higher, as annual fee in terms of the সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১.
- ii. An Asset Management Company shall not be allowed to launch a new mutual fund, or a new scheme of a mutual fund, if it fails to pay annual fees as stipulated in the Sub-Rule (i).

5.9.6 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 0.25% - 1% on the face value of the total unit certificates sold, 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 অ্যান্ড এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১. The selling agent commission may change in future with prior approval from the Trustee.

5.9.7 Audit Fee

The audit fee will be BDT 40,000 (Forty Thousand) plus 15% VAT, for the first accounting year and the Trustee will fix fees for subsequent years.

5.9.8 CDBL Fee

The Fixed CDBL annual fee will be BDT 40,000 (Forty Thousand) & annual Central Depository System (CDS) connection fee will be BDT 6,000 (Six Thousand). The fees may vary as amended by the Commission from time to time.

5.9.9 Brokerage Commission

The fund will pay commission to the stockbroker @ 0.18% of the total transaction amount which may vary in future based on market practice.

5.9.10 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 as per clause 56, schedule 5(10) of সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১.

5.9.11 Amortization of Issue and Formation Expenses

The initial issue expenses in respect of the fund shall not exceed 3% (three percent) of the collected amount of the fund raised under the scheme and will be amortized within 5 (Five) years on a straight-line method as per clause 65 of সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১.

5.10 Auditor

Hussain Farhad & Co. Chartered Accountants has been appointed as the auditor of the Fund for the first year and panel member of Auditors nominated by Commission. Subsequent auditors of the fund shall be appointed by the Trustee.

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

6.1 Size of Issue

The initial size of the Fund shall be BDT 250,000,000 (Two Hundred Fifty Million) only divided into 25,000,000 (Twenty-Five million) units of BDT 10 (Ten) each which may be increased from time to time by the Asset Manager subject to approval of the Trustee with due intimation to the Commission till liquidation of the Fund. The initial distribution of the Fund's unit holding shall be as follows:

Subscriber	Number of Units	Face Value (BDT/Unit)	Amount (BDT)	Status
Sponsor: Impress-Newtex Composite Textiles Limited	25,00,000	10	25,000,000	Subscribed
General Investor	225,00,000	10	225,000,000	Yet to be subscribed
Total	25,000,000	10	250,000,000	

6.2 Sponsor's Subscription

Impress-Newtex Composite Textiles Limited, the sponsor, has already subscribed BDT 25,000,000 (Twenty-Five million) only worth of units equivalent to 2,500,000 (Two Million Five Hundred Thousand) of BDT 10 (Ten) each on March 14, 2023.

6.3 Public Subscription through IPO

Minimum 25% of the fund size shall be eligible for public subscription. The public subscription shall be open for forty-five days or for a period up to the achievement of the initial subscription amount.

6.4 Rights of the Unit Holders

6.4.1 Voting Rights

All the unit holders shall have usual voting rights. Voting right can be exercised in person or by proxy in a meeting held in connection with any proposal to amend the characteristics of the Fund or any other agenda of meeting called by the Trustee in the circumstances mentioned in the Trust Deed or the সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১. In case of show of hands, every unit holder present in person or/and by proxy shall have only one vote and on a poll, every unit holder present in person and/or by a proxy shall have one vote for every unit of which he/she is the holder.

6.4.2 Transfer of Units

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

6.4.3 Dividend

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

6.4.4 Periodic Disclosure

- i. The Fund, its asset manager, trustee, custodian and sponsor shall make such disclosures or submit such documents as may be called upon to do so by the Commission.
- ii. Without prejudice to the generality of the directions in the Sub-Rule (1) above, the Fund shall furnish to the Commission the following reports, namely.
 - a) A duly audited annual financial statements including statement of financial position, statement of profit or loss and other comprehensive income, statement of cash flows, statement of changes in unit holders' equity, and accompanying accounting policies and notes to the financial statements of the fund, and for each scheme of the Fund, once a year, within 03 (three) months from the end of the financial year.
 - b) Quarterly un-audited financial statements within 30 (thirty) days from the end of the quarter of the financial year; and
 - c) A monthly statement of portfolios, including changes therein from the previous period, for a mutual fund, or a scheme of a mutual fund, within seven (7) days from the end of the month.
 - d) For an open-end mutual fund, the Asset Management Company shall publish a monthly statement to the Commission, within 7 (seven) days from the end of the month, reporting new units sold, capital fund received, units repurchased, and capital redeemed for every business day of the month.
- iii. A mutual fund shall, before expiry of 07 (seven) days from the end of each quarter, disclose for all unit holders a complete statement of portfolios of the Fund, or a scheme of the Fund, in the prescribed form and shall upload the same on its website.
- iv. A mutual fund shall, within 30 (thirty) days from the end of a quarter, publish its un-audited quarterly financial statements on its website.

6.4.5 Accounts and Information

The Fund's financial year will be closed on June 30th every year or as determined by the Commission. Annual report or major head of income and expenditure account and balance sheet in line with schedule VI of the সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১ will be published within 45 (forty-five) days from the closure of each accounting year.

6.4.6 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: UNIT SUBSCRIPTION (TERMS & CONDITIONS)

- I. The units of ICL INCTL SHARIAH FUND may be bought and surrendered/repurchased through Impress Capital Limited and authorized selling agents appointed by the Asset Manager from time to time.
- II. Application must be made by an individual (both resident and non-resident), a corporation or company (both local and foreign), a trust or a society (registered in or outside Bangladesh) and not by a firm, minor or persons 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 people is acceptable. In such cases, registration and issuance of Confirmation of unit Allocation will be in favor of principal applicant while dividend and other benefits, if any, will be addressed to bank account of principal applicant mentioned in the application form/bank account mentioned in BO account. In case of the death of any of the joint holders, only the survivor shall be recognized as having any title to the units. On death of both the joint holders, the title to the units will bestow upon the nominee mentioned in the application form.
- IV. Minimum purchase amount during public subscription is:
 - a. For individual investor: BDT 1,000 (100 units).
 - b. For institutional investors: 100,000 (10,000 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/deposit slip in favor of “**ICL INCTL SHARIAH FUND**” for the total value of the units.
- VI. After clearance/encashment of cheque/draft/pay order/bank draft, the applicant will be issued with a “Confirmation of Unit Allocation” against every purchase of units he/she/the institutional investor applies for.
- VII. Partial surrender is allowed without any additional cost subject to minimum surrender quantity is 100 (one hundred) units for individuals and 10,000 (Ten Thousand) 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 the case of transfer, the Fund will charge a nominal fee as decided by the Asset Manager from time to time except in the case of transfer by way of inheritance.
- IX. Dividend will be delivered only in the form of cash or by way of units under Cumulative Investment Plan (CIP) as 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: BROKER, BANKER & FORM

8.1 Name and Address of the Brokers

The following organizations have been appointed to act as the Broker House of the mutual fund by the asset manager:

Sl. No.	Name of Broker House	Address
1	BRAC EPL Stock Brokerage Ltd	Gulshan Branch Symphony, (3rd Floor), Road No.142, Gulshan 1, Dhaka 1212 Landline: +88 02 222282446-47
2	UCB Stock Brokerage Limited	Head Office Bulus Centre (17 th Floor), Plot-CWS-(A)-1 Road No. 34, Gulshan Avenue, Dhaka1212 Landline: +88 02 588 10910

8.2 Banker

The public subscription money collected from the investors will be remitted to the following bank account:

Account Name	:	ICL INCTL Shariah Fund
Account No.	:	8801-1960000046
Bank	:	Midland Bank Limited (Islami Banking Window)
Branch	:	Gulshan
Routing No.	:	285261727
Address	:	NB Tower, Level-5, 40/7 North Avenue, Gulshan-2, Dhaka-1212.

8.3 Selling Agent:

The Asset Manager in future may appoint selling agents subject to approval of the Trustee and with due intimation to the BSEC. Individuals will also be eligible to work as selling agent to be appointed by the Asset Manager as per সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১.

8.4 Forms

Specimen copies of the following forms are available on the website of Impress Capital Limited. (www.impresscapital.com):

- I. Application Form to Purchase Units, Individual
- II. Application Form to Purchase Units, Institution
- III. Unit Surrender Form
- IV. Transfer Form



IMPRESS CAPITAL LIMITED

unlocking opportunities

Evergreen Plaza (1st Floor), 260/B,
Tejgaon I/A, Dhaka 1208, Bangladesh

Tel: +880 2 9830776, +880 2 9830765

Hotline: +880 170 9685672-73

Email: info@impresscapital.com

Website: www.impresscapital.com