



Draft Prospectus
CWT - Community Bank Shariah Fund
An Open-end Mutual Fund Scheme



This Offer Document should be read before making an application for the Units and should be retained for future reference.

Investing in the CWT - Community Bank Shariah Fund (hereafter the Fund) bears certain risks that investors should carefully consider before investing in the Fund. These risks are normally associated with investing 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. While investing in the Fund, investors should carefully consider the risk factors outlined in the document.

The Sponsor, the Asset Management Company or the Fund is not guaranteeing any returns.

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

Initial Size of Issue	BDT 25,00,00,000 (Twenty-Five Crore)
Number of Units	2,50,00,000 (Two Crore Fifty Lacs)
Initial/Opening Price	BDT 10.00 (Ten) per unit
Sponsor's Contribution	BDT 2,50,00,000 (Two Crore Fifty Lacs)
Initial Public Offering	BDT 22,50,00,000 (Twenty-Two Crores and Fifty Lacs)
Initial Subscription Opens	

Sponsor

Community Bank Bangladesh Limited

Asset Manager

CWT Asset Management Company Limited

Trustee

Sandhani Life Insurance Company Limited

Custodian

BRAC Bank Limited

Proposed Auditor

Hoda Vasi Chowdhury & Co Chartered Accounts

Date of Publication of Prospectus:

Initial subscription period:

The Prospectus is available at the AMC's website at www.cwtamc.com



Community Bank Bangladesh Limited

Sponsor



Sandhani Life Insurance Company Limited (SLIC)

Trustee



CWT Asset Management Company Limited (CWTAMC)

Asset Manager



BRAC Bank Limited

Custodian



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Fund Directory

Sponsor	Community Bank Bangladesh Limited Head office: 144, Police Plaza Concord (Level 10, Tower 2), Plot: 2, Gulshan - 1, Dhaka - 1212, Bangladesh <u>Website:</u> www.communitybankbd.com +8809612716707
Asset Manager	CWT Asset Management Company Ltd. Corporate Address: House 1/B (Flat: B2 – Green Square), Road: 8, Gulshan (Circle – 1), Dhaka – 1212 Registered Address: 57 & 57/a, Gulshan Avenue (Uday Tower – 8 th floor), Gulshan (Circle – 1), Dhaka – 1212 Website: www.cwtamc.com Tel: +8801780012116, +8801685167282
Trustee	Sandhani Life Insurance Company Limited (SLIC) Head Office: Rajuk Plot: 34 (Sandhani Life Tower), Bangla Motor, Dhaka - 1000, Bangladesh Website: www.sandhanilife.com Tel: + 55168181-5, 9611197, 9664931, 9661241, 01833- 325681-2
Custodian	BRAC Bank Limited Head Office: 220/B (Anik Tower), Tejgaon Gulshan Link Road, Tejgaon, Dhaka – 1208, Bangladesh, Website: www.bracbank.com Tel: +8802-8836501, 9884292
Auditor	Hoda Vasi Chowdhury & Co Chartered Accounts Head Office: BTMC Bhaban (7 th & 8 th Level), 7-9 Kazi Islam Avenue, Kawran Bazar C/A, Dhaka – 1217, Bangladesh. Website: http://www.hodavasi.com/ Tel:+88(2) 9140094, +880(2) 9120090
Banker	One Bank Ltd. Sub-Branch: Holding # 51A (Sheikh Plaza), Darus Salam Road, Mirpur-1, Mirpur Model Thana, Dhaka – 1216 Website: https://www.onebank.com.bd Tel: (88-02)-9012969, 8035232, 8031406

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

“Please contact CWTAMC (info@cwtamc.com) if you have any questions regarding this prospectus”.



Abbreviations and Description

	Abbreviations		Description
1.	BB	:	Bangladesh Bank
2.	BEFTN	:	Bangladesh Electronic Fund Transfer Network
3.	BO A/C	:	Beneficiary Owners Account or Depository Account
4.	BSEC	:	Bangladesh Securities and Exchange Commission
5.	CAGR	:	Compound Annual Growth Rate
6.	CBBL	:	Community Bank Bangladesh Ltd.
7.	CDBL	:	Central Depository Bangladesh Ltd.
8.	CDS	:	Central Depository System
9.	CEO/MD	:	Chief Executive Officer/Managing Director
10.	Certificate	:	Certificate of the Fund in dematerialized form under CDBL
11.	CIP	:	Cumulative Investment Plan
12.	CSE	:	Chittagong Stock Exchange Ltd.
13.	CWTAMC	:	CWT Asset Management Company Ltd.
14.	CWTCBSF	:	CWT - Community Bank Shariah Fund
15.	DSE	:	Dhaka Stock Exchange Ltd.
16.	EPU	:	Earnings Per Unit
17.	FC Account	:	Foreign Currency Account
18.	FPI	:	Foreign Portfolio Investment
19.	IDRA	:	Insurance Development & Regulatory Authority Bangladesh
20.	IPO	:	Initial Public Offering
21.	RJSC	:	Registrar of Joint Stock Companies and Firms
22.	SLIC	:	Sandhani Life Insurance Company Ltd.
23.	SIP	:	Systematic Investment Plan



Terms and Description

	Terms		Description
1.	Act	:	বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন আইন, ১৯৯৩
2.	Allotment	:	Letter/Certificate of Allotment Units
3.	Application Form	:	A form meant to be used by an investor to purchase Units in the Scheme.
4.	Asset Manager Asset management Company Fund Manager Investment Manager AMC	:	CWT Asset Management Company Ltd. (CWTAMC)
5.	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 are 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 5. A day on which banks are closed
6.	Certificate	:	Certificate of the Fund in dematerialized form under CDBL
7.	Commission/BSEC	:	Bangladesh Securities and Exchange Commission
8.	Companies Act	:	কোম্পানী আইন, ১৯৯৪
9.	Confirmation of Unit Allocation	:	Letter confirming allocation of Units
10.	Custodian	:	BRAC Bank Limited
11.	CWTAMC	:	CWT Asset Management Company Ltd.
12.	Dividend	:	Income distributed by the Fund (when and where applicable)
13.	Effective Date	:	The date of registration of the Trust Deed
14.	Government	:	The Government of the People's Republic of Bangladesh
15.	Rule (বিধিমালা)	:	সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১
16.	Sales Agent/Selling Agent/Point of Sales	:	CWT Asset Management Company Ltd. designated official points for accepting transaction



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

Fund	CWT - Community Bank Shariah Fund (CWTCBSF)
Type	Open-ended Growth Mutual Fund
Life and Size of the Fund	Perpetual life and unlimited size
Sponsor	Community Bank Bangladesh Limited
Asset Manager	CWT Asset Management Company Limited (CWTAMC)
Trustee	Sandhani Life Insurance Company Limited (SLIC)
Custodian	BRAC Bank Limited
Shariah Supervisory Board	The Fund will be managed under Islamic Shariah Law. To ensure that the fund is properly managed under Shariah Law, a supervisory board will be formed, which will work with CWTAMC.
Initial Size of the Fund	BDT 25,00,00,000 (Twenty-Five Crore) divided into 2,50,00,000 (Two Crore and Fifty Lacs) Units of BDT 10 (Ten) each
Face Value	BDT 10 (Ten) per Unit
Nature	Open-ended Growth Mutual Fund with unlimited size
Objective	The objective of CWT - Community Bank Shariah Fund (CWTCBSF) is to provide attractive risk adjusted return to the unit holders by investing the proceeds in Shariah compliant instruments of the capital market and money market.
Minimum Application Amount	BDT 5,000 (Five Thousand) per application (500 Units) for individuals and BDT 1,000 (One Thousand) per application (100 Units) for SIP investors, and BDT 50,000 (Fifty Thousand) per application (5,000 Units) for institutions.
Transparency	NAV will be calculated on a weekly basis and shall be published on the website of the Fund manager (www.cwtamc.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 minimum 50% of the annual net income of the Fund as dividend in Bangladeshi Taka only at the end of each accounting year or as determined by the Commission from time to time. The Fund shall create a dividend equalization reserve to ensure consistency in dividend payout.
Dividend Distribution	The dividend warrant will be distributed within 45 (Forty-Five) working days from the date of declaration.
Tax Benefit	a. Income from a mutual fund or a unit fund up to BDT 25,000 (twenty-five thousand) is exempted from tax under The Income-tax Ordinance, 1984. b. Investment in the unit fund would qualify for investment tax credit under section 44(2) of The Income-tax Ordinance. c. The income of the Fund will also be exempted from Tax.
Encashment	The Unit holders can surrender and can encash their Units to the Asset Manager and through the authorized selling agents



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	appointed by the Asset Manager. The Asset Manager or selling agent shall be liable to re-purchase the Units on behalf of Fund.
Transferability	The Units of the Fund are transferable by way of inheritance/gift and/or by specific operation of the law.
Prospectus, Reports and Accounts	Every Unit holder is entitled to receive annual report along with the yearly, half yearly and quarterly statements of accounts as and when published on the Asset Management Company's website (www.cwtamc.com).
Systematic Investment Plan (SIP) Facility	Systematic Investment Plan or SIP allows investors to invest a certain pre-determined amount at a regular interval (monthly, quarterly, yearly etc.). A SIP is a planned approach towards investments and helps to cultivate the habit of saving and building wealth for the future. Investors can start SIP with a very small amount that is minimum BDT 1,000 (One Thousand).
Cumulative Investment Plan (CIP)	Under this scheme, Unit holders might re-invest dividend income accrued thereon for purchasing Unit at a NAV based rate instead of receiving cash dividend.



ফান্ডের সংক্ষিপ্ত বিবরণী

নাম	সিডব্লিউটি - কমিউনিটি ব্যাংক শরীয়াহ ফান্ড
ধরণ	বে-মেয়াদী বর্ধিষ্ণু মিউচুয়াল ফান্ড
ফান্ডের মেয়াদকাল	বে-মেয়াদী
উদ্যোক্তা	কমিউনিটি ব্যাংক বাংলাদেশ লিমিটেড
সম্পদ ব্যবস্থাপক	সিডব্লিউটি অ্যাসেট ম্যানেজমেন্ট কোম্পানী লিমিটেড
ট্রাস্টি	সন্ধানী লাইফ ইনস্যুরেন্স কোম্পানী লিমিটেড
হেফাজতকারী	ব্র্যাক ব্যাংক লিমিটেড
শরীয়াহ তদারকী বোর্ড	এই ফান্ডটি ইসলামি শরীয়াহ আইন অনুযায়ী ব্যবস্থাপনা করা হবে। ফান্ডের কার্যক্রম যাতে শরীয়াহ মোতাবেক পরিচালিত হয় এটা নিশ্চিত করার জন্য একটি শরীয়াহ বোর্ড গঠন করা হবে, যা সম্পদ ব্যবস্থাপকের সাথে কাজ করবে।
ফান্ডের প্রাথমিক আকার	টাকা ২৫,০০,০০,০০০ (পঁচিশ কোটি) ২, ৫০,০০,০০০ (দুই কোটি পঞ্চাশ লক্ষ) ইউনিটে বিভক্ত যার প্রতিটির অভিহিত মূল্য ১০ (দশ) টাকা
ফান্ডের প্রকৃতি	বে-মেয়াদী বর্ধিষ্ণু মিউচুয়াল ফান্ড এবং অসীম আকার
উদ্দেশ্য	সিডব্লিউটি - কমিউনিটি ব্যাংক শরীয়াহফান্ডের বিনিয়োগ উদ্দেশ্য পুঁজিবাজার ও মুদ্রাবাজারে ইসলামি শরীয়াহ অনুযায়ী সমন্বিত বিনিয়োগের মাধ্যমে ইউনিট হোল্ডারদের বিনিয়োগ ঝুঁকিকে সমন্বয়ের মাধ্যমে পর্যাপ্ত মুনাফা নিশ্চিত করা।
ন্যূনতম বিনিয়োগ	টাকা ৫,০০০ (পাঁচ হাজার) ব্যক্তিগত এবং টাকা ১,০০০ (এক হাজার) এস আই পি বিনিয়োগকারীদের আবেদনের বিপরীতে। টাকা ৫০,০০০ (পঞ্চাশ হাজার) প্রতিষ্ঠানের আবেদনের বিপরীতে।
স্বচ্ছতা	বিধিমালা অনুযায়ী ফান্ডের NAV প্রতি সপ্তাহে গণনা করা হবে এবং সম্পদ ব্যবস্থাপকের ওয়েব সাইটে প্রকাশ করা হবে। সম্পদ ব্যবস্থাপকের ওয়েব সাইটের ঠিকানা হচ্ছে (www.cwtamc.com)।
সম্ভাব্য বিনিয়োগকারী	ব্যক্তি (প্রবাসী এবং দেশে বসবাসকারী উভয়ই), প্রতিষ্ঠান (দেশি-বিদেশি উভয়ই), মিউচুয়াল ফান্ড এবং সমষ্টিগত তহবিলের স্কিমসমূহ যেগুলো আইনগতভাবে গঠিত তারা ফান্ডের শেয়ার ক্রয় করার স্বক্ষমতা রাখে।
লভ্যাংশ	প্রতিটি হিসাব বছরের শেষে বার্ষিক নীট লাভের ন্যূনতম ৫০ (পঞ্চাশ) শতাংশ অর্থ লভ্যাংশ হিসেবে বিতরণ করা হবে।
লভ্যাংশ বিতরণ	লভ্যাংশ পত্র (ডিভিডেন্ড ওয়ারেন্ট) লভ্যাংশ ঘোষণার ৪৫ (পঁয়তাল্লিশ) কার্যদিবসের মধ্যে বিতরণ করা হবে।
হস্তান্তর যোগ্যতা	উত্তরাধিকার/উপহার অথবা আইন দ্বারা অনুমোদিতভাবে এই ফান্ডের ইউনিট সমূহ হস্তান্তর করা যাবে।
নগদায়ন	ইউনিটহোল্ডারগণ তাদের ইউনিট নগদায়ন করতে পারবেন সরাসরি সম্পদ ব্যবস্থাপকের মাধ্যমে অথবা সম্পদ ব্যবস্থাপকের নিয়োগপ্রাপ্ত বিক্রয় প্রতিনিধির মাধ্যমে।
নিয়মিত বিনিয়োগ পরিকল্পনা (এস আই পি)	এস আই পি বা নিয়মিত বিনিয়োগ পরিকল্পনা এর মাধ্যমে এস আই পি বিনিয়োগকারীরা নির্দিষ্ট সময় অন্তর অন্তর পূর্বনির্ধারিত পরিমাণ অর্থ বিনিয়োগ করবেন। ভবিষ্যৎ সঞ্চয় ও সম্পদ গড়ার লক্ষ্যে এবং বিনিয়োগের জন্য একটি পরিকল্পিত মাধ্যম। বিনিয়োগকারীরা ন্যূনতম ১০০০ (এক হাজার) টাকা বিনিয়োগ করে এস আই পি স্কিম শুরু করতে পারবেন।
প্রসপেক্টাস, বার্ষিক প্রতিবেদন এবং হিসাবসমূহ	যেকোন বিনিয়োগকারী সম্পদ ব্যবস্থাপকের ওয়েব সাইট (www.cwtamc.com) থেকে এই প্রসপেক্টাসটি দেখতে পারবেন। সম্পদ ব্যবস্থাপকের ওয়েব সাইটে প্রকাশিত বাৎসরিক, অর্ধবার্ষিক এবং ত্রৈমাসিক আর্থিক বিবৃতি প্রত্যেক ইউনিট



	হোল্ডারগণ পাবেন। এছাড়া ইউনিট হোল্ডারগণ সম্পদ ব্যবস্থাপকের ওয়েবসাইটে পোর্টফোলিওর প্রান্তিক প্রতিবেদনও পাবেন।
কররেয়াত জনিত সুবিধা	ক) The Income-tax Ordinance, 1984 এ, মিউচুয়াল ফান্ড অথবা ইউনিট ফান্ড হতে আয় এর টাকা ২৫,০০০ (পঁচিশ হাজার) পর্যন্ত করের আওতামুক্ত থাকবে। খ) ইউনিট ফান্ডে বিনিয়োগ The Income-tax Ordinance, 1984, এর সেকশন ৪৪(২) অনুযায়ী বিনিয়োগ কর রেয়াত (Investment Tax Rebate) সুবিধা পাবেন। এ সম্পর্কে বিস্তারিত আলোচনা প্রসপেক্টাস এর সেকশন ২.৪ এ বর্ণিত রয়েছে।



Executive Summary

Mutual funds today are widely considered as an investment tool that offers investors attractive risk-adjusted returns by pooling assets for various investment purposes. The industry has a long history, tracing as far back as the early 1800s, with modest beginning in Europe. A typical mutual fund is an investment fund, managed by a Fund Manager (or Asset Management Company) that pools money from unit holders through public offers and invests in a diversified portfolio of securities.

The mutual fund sector is now one of the fastest growing sectors in Bangladesh. Mutual funds are prioritized by investors worldwide not only because of their better return producing nature when compared to other household assets, but also because they allow investors to have professional fund management service with the benefit of diversification and cheaper investment cost. Bangladesh now has 87 open end mutual funds and 36 closed end mutual funds. As of April, 2023¹, the total AUM in this industry was Tk. 158.2 billion.

Bangladesh capital market has grown slowly but steadily during the last 20 years. However, the market capital to GDP ratio stands at only 13.20% (June 30, 2022). Accordingly, we believe that there remains significant scope for further development, compared to many other markets. This can happen through increased market turnover and depth, and local and foreign institutionalization of the market. The market is largely equity-based, which provides ample opportunities for a mutual fund to make investment decisions. Since the deposit rate of banks and financial institutions is taxed at various levels, the demands for alternative investment products such as mutual funds are increasing among the investors. Expectedly, launching an open-end mutual fund can bring many investors to the capital market, who, otherwise would be left out.

However, the listed funds represent a very small percentage of the market capitalization - only 1.01%² - compared to around 16.05%³ in India as of March 2023.

Bangladesh has a predominantly Muslim population, but there are very few financial assets that comply with Shariah principles. Despite the country's impressive economic growth in recent years, the Muslim community in Bangladesh still struggles to find adequate savings and investment options that are Shariah-compliant. However, there is a growing demand for Shariah funds in the market, and CWTAMC has responded by developing an Open-ended Shariah Mutual Fund. The Fund will use business and financial ratio-based screening to invest in Shariah-compliant stocks, making it an attractive investment option for both Bangladeshi Muslims and other investors seeking ethical and competent fund management services and potential investment profits.

The objective of CWT - Community Bank Shariah Fund is to generate growth of the capital, with a secondary objective of generating income through optimizing asset allocation in capital market and money market, and selecting shariah-compliant securities based on their abilities to generate earnings/cash flow sustainably over long term within regulatory framework. The Fund will also offer tax benefits and access to IPO subscription to its Unit holders. Being a

¹ https://idlc.com/aml/admin/content_uploads/1681810869.pdf

² <https://www.ceicdata.com/en/indicator/bangladesh/market-capitalization>

<https://www.thedailystar.net/business/economy/news/stagnancy-mutual-fund-sector-3176806>

³ [https://www.amfiindia.com/indian-mutual#:~:text=Assets%20Under%20Management%20\(AUM\)%20of,a%20span%20of%2010%20years.](https://www.amfiindia.com/indian-mutual#:~:text=Assets%20Under%20Management%20(AUM)%20of,a%20span%20of%2010%20years.)

<https://www.ceicdata.com/en/indicator/india/market-capitalization#:~:text=in%20Jan%202023%3F-,India%20Market%20Capitalization%20accounted%20for%203%2C308.013%20USD%20bn%20in%20Jan,table%20below%20for%20more%20data>



growth fund by nature, the Fund will look to retain more capital and generate higher returns on that.

Established by a group of highly experienced capital market professionals and seasoned business executives, CWTAMC is committed to delivering cutting-edge asset and wealth management solutions to individual and institutional investors by harnessing long-term, value-investing opportunities. Our open-end Mutual Funds of CWTAMC 'CWT Emerging Bangladesh First Growth Fund', 'CWT - Sadharan Bima Growth Fund' and 'CWT Opportunities Fund' have already staged an outstanding performance within short time of their inception. CWT – Community Bank Shariah Fund will be sponsored by Community Bank Bangladesh Ltd. The Asset Manager will be CWT Asset Management Company Ltd. Sandhani Life Insurance Company Ltd. is the Trustee and BRAC Bank Ltd. is the Custodian of the Fund. This is a 'continuous offer' Fund by nature which facilitates the investors to subscribe and redeem units at their will.



Chapter 1: Preliminary

1.1 Publication of Prospectus for Public Offering

CWT Asset Management Company Ltd. (hereafter referred to as CWTAMC) has received registration certificate from Bangladesh Securities and Exchange Commission under the Bangladesh Securities and Exchange Commission Act, 1993 and সিকিউরিটিজ ও 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 the Corporate Office: House: 1/B (Flat: B2 - Green Square), Road: 8, Gulshan (Circle - 1), Dhaka - 1212 of CWTAMC, the Asset Manager of CWT - Community Bank Shariah Fund (CWTCBSF).

1.2 Consent of the Bangladesh Securities and Exchange Commission

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

1.3 Listing of Fund

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

Units of the Fund will always be available for sale and surrender/repurchase except on the last working day of every week and during book closure period/record date of the Fund at the office of the Asset Manager and the 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 Rule.

1.4 Availability of Documents for Inspection

1. Copy of this prospectus will be available at the Corporate Office of the Asset Manager and offices of the authorized selling agents of the Fund. This prospectus will also be available at the websites of Bangladesh Securities and Exchange Commission (www.sec.gov.bd), and CWT Asset Management Company Ltd. (www.cwtamc.com).
2. Copy of the Trust Deed will be available for public inspection during business hours at the Corporate Office of the Asset Manager (CWTAMC) 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 Under the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১, and subject to following conditions imposed under Section - 2CC of the Securities and Exchange Ordinance, 1969:

PART – A

1. The Fund shall not account for any upward revaluation of its assets creating reserve without clearance from the Bangladesh Securities and Exchange Commission;
2. The Fund shall not be involved in option trading, short selling, or carry forward transactions;
3. A Confirmation of Unit⁴ allocation shall be issued at the cost of the Fund at par value of Tk. 10.00 (Ten) each within 90 (Ninety) days from the date of sale of such units;
4. Money receipt/acknowledgement slip issued at the time of sale of units will be treated as allotment letter, which shall not be redeemable/transferable;
5. 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 investment and savings of the Fund shall be submitted to the Commission, Trustee and Custodian of the fund within 90 (Ninety) days from the closure of the accounts;
7. Half-yearly accounts/financial results of the Fund will be published in at least one English and another Bangla National daily newspaper 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 (NAV) of the Fund shall be calculated and disclosed publicly at least once a week;
10. The script wise detail portfolio statement consisting of all securities holdings of the fund shall be disclosed in the website of the AMC and will be sent to the Unit holders on quarterly basis within Thirty (30) days of each quarter end;
11. After initial public subscription, the sale and repurchase/surrender price of Units will be determined by the AMC. NAV at market price calculated on a date shall form the sale price of units by rounding up the amount and shall be effective up to next calculation of NAV of the Fund. There will be no difference between sale price and repurchase price initially which may be changed in future, but the difference between sale price and surrender price shall not exceed 1% (one percent) of the NAV per unit at fair value of the Fund. The Asset Manager may reduce the above difference for Systematic Investment Plan (SIP) or any other ground with the approval of the Trustee;
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 the Units and to meet up day-to-day transaction including payment against Repurchase of Units. All transactions of the account shall be made through banking channel and shall be properly documented;
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 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;

⁴ Units with an uppercase 'U' refers to units of CWTAMC's Mutual Fund, and with a lowercase 'u' refers to units in general. Also, Mutual Fund with an uppercase 'M' refers to CWTAMC's mutual fund.



16. If the Asset Manager fails to collect the minimum 40% (Forty Percent) of the initial target amount under বিধি ৪৮ of the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১, will refund the subscription money within 30 days without any deduction. In case of failure, the Asset Manager will refund the same with an interest @18% (Eighteen Percent) per annum from its own account within the next month;
17. On achievement of minimum amount of Tk. 10 Crore, 25% (Twenty Five Percent) of the initial target amount through public offer and 40% (Forty Percent) of the initial target amount collectively as per বিধি ৪৬ and বিধি ৪৮ of the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১, only then the scheme will be formed and the Fund will be allowed to transfer the money from Escrow Account to Operational Account and to commence investment activities of the Fund with permission of the Trustee;
18. The AMC should ensure compliance of বিধি ৪৬ of the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১; In case of failure to comply the provisions of বিধি ৪৬ of the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১, both the AMC and the Trustee shall be accountable for any kind of investment activity;
19. Initial target size of the Fund is Tk. 25.00 (Twenty Five) Crore. The size of the Fund will be increased from time to time by the AMC subject to approval of the Trustee and with intimation to the Commission;
20. Unit allocation of the Sponsor's contribution amounting to Tk. 2,50,00,000/- (Tk. Two Crore and Fifty Lacs) only shall be subjected to a lock-in period of 01 (one) year from the date of formation of the Fund and then 1/10th of the Sponsor's contribution only shall be subjected to a lock-in period of full tenure of the Fund until liquidation;
21. A confirmation of Unit allocation amounting Tk. 2,500,000/- (Tk. Twenty Five Lacs and 10% of the Fund) will be issued in favor of the Sponsor. The said confirmation letter shall be in the custody of the Trustee. No splitting of the Unit of Sponsor shall be made without prior approval of the Commission;
22. 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;
23. Subscription period of the Fund will be 45 (Forty-Five) days which will be started on and be ended on as per বিধি ৪৭ of সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১.
24. 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;
25. 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 **3 (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 7(Seven) 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.



- e) As per বিধিমালা, the Asset Management Company shall follow the formula for computing the Net Asset Value of the Fund and shall disclose and publish the same regularly as advised by the Commission from time to time.
26. The Fund shall, before expiry of 7 (Seven) days from the end of each month, disclose for all unit holders a complete statement of portfolios of the Fund, or a scheme of the Fund, in the prescribed form and shall upload the same on its website.
27. The Fund shall, within 30 (Thirty) days from the end of a quarter, publish its un-audited quarterly financial statements on its website.

PART – B

Please ensure that the following are adhered to:

1. As per provisions contained in the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১, regarding limitation of time on closure of subscription, the initial public subscription will remain open for 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 printed prospectus to the Commission for the official record;
4. The Asset Management Company shall ensure in writing to the Commission that the prospectus/abridged version is published correctly and is a verbatim copy of the prospectus/abridged version vetted by the Commission;
5. The expiry date of the sponsor's locked-in portion shall be specifically mentioned on the body of the confirmation of Unit allocation;
6. The AMC shall apply the spot buying rate (TT clean) of Sonali Bank prevalent on the date of opening of subscription for conversion of foreign currencies;
7. The AMC shall submit to the Commission a diskette containing the vetted prospectus and its abridged version;
8. All conditions imposed under Section - 2CC of the Securities and Exchange Ordinance, 1969 must be complied with and be incorporated in the body of the prospectus and in its abridged version;
9. After due approval by the Trustee regarding issue and formation expenses, the AMC shall submit in details along with supporting documents to the Commission regarding issue and formation expenses within 15 (Fifteen) days of operation of the Fund. The Auditor of the Fund shall also put opinion about the above expenses in the initial financial statements of the Fund;
10. The investment policy and guideline and information on constituents of Investment Committee of the Fund approved by the Board shall be submitted to the Commission within 30 (Thirty) days from the receipt of the Consent Letter. The investment policy and guideline shall include among other issues, the investment delegation power of Chief Executive Officer and the Committee separately and 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 the Rules within 30 (Thirty) days of the issuing consent letter.



1.6 General Information

1. This prospectus has been prepared by CWTAMC based on the Trust Deed executed between the Trustee and the Sponsor of the Fund; which is approved by the Commission and will be available in AMC's website (www.cwtamc.com). 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 CWTAMC;
3. The issue as contemplated in this document, which 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

CWTAMC will maintain 4 (Four) BO Accounts with BRAC Bank Limited, custodian of CWTAMC, for creation and redemption of Units namely "CWT – Community Bank Shariah Fund", "CWT - Community Bank Shariah Fund – Sale of Units", "CWT - Community Bank Shariah Fund – Repurchase of Units" and "CWT – Community Bank Shariah Fund – Suspense of Units".

For sale of units of CWTAMC will issue a certificate for the Units sold and send it to BRAC Bank Limited for setting-up of dematerialization request. After the acceptance of dematerialization setup by CWT Asset Management Company Ltd. (CWTAMC) from its terminal, Units will be credited to the BO Account "CWT - Community Bank Shariah Fund – Sale of Units". Then BRAC Bank Limited will transfer the Units from "CWT - Community Bank Shariah Fund - Sale of Units" to the Unit holders' BO Accounts as per instruction of CWT Asset Management Company Ltd. (CWTAMC).

In the case of Redemption/Repurchase by the Asset Manager the Unit holder will transfer his/her/the institutional holders' Units to "CWT - Community Bank Shariah Fund – Repurchase of Units" account. BRAC Bank Limited will debit the Unit certificates from the investor's BO Accounts and transfer it to "CWT - Community Bank Shariah Fund – Repurchase of Units" account. Simultaneously, the payment will be made through A/C payee cheque or Funds will be transferred to investor's Bank Account through BEFTN as per the request of the client. The unit holders may surrender their unit certificates during the business hour as specified by the Asset Management Company. The Asset Management Company shall be liable to repurchase the units on behalf of the Fund. The redemption will be made on first come first serve basis. In the event the redemption request on a particular day exceed 5% of the total units outstanding, the asset manager 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% (Five Percent) of the total units outstanding shall also be done at repurchase price of the day when the redemption requests were actually submitted to the Asset Manager.

1.8 Systematic Investment Plan (SIP)

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



CWT - Community Bank Shariah Fund | 19



Buy and Surrender SIP Process

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

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

Benefits may be offered for Investors as such:

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

- **Flexibility:** Investor can start SIP with a very small amount that is BDT 1000/2000/3000/4000/5000 or a multiple of BDT 1000/500. One can also increase/decrease the amount being invested in regular fashion.
- **Flexible SIP Tenor:** The scheme will be offered for at least 2 (Two) years or any other period set by AMC. However, the investor can set SIP scheme for 3 years/5 years/10 years. After this time period the individual scheme will be matured and investor may surrender or continue holding the units after maturity. If surrendered, no fees/charges will be charged on surrender and may also offer highest premium over the declared surrendered price.
- **No Minimum lot size:** Under SIP, there will be no minimum lot size as like normal investors. Based on a discount from declared sales price per unit available, Units will be credited to investor's account. However, any fraction amount remaining will be converted when it sums up to one unit. The fractional amount will be kept as liability of the fund in a separate account head.
- **CIP option for the SIP investors:** SIP investors can choose either option of cash dividend or Cumulative Investment Plan (CIP) or mix of both. If a SIP investor chooses CIP (i.e., Dividend reinvestment process) instead of cash dividend, they will also enjoy CIP Units at a discount of prevailing sales price used for CIP conversion. After CIP conversion, they will get dividend on total number of Units in the next year.

Details of SIP Scheme will be provided in the Scheme Brochure in future



1.9 Declarations

Declarations about the Responsibility of the Sponsor

The Sponsor, whose name appears in this prospectus, accepts full responsibility for the authenticity and accuracy of the information contained in this prospectus and other documents regarding "CWT - Community Bank Shariah Fund (CWTCBSF)". 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 document, the omission of which may make any information or statements therein misleading.

The Sponsor also confirms that full and fair disclosures have been made in this prospectus to enable the investors to decide for investment.

Sd/-

Mr. Masihul Huq Chowdhury
Managing Director and CEO
Community Bank Bangladesh Ltd.



Declarations about the Responsibility of the Custodian

We, as Custodian of "CWT - Community Bank Shariah Fund (CWTCBSF)", accept the responsibility and confirm that we shall:

- I. Keep all the securities in safe custody and shall provide the highest security for the assets of the Fund; and
- II. Preserve necessary documents and record so as to ascertain movement of assets of the Fund as per সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১.

Sd/-

Mr. Tareq Refat Ullah Khan

Head of Corporate Banking
BRAC Bank Limited



Declarations about the Responsibility of the Asset Manager

This Prospectus has been prepared by us based on the Trust Deed, the Investment Management Agreement, the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১, for 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 are confirming that,

- the prospectus is in conformity with the documents, materials and papers related to the issue;
- all the legal requirements of the issue have been duly fulfilled; and
- the disclosures made in the offer document are true, fair and adequate for making investment decision.

Investors should be aware that the value of investments in the Fund could be volatile and no such 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 risk factors as detailed in the 'Risk Factor' section and to take proper cognizance of the risks associated with any investment in the Fund.

Sd/-

Ms. Moniza Choudhury

Managing Director
CWT Asset Management Company Ltd. (CWTAMC)



Declarations about the Responsibility of the Trustee

We, as Trustee of "CWT - Community Bank Shariah Fund (CWTCBSF)", accept the responsibility and confirm that we shall,

- i. be the guardian of the Fund, held in trust, for the benefit of the Unit holders in accordance with the Rules and the Trust Deed;
- ii. always act in the interest of the Unit holders;
- iii. take all reasonable care to ensure that the Fund floated and managed by the Asset Management Company are in accordance with the Trust Deed and the Rules;
- iv. make 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
- v. take such remedial steps as are necessary to rectify the situation where we have reason to believe that the conduct of business of the Fund is not in conformity with relevant rules.

Sd/-

Mr. Md. Mizanur Rahman

Company Secretary
Sandhani Life Insurance Company Limited (SLIC)



1.10 Due Diligence

Due Diligence Certificate by the Sponsor

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

The Honorable Chairman
Bangladesh Securities and Exchange Commission (BSEC)
Securities Commission Bhaban
E-6/C, Agargaon (Sher-e-Bangla Nagar Administrative Area), Dhaka – 1207, Bangladesh

Subject: CWT - Community Bank Shariah Fund

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

1. We, as the sponsor of the above mentioned Fund, have examined the draft prospectus and other documents and materials as relevant to our decision; and
- a. We warrant that we shall comply with the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১ – Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015, Trust Deed of the Fund and the rules, orders, guidelines, directives, notifications, and circulars that may be issued by the Commission from time to time in this respect.

WE CONFIRM THAT:

- b. All information in the draft prospectus forwarded to the Commission is authentic and accurate;
- c. We, as sponsor of the Fund as mentioned above, will act as per clause 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;
- d. We shall also abide by the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১, conditions imposed by the Commission as regards of the Fund; and
- e. We shall act to our best for the benefits and interests of the Unit holders of the Fund.

For The Sponsor,

Sd/-

Mr. Masihul Huq Chowdhury

Managing Director and CEO
Community Bank Bangladesh Ltd.



Due Diligence Certificate by the Custodian
চতুর্থ তফসিল- (১) এর (জ) [বিধি ৪৩ (৩) দ্রষ্টব্য]

The Honorable Chairman
Bangladesh Securities and Exchange Commission (BSEC)
Securities Commission Bhaban
E-6/C, Agargaon (Sher-e-Bangla Nagar Administrative Area), Dhaka – 1207, Bangladesh

Subject: CWT - Community Bank Shariah Fund

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

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

WE CONFIRM THAT:

- a. We will keep all the Securities (both listed and unlisted) and Assets of the "CWT - Community Bank Shariah Fund (CWTCBSF)" including FDR receipts in safe and separate custody as per বিধি ৪১ of the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১, and will provide highest security for the assets of the Fund;
- b. We shall act as the custodian of the Fund as mentioned above as per provisions of the custodian agreement executed with the Asset Management Company and shall assume the duties and responsibilities as described in the Trust Deed of the mentioned Fund and other constitutive documents;
- c. We shall also abide by the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১, and conditions imposed by the Commission as regards of the Fund; and
- d. We shall act to our best for the benefit and sole interest of the Unit holders of the Fund.

For The Custodian,

Sd/-

Mr. Tareq Refat Ullah Khan

Head of Corporate Banking
BRAC Bank Limited



Due Diligence Certificate by the Asset Manager
চতুর্থ তফসিল- (১) এর (জ) [বিধি ৪৩ (৩) দ্রষ্টব্য]

The Honorable Chairman
Bangladesh Securities and Exchange Commission (BSEC)
Securities Commission Bhaban
E-6/C, Agargaon (Sher-e-Bangla Nagar Administrative Area), Dhaka – 1207, Bangladesh

Subject: CWT - Community Bank Shariah Fund

We, the under noted Asset Manager to the above mentioned forthcoming mutual fund, state as follows:

1. We, while act as the Asset Manager to the above mentioned Fund, declare and certify that the information provided in the prospectus, is complete and true in all respects;
2. We further certify that we shall inform the Bangladesh Securities and Exchange Commission immediately of any change in the information of the Fund; and
We warrant that we shall comply with the Securities and Exchange Ordinance, 1969, the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১, Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015, Dhaka Stock Exchange (Listing) Regulations, 2015, Chittagong Stock Exchange (Listing) Regulations, 2015, and the rules, orders, guidelines, directives, notifications and circulars that may be issued by the Commission from time to time in this respect.

WE CONFIRM THAT:

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

For The Asset Manager,

Sd/-

Ms. Moniza Choudhury

Managing Director
CWT Asset Management Company Ltd. (CWTAMC)



Due Diligence Certificate by the Trustee

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

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

Subject: CWT - Community Bank Shariah Fund

We, the under noted trustee of the above mentioned forthcoming mutual fund, state as follows:

1. We, while act as Trustee of the above mentioned Fund on behalf of investors, have examined the draft prospectus and other documents and materials as relevant to our decision; and
2. We warrant that we shall comply with the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১, Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015, Trust Deed of the Fund and the rules, orders, guidelines, directives, notifications, and circulars that may be issued by Commission from time to time in this respect.

WE CONFIRM THAT:

- a. All information 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 ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১, have been complied with;
- d. We shall act as Trustee of the Fund as mentioned above as per provisions of the trust deed executed with the sponsor and shall assume the duties and responsibilities as described in the Trust Deed and other constitutive documents;
- e. We shall also abide by the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১ and conditions imposed by the Commission as regards of the Fund; and
- f. We shall act to our best for the benefit and sole interest of the Unit holders of the Fund.

For The Trustee,

Sd/-

Mr. Md. Mizanur Rahman

Company Secretary
Sandhani Life Insurance Company Limited (SLIC)



CWT - Community Bank Shariah Fund | 28

Chapter 2: Background

2.1 CWT Asset Management Company Ltd.: Background and Rationale

Mutual funds allow investors to pool their funds together into a collection of stocks, bonds, cash and/or other assets, which form the mutual fund, also called a portfolio. Mutual funds have nowadays proven to be a great investment option, compared to individual stocks. There are several reasons for that. First, mutual funds offer risk-balancing through diversification. An individual stock is subjected to market volatility, and thus may be risky in certain market conditions. Mutual funds, on the other hand, combine a range of stocks or securities, and it is unlikely that all of them will perform poorly at the same time; thus, mutual funds are expected to be resilient in case of market volatility. Second, mutual funds are convenient and timesaving. Researching individual stocks, their allocation in the portfolio and following market trend at the same time may be inconvenient and very time-consuming for individual investors. These tasks are handled by professionals (fund managers) in case of mutual funds. Finally, the trading costs of buying and selling individual stocks may be high for individual investors. With a mutual fund, the cost of trades is spread over all investors in the fund, thus, lowering the cost per individual.

A mutual fund can be both open-end and closed-end. An open-end mutual fund allows the investor to cash-out the investment balance at any time at the latest weekly NAV, whereas with closed-end fund investment is locked for certain period before the investor can cash-out or they have to sell the unit in the secondary market at uncertain price which could be deviated from the stated NAV. Moreover, the mutual fund industry in Bangladesh also lacks the diversity of products to cater different investment preferences of people. In Bangladesh, where Muslims constitute around 90.0% of the population, the need for Shariah based investment tools is unbound. There are only 4 closed-end mutual funds and 15 open-end mutual funds offering Shariah based investment opportunity.

CWTAMC, a new generation asset management company, founded by a group of investment professionals with rich credentials and outstanding track-records, is committed to deliver the highest-quality investment management services to capital market investors in Bangladesh. Its growth oriented, open-end mutual fund will strive continuously to find the best-value investment opportunities and drive long-term sustainable wealth for Unit holders. The name of the Fund is "CWT - Community Bank Shariah Fund (CWTCBSF)", and it is sponsored by Community Bank Bangladesh Ltd. and managed by CWTAMC. The other parties are Sandhani Life Insurance Company Limited (SLIC) as the Trustee and BRAC Bank Limited as the Custodian of the Fund. Within three years of its formation, CWTAMC has established itself as an outstanding performer in the capital market of Bangladesh. During the short period of its existence, the company has launched three open-end Mutual Funds—all of them performing excellently so far. According to 'Weekly Open-End Mutual Fund Review: 2023-04-18' by LankaBangla Financial Portal, CWT-Sadharan Bima Growth Fund has registered as the first among the top open-end mutual fund performers with 3.60% YTD change in NAV and CWT Emerging Bangladesh First Growth Fund registered as one of the top ten open-end mutual fund performers with 15.60% Dividend to Selling Price. Here is a snapshot of the performance of the three funds so far.



Name of Open-End Mutual Funds	Dividend (%) FY (2020-21)	Dividend (%) FY (2021-22)	Dividend (%) FY (2022-23)*	Cumulative Return Since Inception (%) (as of April 30, 2023)
CWT Emerging Bangladesh First Growth Fund (CWTEBFGF) Inception: August 5, 2019	29.50%	22.00%	--	95.20%
CWT-Sadharan Bima Growth Fund (CWTSBGF) Inception: September 9, 2020	5.00%	17.00%	4.50%	55.10%
CWT Opportunities Fund (CWTOF) Inception: June 7, 2021	--	1.80%	2.00%	8.20%

*The dividend of FY 2022-23 of CWTEBFGF is yet to declare.

2.2 The Capital Market of Bangladesh

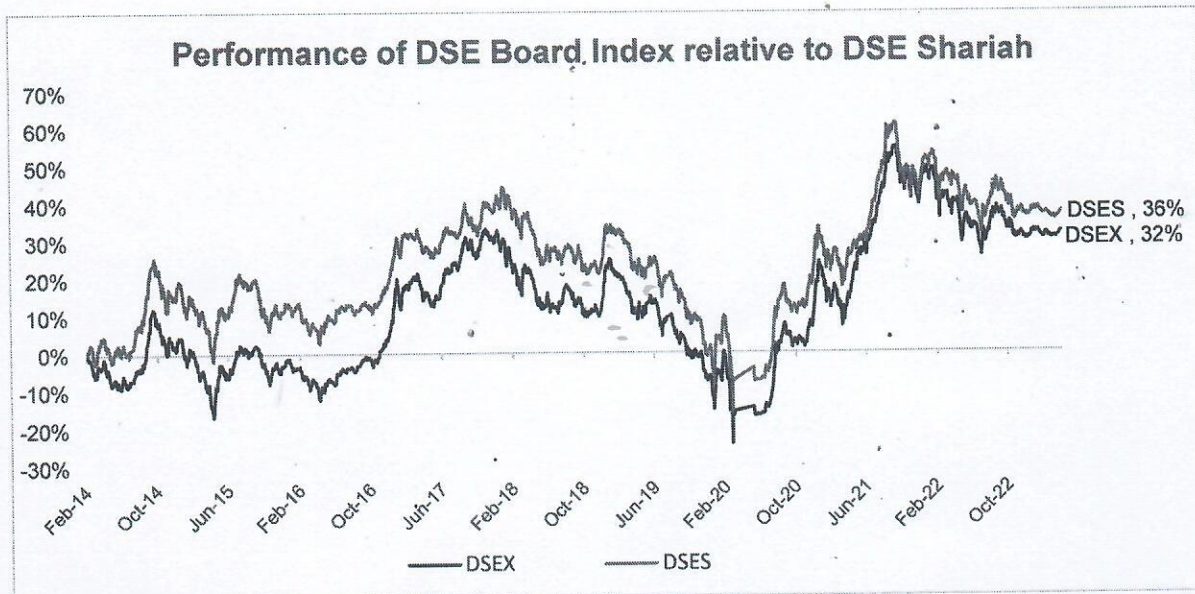
Stock markets in Bangladesh experienced lots of fluctuations facing both trough and peak situation for a decade. Attractive stock market valuation, very low interest rates, stable inflation, excess liquidity, excellent corporate profitability, and an overall bullish trend in the economy has directed quite a significant amount of fund flow to the market during the past years.

However, the market cap to GDP ratio stands at 13.20% only (June 30, 2022). As such, there are substantial rooms for further growth as opposed to markets in a few peer countries. This is possible through listing of new large cap companies, increase market turnover, and both local and foreign institutionalization of the market. The market is largely equity based, which also provides ample opportunities for a mutual fund to make investment decisions.

Bangladeshi stock market has posted strong returns since 2000 as the economy kept growing at more than 6% p.a. with leading companies posting strong earnings growth throughout the cycles. Moreover, despite a stock market crash in 2010–11, blue-chip stock composite outperformed significantly other liquid asset-classes since 2000. Strong corporate performances and several regulatory reforms implemented by the BSEC helped the country to grow the Foreign Portfolio Investment (FPI). Consequently, weight of Bangladeshi stocks in the MSCI⁵ Frontier Market Index increased by more than 6-times since 2010-11. The recent performance of the Bangladesh capital market has shown significant improvements in recent years, with the benchmark index of the Dhaka Stock Exchange (DSE) increasing by around 80% in 2021 alone, reaching record levels. This growth has been driven by increased investor participation, with a significant number of new investors entering the market, and increased trading volumes and liquidity. For example, the average daily turnover of the DSE increased by over 50% in 2021 compared to the previous year.

⁵ MSCI Inc. (formerly Morgan Stanley Capital International and MSCI Barra), is a Global provider of equity, fixed income, hedge fund stock market indexes, and multi-asset portfolio analysis tools. It publishes the MSCI BRIC, MSCI World and MSCI EAFE Indexes. The company is currently headquartered at 7 World Trade Center in Manhattan, New York City, U.S.





However, the participation of the local institutional investors in the market is not satisfactory in comparison to peer countries yet. Pension funds and life insurance companies are hardly participating in the capital market whereas banks' capital market exposures are close to their limits. In the circumstances, retail investors are more active, but unfortunately, they are limited in skills and awareness necessary for investment success. As a result, there are significant market inefficiencies and volatility. The concept of professional investment management or investment in mutual funds is yet to take effect. There are 36 (Thirty-Six) closed-end and 87 (Eighty-Seven) open-end listed funds in our capital market (as on April 2023) where the total AUM is approximately BDT 158.2 billion⁶ (as on April, 2023) where the market cap of the closed-end mutual funds is BDT 57.2 billion⁷ (representing only 1.10% of market capitalization). Moreover, the global Islamic fund management industry was estimated to have around \$110 billion in assets under management (AUM) as of September 2021⁸. The Global Islamic Finance Market was worth US\$ 2.2 billion in 2021 and is anticipated to reach the valuation of US\$ 3.02 billion⁹ by 2027 and is predicted to register a CAGR of 10.2% during 2022-2027. Bangladesh, being a Muslim majority country, is also expected to be a part of this growth.

Mutual funds will play a significant role in institutionalizing the market-structure and distributing benefits of the capital market in Bangladesh. CWT Asset Management Company Ltd. (CWTAMC) is determined to do its part in that grand scheme.

2.3 Advantages of Investing in CWT - Community Bank Shariah Fund (CWTCBSF)

CWT - Community Bank Shariah Fund (CWTCBSF) puts Unit holders' interest before any other consideration and is guaranteed to be the highest integrity investment product available to the target investors. Needless to say, that CWTAMC will adhere to CFA Institute's Code of Ethics and Standards of Professional Conduct, guidelines provided by the Shariah Advisory

⁶ https://idlc.com/aml/admin/content_uploads/1681810869.pdf

⁷ https://idlc.com/aml/admin/content_uploads/1681810869.pdf

⁸ <https://www.refinitiv.com/en/islamic-finance-development-report-2021>

⁹ <https://www.marketdataforecast.com/market-reports/islamic-finance-market>



Board, in addition to the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১, to protect Unit holders' interest.

CWT - Community Bank Shariah Fund (CWTCBSF) offers following value-propositions to the potential investors:

- i. Diversification contributes to optimize risk-return balance for the investors as it helps them not to put all the eggs in the same basket. CWT - Community Bank Shariah Fund (CWTCBSF) will offer a growth-oriented portfolio, which is well-diversified into many asset classes to generate respectable investment performance with high probability under all market scenarios.
- ii. CWT - Community Bank Shariah Fund (CWTCBSF) through its diverse pool of investments, will provide small investors access to returns from the wider market, which may otherwise be very costly for retail investors to achieve individually.
- iii. One of the most intelligible benefits of the fund is that investment of the fund will be made as per the Islamic Shariah. This will relieve the investors who are concerned about investing in Shariah compliant stocks.
- iv. CWT - Community Bank Shariah Fund's (CWTCBSF) performance will benefit from CWTAMC's strong proprietary investment research capability. Senior management executives of the AMC are well-trained in investment management with a proven track-record in investment research and advisory tasks in Bangladesh for last 7-8 years. The high-quality macro/industry/company databases, financial/quantitative models, and high corporate access of the management team will generate unique perspective and insight for the Fund to deliver strong performance to its Unit holders.
- v. In Bangladesh, mutual funds enjoy a 5% (Five Percent) reserved quota for all Initial Public Offerings (IPOs). IPOs in Bangladesh have historically posted much better time-weighted-returns to subscribers, and therefore, Unit holders' access to the reserved IPO subscription quota through Mutual Fund investments offers value which is not available to others.
- vi. The investors will be able to save significantly in transaction costs as he/she will have access to many securities by purchasing a single unit of the mutual fund.
- vii. Dividend income from the Fund will be tax-free for up to BDT 25,000 (Twenty-Five Thousand) as permitted under the Finance Act.
- viii. Investment in the Fund will qualify for investment tax credit in the range of 10-15% under section 44(2) of The Income-tax Ordinance, 1984.
- ix. Management and operations of mutual funds are subjected to strict regulations from the BSEC and the sponsor-appointed Trustee, both of whom closely monitor the performance of the fund. The laws governing mutual funds require exhaustive disclosure to the regulator and general public. All these requirements will be strictly adhered to.
- x. CWT - Community Bank Shariah Fund (CWTCBSF) will declare 50% of the annual realized earnings as dividends and will also allow the investors to choose between receiving cash dividends and cumulative investment plan (CIP) to compound investment balance by minimizing transaction costs. The latter allows the Fund Manager to reinvest the dividend in the market.
- xi. Price of the Units of the Fund will not be determined by demand and supply in the public market, rather by Net Asset Value (NAV). The AMC will be liable to repurchase the Units surrendered by the Unit holders based on NAV which mitigates Unit holders' liquidation risk.

Tax advantage on Income: Income from a mutual fund or a unit fund up to BDT 25,000 (Twenty-Five Thousand) is exempted from tax as per clause 22A of Schedule (Part A) under The Income-Tax Ordinance, 1984.



Investment Tax credit: According to the current The Income-tax Ordinance, 1984, section 44(2) (c), amended in 2016, amount of allowable investment is – actual investment or 25% of the total (taxable) income or BDT 15,000,000.00 (One Crore and Fifty Lacs) whichever is less.

According to Section 44(2) (b) under The Income-tax Ordinance, 1984, the tax rebate rate is from 15% to 10% as per following schedule:

Total Income	Rate of Tax Rebate
Up to BDT 1,500,000.00	15% of eligible amount.
Above BDT 1,500,000.00	10% of eligible amount.

Example:

An individual earning total annual income BDT 5,000,000 (Fifty Lacs).only in a year may have allowed investment for tax rebate BDT 1,250,000 (BDT 5,000,000 multiplied by 25% allowed).

As this amount BDT 1,250,000 is lower than BDT 15,000,000, the person’s eligible amount for tax rebate is BDT 1,250,000.

This investor can reduce tax liability by BDT 125,000 by investing in this fund.

This is a simple illustration. The amount can vary and will depend on individual circumstances. Also, please note that the tax rebates may change as per Government’s decision in any year. Investors are advised to consult with tax advisor, if required.



Chapter 3: The Fund

3.1 Formation of the Fund

The trust deed of the Fund was registered on March 2, 2023 under the Trust Act, 1882 and Registration Act, 1908. The Fund was registered by the BSEC on April 17, 2023 under the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১.

3.2 Life of the Fund

The Fund will be a Shariah-Compliant open-end mutual fund with a perpetual life. Institutional, local and foreign, and individual investors, resident and non-resident are eligible to invest in this Fund. The initial target size of the Fund will be BDT 25,00,00,000 (Twenty-Five Crore) only divided into 2,50,00,000 (Two Crores and Fifty Lacs) Units of BDT 10 (Ten) each. The size of the Fund will be increased from time to time by the Asset Manager subject to approval from the Trustee and with due intimation to the BSEC.

3.3 Face Value and Denomination

Face value of each Unit will be BDT 10 (Ten) only. Initially, Unit holders of the Fund shall be issued with a Confirmation of Unit allotment letter by the Asset Manager at the cost of the Fund in any denomination but not less than 500 (Five Hundred) Units for individuals and 5,000 (Five Thousand) Units for institutions.

3.4 Investment Objective

The Fund is designed to be Shariah-Compliant Fund. The Fund intends to deliver the profit to the investors in the form of dividend as well as capital appreciation, strictly adhering to the Shariah principles. The objective of CWTCBSF is to maximize above average return for the valued unit holders maintaining efficient risk management and making prudent investment decisions while strictly adhering to Shariah principles and guidance from the Shariah Advisory Board. The Fund will invest in equity securities and fixed-income securities (FIS), including listed companies and entities. Additionally, the Fund may invest in unlisted equity and debt securities directly from issuers, such as IPO and pre-IPO placements in the primary market. The Fund may also invest in other quasi-equity or debt instruments, including government notes, bills, and different types of bonds, while avoiding financing venture capital undertakings. In the essence, a Shariah fund's investing mission is to provide investors an opportunity to invest in line with their moral and religious principles while simultaneously accomplishing their financial objectives.

3.5 Investment Policies

- i. Subject to other provisions of the Rules, the Mutual Fund may invest the money collected under the Fund, or any of its schemes, only in Shariah compliant—
 - a) securities listed with a stock exchange;
 - b) money market instruments including government securities;
 - c) privately placed bonds, debentures and pre-IPO capital of entities with explicit plan to be listed with a stock exchange within 2 (Two) years from the date of the investments;



- d) securitized debt instruments, which are either asset backed or mortgage-backed securities;
- e) open-end mutual funds approved by the Commission.
- ii. All activities of the Fund shall be undertaken in accordance with the Shariah Guidelines provided by Shariah Advisory Board. The Board will be responsible for monitoring the activities and investment of the Fund to ensure full compliance with Shariah Guidelines. The Board will also evaluate and advise upon all new financial instruments as and when instructed for their Shariah permissibility.
- iii. If the Fund follows DSES or any other shariah index introduced by the stock exchanges of Bangladesh, list of securities of such index will be followed to purchase securities from the secondary market.
- iv. The Fund shall only invest in shares and securities that are permissible by the Shariah Law.
- v. In case of participation in the IPO/Book Building method where the market price is not available and hence the market capitalization, investment decision will be taken based on the broad base of Shariah Law, not on any ratio related to market capitalization of that particular scrip.
- vi. Not more than 85% (Eighty-Five percent) of the total assets of the Fund shall be invested in listed securities. Of this, at least 50% (Fifty percent) 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;
- vii. Not more than 15% (Fifteen percent) of the total asset of the Fund shall be invested in Shariah compliant fixed income securities including Government Securities, (if any) or Shariah compliant non-listed securities approved for mutual funds;
- viii. Non-listed securities that enjoy "investment grade" credit rating by a recognized credit rating agency is eligible for investments by a mutual fund. The fund can invest in unlisted corporate securities only after a prior-approval of the Commission;
- ix. All money collected under the Fund shall be invested only in cashable and/or transferable instruments, securities whether in money market or capital market or privately placed pre-IPO equity, preference shares, debentures or securitized debts;
- x. The Fund shall get the securities purchased or transferred in the name of the Fund;
- xi. 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.
- xii. The Asset Management Company shall choose stock broker(s) for the purchase and sale of securities for the Fund's portfolio;
- xiii. Settlement of transaction will take place as per the বিধিমালা and practice of the relevant laws and industry;

3.6 Investment Restrictions

- i. The Fund shall not invest more than 15% (Fifteen percent) of its total assets in any one particular company shares, or to the extent as determined by the Commission from time to time;
- ii. The Fund shall not invest in more than 10% (Ten percent) of paid-up capital (or other securities such as bond or debenture) issued by any company;
- iii. The Fund shall not invest more than 15% (Fifteen percent) 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 investments in Government Securities.



- iv. Not more than 10% (Ten percent) 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.
- v. The 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.
- vi. 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 properly in any way;
- vii. 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;
- viii. The Fund shall follow the investment objectives and investment restrictions as per the Mutual Fund Rules. Along with that, the Fund shall follow the Shariah guidance suggested by the Shariah Advisory Board and / or stocks selected in DSES or any other Shariah Based Index developed by the stock exchange(s) of Bangladesh for investment selections within the Mutual Fund Rules.
- ix. 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;
- x. The Fund shall not involve in option trading or short selling or carry forward transaction;
- xi. The Fund shall not buy its own unit.
- xii. The Fund shall not borrow to finance its investments, as long as it is not permissible under the বিধিমালা.
- xiii. In case of deferred expenses, accrued expenses for the period will be considered for determining total liabilities.
- xiv. No Asset Management Company shall, for the purpose of inducing, dissuading, effecting; preventing, or in any manner influencing or framing to its advantage, the sale or purchase of any security, directly or indirectly:
 - a. create a false and misleading appearance of active trading in any security;
 - b. effect any transaction in securities between mutual funds under the control of an Asset Management Company;
 - c. directly or indirectly effect a series of transactions in any security creating the appearance of actively trading therein or of raising of price for the purpose inducing its purchase by others or depressing its price for the purpose of inducing its sale by others;

3.7 Shariah Screening Policies and Guidelines

Basic business of the company 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 in companies involved in the activities of:

- Financials, Excepts
 - a. Islamic Banks
 - b. Islamic Financial Institutes
 - c. Islamic Insurance Companies



- Alcohol
- Cloning
- Pork
- Tobacco
- Gambling and Betting
- Pornography
- Trading on Gold and Silver as Cash on deferred basis

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 the share of revenues derived from non-compliant activities. All of these are subject to evaluation on an ongoing basis.

1. Leverage Compliance:

- a. Debt to Total market capitalization (36 month average) ratio <33%

2. Cash Compliance:

- a. Accounts Receivable/Market value of Equity (36-month average) <49%
- b. (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:-

- a. (Non-Permissible Income other than Interest Income)/Revenue <5%
- b. Interest income will be considered non-permissible as per the guidelines by the Fund's Shariah Advisory Committee.

Other Shariah-compliant instruments: The Fund may invest in other Shariah Compliant instruments as and when they are available for investments, specifically;

- a. In Participation Term Certificates, Mudaraba Term Certificates, Musharaka and Murabaha deposits and all other asset backed securities.
- b. 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.
- c. In the form of Riba-free cash deposits (Mudaraba) with Islamic 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.
- d. In other instruments that may be allowed by the বিধিমালা and confirmed as Shariah Complaint by the Shariah Advisory Board of the Fund from time to time.

3.8 Valuation Policy

The Fund intends to determine its NAV per unit on the last business day of each week by dividing the value of the net asset of the Fund (the value of total assets less total liabilities by the total



number of units outstanding) as per বিধি ৬০ of the বিধিমালা. As per বিধি ৫৮ of the বিধিমালা, valuation criteria so far approved by the Commission in the Trust Deed is as follows:

- i. For listed securities, the average quoted market price on the stock exchanges on the date of valuation shall form the basis of any calculation of Net Asset Value of such securities in the portfolio of the Fund.
- ii. For securitized debts, debentures, margin or fixed deposits, the accrued interest on such instruments on the date of valuation shall be considered in any calculation of Net Asset Value of such securities in the portfolio of the Fund.
- iii. The fund shall fix the valuation method for the Scheme subject to the prior approval of the Commission.
- iv. The Fund shall follow the method approved by the Commission for valuation of the non-listed investment, if any, and the Asset Management Company and the Trustee shall periodically review the non-listed investment, if any, and the Trustee shall periodically review the value of such investments. The auditors shall comment in the annual report of the Scheme of the Fund.
- v. The valuation of listed securities not traded within previous one month will be made based on their reasonable value by the Asset Management Company and approved by the Trustee and commented upon by the auditors in the Annual Report of the Scheme of the Mutual Fund but shall not be more than the intrinsic value of the securities.
- vi. The valuation of non-listed securities will be made by the Asset Management Company with their reasonable value and approved by the Trustee and commented upon by the Auditors in the annual report of the Scheme.
- vii. Once non-listed securities are valued, the valued amount will be considered for the purpose of valuing the Fund's assets in any interval of time until the securities are further revalued by the Asset Management Company.
- viii. Asset Management Company and Trustee will value the non-listed securities at least once in every 3 (three) months.
- ix. In case of deferred expenses, accrued expenses for the period will be considered for determining total liabilities.

3.9 Accounting for Net Asset Value (NAV) per Unit of the Fund and Fair Valuation of Financial Instruments

- 3.9.1 AMC 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.
- 3.9.2 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.
- 3.9.3 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.
- 3.9.4 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.

- 3.9.5 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.
- 3.9.6 In order to do fair valuation of assets and liabilities of a Fund, the AMC shall strictly comply with accounting recognition and measurement principles and disclosure provisions of International Financial Reporting Standards (IFRSs) particularly including that of IFRS 13 (Fair Value Measurement).
- 3.9.7 The AMC 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.
- 3.9.8 After initial recognition of a financial asset, the AMC 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.
- 3.9.9 The AMC shall have the option, at initial recognition, to irrevocably designate a financial asset and a financial liability to be measured at fair value through profit or loss.
- 3.9.10 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 IFRSs.
- 3.9.11 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 IFRSs. 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.
- 3.9.12 A gain or loss on a financial asset or financial liability that is measured at fair value shall be recognized in profit or loss unless:
- a) it is an investment in an equity instrument and the AMC has elected present to present gains and losses on that investment in other comprehensive income.
 - b) it is a financial asset measured at fair value through other comprehensive income;
 - c) it is a financial liability designated as at fair value through profit or loss but the entity



is required to present the effects of changes in the liability's credit risk in other comprehensive income. In that case, the remainder amount of change in the fair value shall be presented in profit or loss.

- 3.9.13 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.
- 3.9.14 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.
- 3.9.15 Adequate disclosure shall be made on the valuation of investment in securities and other financial instruments in both the interim and annual financial statements. Trustee shall not approve any financial statements without adequate disclosure of accounting policies as to the fair valuation of investments in securities.
- 3.9.16 Independent external auditor shall give opinion as to the fair value of investments in securities and/or financial instruments of the Fund. The external auditor shall specifically comment on assumptions and inputs used for the valuation of investments in unlisted securities of the Fund.
- 3.9.17 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 or investments + Dividend receivables net of tax + Interest receivables net of tax + Issue expenses amortized as on date + Printing, publication and stationery expenses amortized as on date.

L_T = Value of all securities payable + Payable against purchase of 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 safekeeping fee.

3.10 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 (IFRSs), supplemented by a full disclosure of inputs and methods of the valuation, and be subject to the approval of the Trustee of the Fund.
- vii. The external auditor shall comment on the fair valuation of investments in financial assets which are either unlisted or not actively trading in a stock exchange and on the quality of accompanying disclosure on investments in financial assets.

3.11 Measures of Earnings

- i. Net income for a financial period of a mutual fund shall be measured following International Financial Reporting Standards (IFRSs) and after incorporating all valid income, eligible expenses as well as provision for diminution in the fair value of investments in securities and other financial assets.
- 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. The 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.

3.12 Classification of Income and Expenses

- i. The AMC shall present separately each material class of similar items in the statement of profit or loss and other comprehensive income for a period of a mutual fund or a scheme of the Fund;
- ii. The AMC shall clearly identify major heads of income and expenses (or gains or losses) as separate line items in the statement of profit or loss and other comprehensive income for a period of a mutual fund or a scheme of the Fund;
- iii. The AMC shall recognize income and expenses (or gains and losses) using the accrual basis of accounting.

3.13 Limitation of Expenses

- i. All expenses should be clearly identified and appropriated to the Fund.



- ii. 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.
- iii. Asset management fees shall be payable on a quarterly basis.
- iv. Asset Management Company shall amortize the initial issue costs of the Fund within a maximum period of 5 (five) years. In case of availability of profits, the AMC can amortize the initial issue expense over a shorter period than 5 (five) years;
- v. 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)
- vi. The Asset Management Company may charge the Scheme of the Fund with the following recurring expenses, namely:
 - a) Bank charges.
 - b) Annual fees payable to the Commission as per the Rule (11).
 - c) CDBL Fees.
 - d) Listing fees.
 - e) Audit Fees.
 - f) Costs for publication of reports and periodicals specifically related to the Fund
 - g) Trustee Fees
 - h) Custodian Fee
 - i) Valid expense for organizing a unit holders' meeting in compliance with the Mutual Fund Rules—2001
- vii. No selling/marketing expense shall be applicable for the issue of new units to investors
- viii. Legal expenses of the AMC shall not be a charge against income of the Fund.
- ix. The AMC shall not charge transaction costs (including brokerage commission) as an expense in the statement of profit or loss and other comprehensive income.
- x. At initial recognition, the AMC shall measure a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Likewise, the AMC shall recognize a sale of a financial asset at net realized value, that is, the selling price net of transaction costs

3.14 Price Fixation Policy, Sale & Repurchase Procedure

After completion of initial subscription, the Fund will be made open 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 (or surrender price) per unit of the Fund to be calculated on the basis of the Net Asset Value (NAV) per unit at fair value. The Asset Management Company shall duly publish the information on NAV per unit at fair value, unit selling price and repurchase price in its website, across sales centers, and through press-release at the end of last working day of every week. There will be no difference between sale price and repurchase price initially which may be changed in future, but the difference between sale price and surrender price shall not exceed 1% (one percent) of the NAV per unit at fair value of the Fund. The Asset Manager may reduce the difference with the approval of the Trustee. Also, considering the market situation, the Asset Manager may introduce a spread between the NAV at market and the buy/sell price of CWT – Community Bank Shariah Fund (CWTCBSF).



Sale and repurchase procedure are given below:

- i. The Units of CWT - Community Bank Shariah Fund (CWTCBSF), hereinafter referred to as the Fund, may be bought and surrendered through CWT Asset Management Company Ltd. (CWTAMC) and authorized selling agents appointed by CWT Asset Management Company Ltd. (CWTAMC) from time to time.
- ii. Minimum purchase quantity for individual investors is 500 (Five Hundred) Units and for institutional investors is 5,000 (Five Thousand) Units.
- iii. Application for purchase of Units should be accompanied by an account payee cheque/pay order/bank draft in favor of "CWT - Community Bank Shariah Fund" for the total value of Units purchased.
- iv. After clearance/encashment of cheque/draft/pay order, the applicant will be issued with 1 (One) Unit Allocation Confirmation against every purchase with a denomination of number of units' he/she/the Institutional investor applies for. The units will also be delivered to the Unit holder's BO A/C.
- v. After receiving the surrender application form at AMC's office, the client will be paid in 7 (Seven) working days through account payee cheque or BEFTN transfer as per client's request.
- vi. Partial surrender (fraction of total Units held under a Unit Allocation Confirmation) is allowed without any additional cost subject to minimum surrender quantity is 100 (One Hundred) units both of individuals and institutions. Upon partial surrender, the Unit holder will be issued with a new Unit Allocation Confirmation representing the balance of his Unit holding.
- vii. All payments/receipts in the connection with or arising out of transactions in the Units hereby applied for shall be in Bangladeshi Taka.

3.15 Winding up Policy

3.15.1 Procedure of Winding Up

- i. If the total number of outstanding Unit certificates held by the Unit holders after repurchasing at any point of time falls below 25% (Twenty Five Percent) of the actual certificate issued, the Fund will be subjected to wound up.
- ii. The Fund may be wound up on the happening of any event, which, in the opinion of the Trustee with the 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.

3.15.2 Manner of Winding Up

- i. The Trustee shall call a meeting within 30 days from the notice date of the Unit holders of a Scheme to consider and pass necessary resolutions by three-fourth majority of the Unit holders present and voting at the meeting for authorizing the Trustee to take steps



- for winding up of the Scheme. If it fails to have three-fourth majority mandate, the Commission shall have the power to supersede the mandate if situation demands such.
- ii. The Trustee shall dispose of the assets of the Scheme of the Fund in the best interest of the Unit holders. Provided that the proceeds of sale made in pursuance of the বিধিমালা, shall in the first instance be utilized towards discharge of such liabilities as are properly due under the Scheme and after making appropriate provision for meeting the expenses connected with such winding up, the balance shall be paid to the Unit holders in proportion to their respective interest in the assets of the Scheme as on the date when the decision for winding up was taken.
 - iii. Within thirty days from the completion of the winding up, the Trustee shall forward to the Commission and the Unit holders a report on the winding up containing particulars, such as circumstances leading to the winding up, the steps taken for disposal of assets of the Scheme before winding up, expenses of the Fund for winding up, net assets available for distribution to the Unit holders and a certificate from the auditors of the Scheme of the Fund.

3.15.3 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 shall

- i. Cease to carry on any business activities of the open-end fund;
- ii. Cease to create and cancel unit of the open-end fund;
- iii. Cease to issue and redeem units of the open-end fund.

3.16 Investment Management

CWT Asset Management Company Ltd. (CWTAMC) shall conduct the day-to-day management of the Fund's portfolio as the Asset Manager subject to the provisions laid down in the বিধিমালা and Trust Deed or any general directions given by the Trustee, Shariah Advisory Board and/or the Commission. However, CWT Asset Management Company Ltd. (CWTAMC) shall have discretionary authority over the Fund's portfolio about investment decisions (refer to Section 5.4.1 on page no. 48 for details on Investment Management Process).

3.17 Dividend Policy

- i. The accounting year of the Fund shall be July 1 to June 30;
- ii. The Fund shall distribute dividend as per বিধিমালা from time to time, minimum 50% (Fifty percent) of the annual net income of the Fund as dividend at the end of each accounting period after making provision for bad and doubtful investments. However, the Fund may decide to distribute interim dividends (quarterly and semi-annually) based on its net income with the approval of the Trustee and the Commission subject to completion of the Audited Financial Accounts of the Fund.
- iii. Surpluses arising simply from the valuation of investments shall not be available for dividend;
- iv. The Fund shall not issue reinvestment unit (RIU) under any circumstance.
- v. Dividend warrants will be dispatched within 45 (Forty-Five) working days from the declaration of such dividends.



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



Chapter 4: The Shariah Advisory Board

4.1. Members of the Shariah Advisory Board

As approved by the Trustee, the first Shariah Advisory Board consists of the following members:

Ms. Nusrat Farzana

Ms. Nusrat Farzana is an Assistant Professor of Business and Economics at the United International University of Bangladesh (UIU). She is also the coordinator of the Post Graduate Diploma in Islamic Banking (PGDIB) and the Institute of Business & Economic Research (IBER) at the university. Ms. Farzana has completed the Islamic Finance Qualification (IFQ) from Chartered Institute for Securities and Investment in the United Kingdom. Currently, she is pursuing a Doctor of Philosophy (Ph.D.) on the topic of "An Analysis of Banks' Resilience Capacity: Comparison between Islamic and Non-Islamic" at the Bangladesh University of Professionals (BUP). She has a wealth of experience and skills as a professional analyst and publisher, having worked with many publications. Ms. Farzana has also been part of some renowned publications such as "Nexus between Environmental Sustainability, Good Governance, Financial Inclusion, and Tourism Development in Bangladesh" and "Modeling Asymmetric Effects and Long Memory in Conditional Volatility of Dhaka Stock Exchange," among others. Additionally, she has participated in international conferences on topics such as Halal Tourism, Attaining Sustainable Development in Bangladesh: Effectiveness of Zakat Fund, and Islamic Microfinance in Bangladesh: A Shariah-Based Poverty Alleviation Mechanism.

4.2. Role and Responsibility of the Shariah Supervisory Board

'Shariah Supervisory Board' is a body of Shariah experts who ensures the Shariah compliance of a particular stock. The duties and responsibilities of Shariah Advisory Board are as follows:

- Advising the Asset Manager on matters relating to preparation of guidelines for selection/screening of acceptable Companies/Instruments as per Shariah Law;
- Advising general investment guidelines consistent with the Shariah Law;
- 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;
- The decision given by the Shariah Advisory Committee on the matter relating to Shariah Law should be acceptable to the Trustee, Asset Manager, the Unit Holders and other related parties;
- Trustee will determine the remuneration of Shariah Advisory Board Members from time to time.

Any other responsibilities determined by the Commission or specified in the constitutive documents.



Chapter 5: Formation, Management & Administration

5.1 Sponsor of the Fund

Community Bank Bangladesh Limited, a concern of Bangladesh Police Kallyan Trust, will be the Sponsor of the Fund. It has been established with a vision to serve communities with the tailor made secured solutions abiding by the highest level of corporate governance. It aims to contribute to the economic growth of the country by providing financial products & services to the communities across geographies. State-of-the-art core banking system is an enabler to operate centrally in optimum magnitude. Community Bank runs on its three core building blocks i.e. Trust, Security and Progress.

5.2 Trustee of the Fund

To reinforce maximum trust and confidence of the investors, supervisory bodies and the persons concerned towards the Fund, Sandhani Life Insurance Company Ltd. (SLIC) will act as the Trustee of the Fund. SLIC is a leading insurance company so far engaged in Micro Insurance for the poor people, Ordinary Life Policy for the general, Group Insurance for the corporate, Education Policy for the students, Hajj Policy for the religious people activities are qualified and capable to act as the Trustee of a mutual fund. The Trustee shall constitute Committee with a minimum of two members, which shall be responsible for discharging the obligations of the Trustee and the first such Committee shall be constituted with the following members, namely:

1. Chairman, Sandhani Life Finance Ltd.
2. CEO, Sandhani Life Insurance Company Ltd.
3. Company Secretary, Sandhani Life Insurance Company Ltd.

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

5.3 Custodian of the Fund

BRAC Bank Ltd, a banking company, incorporated under Companies Act, 1994 and Bank Companies Act, 1991 and registered with the Bangladesh Securities & Exchange Commission on December 15, 2009 to act as Custodian, engaged in, among others, custodial services having required capabilities, qualifications and adequate skills in its concerned field of activities.

BRAC Bank has one of the strongest balance sheets among the Bangladesh-based banks which is reflected in Moody's recent assignment of BA3 rating- the highest rating Moody's assigned for banks in Bangladesh. The bank posted BDT 5.55 bn net profit after tax in 2021 with a balance sheet of BDT 449 bn at the end of December 2021. The bank has been acting as Custodian to several other mutual funds quite successfully since 2010.

5.4 Asset Manager

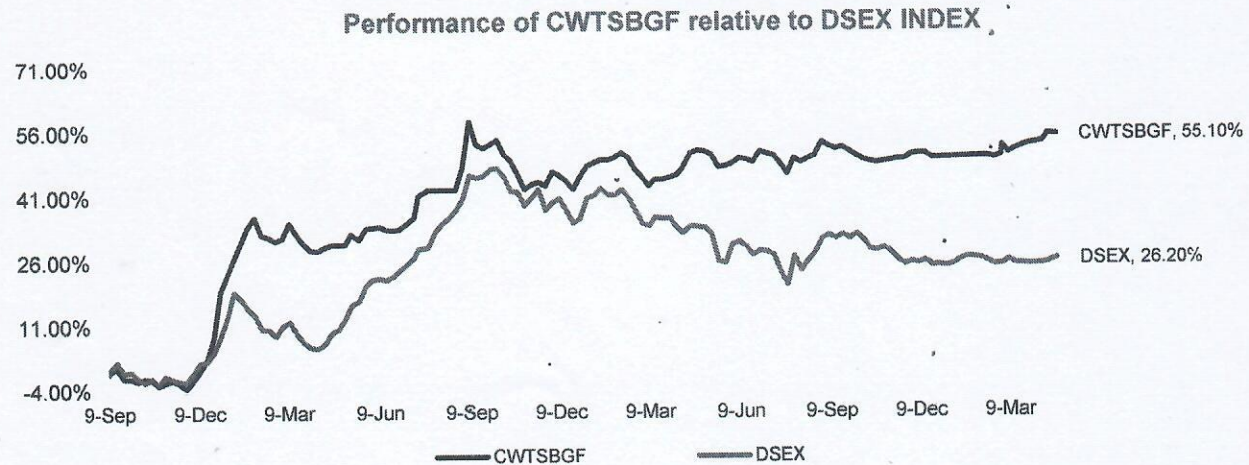
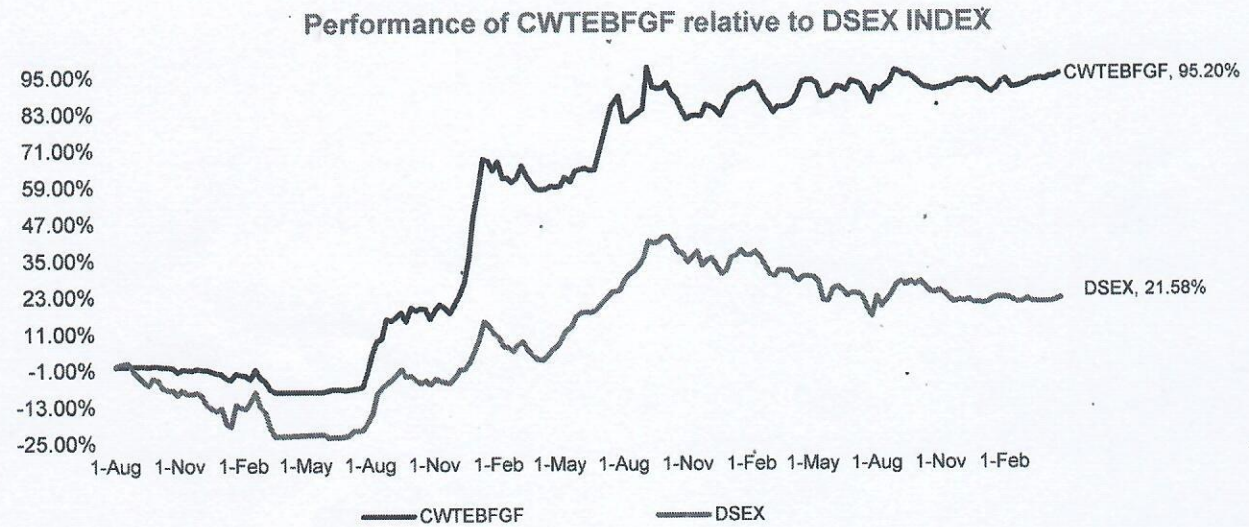
CWT Asset Management Company Ltd. (CWTAMC) will be the Asset Manager of the Fund. Founded by a team of investment management professionals with strong track-record, CWTAMC is committed to deliver strong investment results by harnessing long-term, value investing opportunities by acting as the Asset Manager of the CWT - Community Bank Shariah Fund (CWTCBSF). CWTAMC was founded on November 27, 2018, and the Company received the license to function as an Asset Management Company by the BSEC on February 12, 2019. CWTAMC is committed to provide the maximum quality investment management services to the



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capital market investors in Bangladesh. As part of this commitment, CWTAMC has been successfully managing three mutual funds. All the Funds have shown outstanding performances. CWT Emerging Bangladesh First Growth Fund declared 29.50% dividend for the year 2020 – 2021 and a dividend of 22.00% for the year 2022. CWT – Sadharan Bima Growth Fund declared 5.00% dividend for the year ended on December 31, 2020, a dividend of 17.00% for the year ended December 31, 2021 and a dividend of 4.50% for the year ended December 31. 2022. Our third Fund CWT Opportunities Fund is relatively new and has only started its operation on June 7, 2021. Within this short span the Fund has declared a dividend of 1.80% for the year ended December 31, 2021, and a dividend of 2.00% for the year ended on December 31, 2022.



5.4.1 Investment Management Process

Shariah-screening and compliance process:

The AMC will follow the Shariah compliant investment policy and guidelines. Also, the Shariah Advisory Board of the Fund will undertake another level of screening to make sure that all securities are considered for investments are Shariah-compliant. The committee will also ensure the dividend purification process is applied properly as and when needed.



Investment Decision Making Process:

CWTAMC forms an Investment Committee (IC) comprising of the Chief Investment Officer, Chief Risk and Compliance Officer, and Chief Executive Officer for reviewing and approving investment decisions for the Fund in a well-rounded prudent way. Investment Analysts will present their independent investment research findings in the IC meeting from time to time. Investment decisions will be made by combining top-down asset allocation strategy with bottom-up security selection strategy as described below:

- **Growth momentum identification**
 - As the fund will be growth oriented, the IC will put its primary focus on sectors and companies those are likely to be the outstanding growth drivers of Bangladesh economy. Along with the growth momentum the most profitable and well governed companies will be eligible in the primary investment criteria.
- **Top-down analysis to optimize the asset allocation mix**
 - Finding the best asset class in prevailing macroeconomic and socio-political context;
 - Focusing mostly on key macro drivers like growth outlook, trend of financial sector liquidity and interest rates and policy changes.
- **Bottom-up focus to find most attractive securities in each asset class**
 - Identifying securities mispricing of new information or emerging developments by maintaining the information processing edge;
 - Avoiding valuation trap, maintaining buy-sell discipline in line with target fair value estimates;
 - Maintaining psychological, philosophical, and knowledge to post reasonable performance throughout market cycle.

Asset Allocation Process: The IC will thoroughly assess macro-economic and socio-political condition of the country to form risk-return expectations objectively for different asset classes in the context of prevailing market valuation level. Relative risk-return attractiveness of different asset classes as suggested by the research findings will drive asset allocation decisions for the Fund. At Investment research process Research Analysts will undertake the following process for generating accurate, timely and actionable research recommendations –

- Screening to a smaller universe of stocks after initial screening
 - Quality of governance and management (to assess how well minority shareholders' right is protected);
 - Focusing on industry leaders with strong business performance track-record;
 - Strong balance sheet (cash-rich companies with low debt) with reasonable capital allocation history strategy for driving competitive return on investments.
- Understanding fundamentals of underlying business
 - Finding key drivers- decomposing business model and performance;
 - Understanding long-term competitiveness of the underlying operation;
 - Establishing cause-effect relationships among key variables.
- Connect with industry insiders e.g., management, distributors, customers for different perspectives
- Estimate long-term outlook of critical variables and drive interlinked business performance indicators
- Determine fair value estimate for the subject security by applying appropriate valuation model
- Identify critical investment risks and catalysts for the subject security



- Communication research findings along with fair value estimate and risks to IC meeting

Security Selection and Portfolio Construction Process: The IC will review the outcome of the fundamental analysis and will construct a model portfolio by combining securities that offer highest risk-adjusted-return. The IC will also ensure adequate portfolio diversification (to different asset classes, sectors and companies) is achieved at this stage.

Investment Decision Execution: Based on the contemporary market condition and liquidity situation, IC will determine the investment execution strategy to mitigate transaction costs and optimize portfolio performance.

Change in Fundamentals: Once the fund has invested in a particular security, that security will be continuously monitored for any change in the fundamentals on which the investment decision was made at the first instance and act accordingly.

Liquidity: When investing in a comparatively illiquid security, proper caution will be taken so that price of the security does not move abruptly to evaporate the return potential. For example, if the average volume of a security traded is 1000 (One Thousand) shares per day and the fund aims to buy or sell around 100,000 (One Lacs) shares of that security, it would be very difficult to execute the trade and price of that security will move sharply hampering the targeted return from that investment.

Portfolio Monitoring & Risk Management: IC will monitor business performance of the portfolio companies/issuers on continuous basis and will rebalance portfolio as and when needed to achieve investment objectives. IC will determine appropriate risk management strategy for individual securities and at the portfolio level, too.

5.4.2 Brief Profiles of Senior Executives

Ms. Moniza Choudhury **Managing Director**

Ms. Moniza Choudhury has an outstanding track record as a versatile professional in leadership positions—in both national and international arenas. She was a Vice President of Brummer & Partners for several years, one of the leading European Hedge Funds. Ms. Choudhury started her career as a Project Lead at Booz Allen Hamilton, a leading management and technology consulting company for United States Department of Defense and Private sector. She holds a Bachelor's degree in Computer Science and a Master's degree in Counter-terrorism, both from George Mason University, USA.

Mr. Md. Tareq Ibrahim **Chief Executive Officer**

Mr. Md. Tareq Ibrahim is an accomplished professional in Bangladesh capital market, with vast experience in overseeing the establishment of fund structures—both closed and open-end—with varied styles and strategies. He heads the equity research and advisory team of CWTAMC. Before joining to CWTAMC, Mr. Ibrahim served as the Vice President and Chief Investment Strategist at UCB Capital Management Ltd. He started his career in 2010 with LankaBangla Securities Ltd as a Research Analyst. During his tenure in LankaBangla, he managed the portfolio of client equity (especially negative equity), which was worth BDT 2.5 billion. Mr. Ibrahim served as the Senior Assistant Vice President and Head of Research and Investment at City Brokerage Ltd. Mr. Ibrahim completed his BBA & MBA from University of Dhaka, majoring in



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Finance. He participated in numerous training sessions related to technical analysis, merger and acquisition, and fundamental analysis. He also passed CFA Level II.

Mr. Muhammad Harunur Rashid
Head of Accounts

Muhammad Harunur Rashid has joined CWT Asset Management Company (CWTAMC) as the Head of Accounts. Prior to working in CWTAMC, he served as the Senior Executive (Finance & Accounts Department) at Lanka Bangla Asset Management Company Limited (LBAMCL).

Mr. Rashid has completed his CA-CC from K. M. Hasan & Co., Chartered Accountants, under the Institute of Chartered Accountants of Bangladesh (ICAB). He also worked as an audit supervisor for K. M. Hasan & Co. He has expertise in both public & private sector with diverse skills, proven business sense and technical expertise in budgetary process and control, efficiency enhancement, governance, internal Control, risk and assurance management, control system design and value creation.

Ms. Tasnim Hadi Shamma
Investment Analyst

Ms. Tasnim Hadi Shamma is an investment Analyst at CWTAMC. Before joining as a full-time employee, she worked as an intern for Bangladesh Securities and Exchange Commission (BSEC) and CWTAMC in 2019. During her internship at CWTAMC, she worked actively in deploying two mutual funds from the beginning to the end. She also worked as a Qualitative Research Analyst (Ad-hoc) at Kantar Millward Brown, Bangladesh, for almost 2 years while pursuing her bachelor's degree from University of Dhaka. She had a major in Finance, and would appear in CFA Level I exam in June 2022. Along with academic and professional achievements, she has been awarded the prestigious Duke of Edinburgh Gold Award in February, 2020.

Ms. Tasnim Tabassum Tore
Investment Analyst

Ms. Tasnim Tabassum Tore currently works as an Investment Analyst at CWTAMC. She started her career as an intern for Bangladesh Securities and Exchange Commission (BSEC) in 2019; after that she joined at Data Resource Bangladesh (DRB) as a Research Analyst in 2020. Later in 2020, she joined as a consultant at CWTAMC before being promoted to a full-time employee as an Investment Analyst. She has worked in various companies and had an excellent performance in every organization she worked for. She has completed Bachelor of Business Administration in Finance from University of Dhaka in 2019. She is very foresighted and her commitment to work is extraordinary.

Mr. Shadab Shahriar Bhuiyan
Investment Analyst

Mr. Shadab Shahriar Bhuiyan currently works as an Investment Analyst at CWTAMC. While pursuing his bachelor's degree from Independent University, Bangladesh he joined Data Resource Bangladesh (DRB) as an intern in 2020. Later in 2021, he joined as a consultant at CWTAMC before being promoted to a full-time employee as an Investment Analyst. He has



completed his Bachelor of Business Administration Finance from Independent University, Bangladesh in 2021. His dedication and commitment towards his work is remarkable.

Ms. Sadia Afrin Alvi
Junior Executive

Ms. Sadia Afrin is a Junior Executive Officer of CWT Asset Management Company Ltd. She joined CWTAMC as an intern in February 2022, and later she got promoted to a consultant in July 2022.

Having a professional career of over 1 year, she is responsible for handling accounting & operational activities. She has completed her Bachelors in Business Administration from North South University, with a concentration in Finance. Prior to her role, she helped to grow some homegrown social businesses.

5.5 Auditors

Hoda Vasi Chowdhury & Co Chartered Accounts having Head Office at BTMC Bhaban (7th & 8th Level), 7-9 Kazi Islam Avenue, Kawran Bazar C/A, Dhaka – 1217, Bangladesh has been appointed as the first auditor of the fund for the first accounting year. Subsequent auditors shall be appointed by the Trustee.

5.6 Fees and Expenses

The Fund will pay the fees of Asset Manager, the Trustee and the Custodian together with any other fees, commissions and expenses as may arise from time to time. The Fund will bear its own costs and expenses incurred/accrued in connection with its formation, promotion, registration, CDBL fees, public offering together with certain other costs and expenses incurred in its operation, including without limitation expenses of legal and consulting service, auditing, other professional fees and expenses, brokerage, share/debenture registration expenses and fees due to the BSEC. The Fund shall also bear all the other incidental expenses including printing, publication and stationery relating to its smooth and fair operation. Major expenses of the Fund are detailed as follows:

5.6.1 Issue and Formation Expenses

The initial issue cost of the Fund shall not exceed 3% (Three percent) of capital actually raised under the Fund. The issue and formation expenses will be amortized within 5 (Five) years on a straight-line method. The estimated detailed breakdown of the initial issue cost in the prospectus/offer document of the Fund are presented below:



Sl. No.	Type of Expenses	(%) of Total Target Fund	Total Amount	Sub Total/ Details	Description
1	Formation fee payable to AMC	1.00%	2,500,000	Set fee	Formation fee to AMC on collected fund of approved fund size
2	Management fee for pre-scheme formation period	0.50%	1,250,000	On scheme	Management fee of AMC for pre-Scheme formation period (Approximate) as per BSEC Directive (no. SEC/CMRRCD/2009-193/160) dated May 28, 2014
3	Legal & Compliance related expenses (Application, registration fees etc.)	0.42%	1,040,000	100,000	BSEC application fees
				500,000	BSEC registration fees (0.2% of initial fund size)
				40,000	CDBL fee (Distribution of 2.5 crore Units X BDT 10 X 0.00015 CDBL fee rate = BDT 37,500; CDBL documentation fee = BDT 2,500;
				250,000	Trust deed registration related fee
				150,000	Legal Advisory fees
4	Printing & publication	0.52%	1,300,000	450,000	Designing & Printing of prospectus
				150,000	Designing & Printing of Flyers, SIP Brochure & Voucher
				600,000	Publication of abridged version of prospectus and notice on daily newspaper & Online newspaper
				100,000	Courier, distribution and conveyance expenses
5	Other expenses	0.20%	500,000	500,000	
	Total	2.64%	6,590,000		

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

5.6.2 Management Fee

As per the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১, the Fund shall pay a management fee to the Asset Management Company @2.50 percent per annum of the weekly average NAV up to BDT 5.00 crore and @2.00 percent per annum for additional amount of the weekly average NAV up to BDT 25.00 crore over BDT 5.00 crore and @1.50 percent per annum for additional amount of the weekly average NAV up to BDT 50.00 crore over BDT 25.00 crore and @1.00 percent per annum for additional amount of the weekly average NAV over BDT 50.00 crore, accrued and payable quarterly.



5.6.3 Trustee Fee

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

5.6.4 Custodian Fee

The fee for Custodian services will be @ 0.10% per annum of the fair value of securities (both listed and non-listed) held by the Fund, to be calculated and paid on a semiannual basis. All other charges payable to different authorities apart from the Custodian will be billed on actual basis to the fund.

5.6.5 Shariah Advisory Fee

The Shariah Advisory fee shall be determined by the Trustee from time to time.

5.6.6 Fund Registration and Annual Fee

The Fund has paid 0.20% of the initial target size of the Fund i.e., BDT 500,000.00 (Five Lac) BDT only to Bangladesh Securities and Exchange Commission as registration fee. The Fund shall pay annual fees, by a pay order or bank draft, at the rate of 0.10 percent of the net asset value (NAV) at fair value of the Fund, or the scheme of the Fund, or BDT 1,00,000, whichever is higher, to the Commission within 90 (Ninety) days from the end of the financial year.

Provided that in case of a failure to pay the annual fees within the aforesaid deadline, the Asset Management Company, not the mutual fund, shall be liable to pay a fine equivalent to the half of the annual fees for a delay of every month or a part thereof. Also, the AMC 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 (1).

5.6.7 Commission Payable to Selling Agent(s)

The Fund shall pay commission to the authorized selling agent(s) to be appointed by the Asset Manager at the rate of 2% (Two Percent) maximum 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 only for sales of units, 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 the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১. The selling agent commission may change in future with prior approval from the Trustee.

5.6.8 Audit Fee

The audit fee will be BDT 50,000 (Fifty Thousand) only, for the first accounting year and the Trustee will fix the fees for subsequent years.

5.6.9 Annual CDBL Fee

The fixed annual CDBL fee will be BDT 40,000 (Forty Thousand) only, plus applicable VAT (if any). Annual CDS connection fee will be BDT 6,000 (Six Thousand) only, plus applicable VAT (if any). These fees may be amended from time to time by the Commission in the future.



5.6.10 Amortization Expenditure

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

The total operating expense, excluding amortization of initial issue costs and provision for diminution in the fair value of investments, of the mutual fund shall not exceed 4 (four) percent of net asset value (NAV) at fair value of the Fund.

5.6.11 Brokerage Commission

The Fund will pay to the stockbroker a commission of 0.18% - 0.30% of the total amount of transaction including Howla, Laga, CDBL fees, sales and research services to the Fund Manager, and any other associated costs. The AMC shall not charge transaction costs (including brokerage commission) as an expense in the statement of profit or loss and other comprehensive income.



Chapter 6: Risk Factors

There is no investment in the world which is risk free. Though mutual funds offer wider diversification and value-for-money to an individual, there are a few risks associated with investing in mutual fund. Investors should know that CWT - Community Bank Shariah Fund is not a guaranteed or assured return scheme and the past performance of the Sponsor and their affiliates/AMC does not guarantee future performance of the Scheme. The name of the Scheme does not in any manner indicate either the quality of the Scheme or its prospects and returns. When investing in the Fund, investors should carefully consider the risk factors outlined below, which are not necessarily exhaustive or mutually exclusive:

1. **General:** Due to the fluctuation of the price/value/interest rates of the securities in which Scheme invests, the value of investment in the Scheme may go up or down depending on the various factors and forces affecting the capital markets and money markets. There is no guarantee that the Fund will be able to meet its investment objective. Unitholders may incur absolute and relative losses, including loss of principal, when investing in the Fund. Investors should study this Offer Document carefully before investing. Government policy and tax laws may change, affecting the return on investments of the fund, which may eventually affect the NAV and return of the Units.
2. **External Risk Factor:** The investments made are subject to external risks such as war, natural calamities, and policy changes of local/international markets which affect macro-economic situation and capital market as well as money market of the country.
3. **Market Risk:** Market risk is basically a risk which may result in losses for any investor due to a poor performance of the market. Bangladesh capital market, being a frontier market, is characterized by high returns and high volatility and prices of securities can fluctuate significantly from their respective fundamental value estimates, at times for prolonged period. The Fund may lose its value or incur a sizable loss on its investments due to such market volatility. Stock market trends indicate that prices of majority of all the listed securities move in unpredictable direction which may affect the value of the Fund.
4. **Concentration Risk:** The risk arises from the observation that more concentrated portfolios are less diverse and therefore the returns on the underlying assets are more correlated. Due to a limited number of high-quality listed stocks in both the DSE and CSE, it may be difficult to invest the Fund's assets in a widely diversified equity portfolio as and when required to do so. Very narrow and highly thinly traded bond market of the country has not been supporting the Asset Manager to design and implement optimum asset allocation decisions from time to time.
5. **Dividend Risk:** A mutual fund is at its core a managed portfolio of stocks and/or bonds. Hence, the income of a mutual fund is largely dependent on the dividends on stocks and held in the fund's portfolio. Despite careful investment selection of companies in the Fund, if the companies fail to provide the expected dividend or fail to disburse dividends declared in a timely manner that will impact the income and the overall return of the Fund.
6. **Underlying Liquidity Risk:** Liquidity risk refers to the difficulty to redeem an investment without incurring a loss in the value of the instrument. It can also occur when a seller is unable to find a buyer for the security. Liquidity risk arises for investing in Pre-Public Offer Placement securities i.e., in the unlisted equity securities by the Fund, market conditions



and investment allocation. Debt securities, while somewhat less liquid, lack a well-developed secondary market, which may restrict the selling ability of the Fund, and may lead to the Fund incurring losses till the security is finally sold. While securities listed on the stock exchange carry lower liquidity risk, the ability to sell these investments is limited by the overall trading volume on the stock exchanges and may lead to the Fund incurring losses till the security is finally sold.

7. **Investment Strategy Risk:** Risks and potential returns vary greatly from investment to investment. Since, the Fund will be an actively managed investment portfolio; the Fund performance will remain subject to the investment management strategy risk. The fund manager will undertake rigorous investment research and risk management exercise at all the time; however, there can be no guarantee that such process and techniques will produce the desired outcome. Due to the long-term fundamental analysis driven management style of the fund manager, the Fund may drag performance relative to the market index/benchmark in too weak or strong market conditions when market volatility is high.
8. **Credit Risk:** Credit risk basically means that the issuer of the scheme is unable to pay what was promised as interest. Since the Fund will also seek to invest as per the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১ in both equity and fixed income securities; the credit risk of the fixed income issuers is also associated with the Fund. Investment in fixed income securities is subject to the risk of an issuer's inability to meet interest and principal payments on its obligations and market perception of the creditworthiness of the issuer.
9. **Interest Rate Risk:** Interest rate risk is the risk that an investment's value will change due to a change in the absolute level of interest rates. A portion of the Fund will be invested in the money market and fixed income instruments. These instruments will be directly affected by interest rate fluctuation. However, value of the equity securities is inversely and non-linearly related to general level of interest rates. As allocation for equity securities will generally be higher than that for fixed income securities, NAV of the Fund is expected to increase from a fall in interest rates and vice versa. Additionally, zero coupon securities do not provide periodic interest payments to their investors making them riskier from interest rate risk perspective. However, the AMC may choose to invest in zero coupon securities that offer attractive yields commensurable for inherent higher level of interest rate risk.
10. **Issuer Risk:** Issuer risk arises from corporate governance risk, management malfeasance, accounting irregularities, unfavorable changes in management team or management strategy leading to corporate under-performance. Such risks can develop in an unpredictable way where corporate insiders have way more information in their custody than the public investors including the Asset Manager. Hence such risks can only be partially mitigated by thorough research or due diligence. To the degree that the Fund is exposed to a security whose value declines due to issuer risk, the Fund's value may be impaired.

Mutual funds do not guarantee any predetermined returns.



Chapter 7: Size of the Fund & Rights of the Unitholders

7.1 Size of Issue

The initial size of the Fund shall be BDT 250,000,000 (Twenty Five Crore) only divided into 25,000,000 (Two crore and Fifty lacs) 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 (Taka/Unit)	Amount (BDT)	Status
Community Bank Bangladesh Ltd.	2,500,000	10	25,000,000	Subscribed
General Investors	22,500,000	10	225,000,000	Yet to be subscribed
Total	25,000,000	10	250,000,000	

7.2 Sponsor's Subscription

The Sponsor, has subscribed BDT 25,000,000 only worth of Units equivalent to 2,500,000 Units of BDT 10 (Ten) each at par on March 2, 2023, the effective date.

7.3 Rights of the Unitholders

7.3.1 Voting Rights

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

7.3.2 Transfer of Units

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

7.3.3 Periodic Information

All the Unitholders of the Fund shall have the right to receive the Annual Report and Audited Accounts of the Fund. Moreover, the Unitholders shall be informed of the NAV of the Fund on weekly basis through newspaper, the website of the Asset Manager, the Selling Agent(s) to be appointed by the Asset Manager from time to time and any other means as the Asset Manager may deem fit.



7.3.4 Accounts and Information

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

7.3.5 Beneficial Interest

The Unitholders shall preserve only the beneficial interest in the trust properties on pro rata basis of their ownership of the respective Schemes.



Chapter 8: Unit Subscription

8.1 Terms and Conditions of Unit Subscription

1. The Units of CWT - Community Bank Shariah Fund, hereinafter referred to as the Fund, may be bought and surrendered through CWTAMC and authorized selling agents appointed by CWTAMC from time to time.
2. Application must be made by an individual (both resident and non-resident), a corporation or company (both local and foreign), a trust or a society (registered in or outside Bangladesh) and not by minor or person of unsound mind.
3. Joint application by two persons is acceptable. In such cases, registration and issuance of Confirmation of Unit Allocation will be in favor of principal applicant while dividend and other benefits, if any, will be addressed to the 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.
4. Minimum purchase amount for individual investors is 500 (Five Hundred) Units and BDT 1,000 (One Thousand) per application (100 Units) for SIP investors and for institutional investors is 5,000 (Five Thousand) Units.
5. Application for purchase of Units should be accompanied by an account payee cheque/pay order/bank draft in favor of the "CWT - Community Bank Shariah Fund" for the total value of the Units.
6. After clearance/encashment of cheque/draft/pay order, the applicant will be issued with a Confirmation of Unit Allocation against every purchase of Units he/she/the institutional investor applies for. The Units will also be delivered to the Unitholders' BO A/C in dematerialized form.
7. Partial surrender is allowed without any additional cost subject to minimum surrender quantity is 100 (One Hundred) Units both for individuals and institutions. Upon partial surrender, the Unitholder(s) will be issued with a new Confirmation of Unit Allocation representing the balance of his/her/their Unit holding.
8. The Units may be transferred by way of inheritance/gift and/or by specific operation of the law. In case of transfer, the Fund will charge a nominal fee as decided by the Asset Manager from time to time except in the case of transfer by way of inheritance.
9. Dividend may be delivered in cash or by way of Units under Cumulative Investment Plan (CIP) as the applicant gives option in the application form.
10. All payments/receipts in connection with or arising out of transactions of the Units applied for shall be in Bangladeshi Taka.



Chapter 9: Sales Agents

9.1 Selling Agent

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

	Name of the Selling Agents	Type of Business
1	UCB Stock Brokerage Limited	Brokerage House
2	City Brokerage Limited	Brokerage House
3	IDLC Securities Limited	Brokerage House
4	UniCap Securities Limited	Brokerage House
5	Shanta Securities Limited	Brokerage House

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

9.2 Selling Agents' Details

UCB Stock Brokerage Limited – Office Location:

1.	Head Office 6 Dilkusha C/A (1 st floor), Dhaka - 1000
2.	DSE Extension Branch, 9/E DSE Annex Building (Room: 633 – 5 th floor), Motijheel C/A, Dhaka - 1000
3.	Main office Extension Haque Chamber (8 th Floor, West Side), 3 D.I.T Extension Avenue (Haque Chamber – 8 th floor, West Side, Motijheel, Dhaka – 1000
4.	Agrabad Branch, Chattogram 1269/B Sk Mujib Road (Ayub Trade Center – 4 th floor), Agrabad C/A, Chattogram
5.	Sylhet Branch Sobhanighat (Bengal Shopping Complex – 2 nd floor), Bishwa Road, Sylhet - 3100

City Brokerage Limited – Office Location:

1.	Head Office 90/1 Motijheel C/A (City Center, Unit: 12A & 12B, 12 th floor), Dhaka - 1000
2.	Gulshan Branch 25 Gulshan Avenue (Taj Casilina – flat 4D), Dhaka - 1212
3.	Dhanmondi Branch House: 312 (Suvastu Zenim Plaza – 2 nd floor), Road: 27 (old)/32(new), Dhanmondi, Dhaka – 1205
4.	Nikunja Branch DSE Tower, Room No. 172, Level- 09, Nikunja, Dhaka
5.	Chattogram Branch



	1269/B SK Mujib Road (Ayub Trade Center – 6 th floor), Agrabad C/A, Chattogram – 4100
6.	Sylhet Branch Holy Complex (1 st Floor), East Dorga Gate, Sylhet - 3100

IDLC Securities Limited - Office Location:

1.	Head Office DR Tower (4th Floor) Bir Protik Gazi Golam Dastagir Road Purana Paltan, Dhaka 1000
2.	Gulshan Branch Symphony Tower (4th Floor, South Part), Plot #S.E (F)-9, Road #142, Gulshan- 1, Dhaka-1212
3.	Chattogram Branch Ayub Trade Centre (6th Floor) 1269/B Sk. Mujib Road Agrabad Commercial Area Chattogram 4100
4.	Dhanmondi Branch Concord Royal Court (2nd Floor), House No: 275/G (Old) 40 (New), Road: 27 (Old) 16 (New), Dhanmondi R/A, Dhaka-1209
5.	DOHS Mohakhali Branch B.H Nibash, House # B105 (3rd Floor, North Side), Flat # 4(A), Road # 08, New DOHS, Mohakhali, Dhaka- 1206
6.	Gazipur Branch Rahmat Tower (2nd Floor), Holding No. 1034, Mouza: Outpara, Joydebpur, Gazipur 1700
7.	Narayangonj Branch Rrahat Complex, 53/3, S M Maleh RD, Tanbazar 1400, Narayanganj.
8.	Sylhet Branch RN Tower (4th Floor), Chowhatta, Sylhet
9.	Uttara Branch Monsur Complex (4th Floor), Plot # 59/A, Road # 7, Sector # 4, Uttara Model Town, Dhaka 1230.
10.	Bogura Digital Booth B.H Nibash, House # B105 (3rd Floor, North Side), Flat # 4(A), Road # 08, New DOHS, Mohakhali, Dhaka- 1206

UniCap Securities Limited - Office Location:

1.	Head Office A-A Bhaban (9 th Floor) 23 Motijheel, C/A Dhaka - 1000
2.	Gulshan Branch Richmond Concord (6 th Floor), 68 Gulshan Avenue, Gulshan - 1, Dhaka - 1212



3.	Sonargaon Road Branch Noor Tower (5 th Floor), 73 Sonargaon Road, Dhaka - 1205
4.	Chattogram Branch Ayub Trade Centre (7 th Floor), 1269/B, SK Mujib Road, Agrabad, Chattogram - 4100
5.	Sylhet Branch J. R Tower (2 nd Floor), 23 Abash Jail Road, Sylhet - 3100

Shanta Securities Limited - Office Location:

1.	Corporate Office The Glass House (10 th Floor), 38 Gulshan Avenue, Gulshan - 1, Dhaka – 1212
2.	Registered Office Dhaka Stock Exchange Building (5 th Floor), 9/F Motijheel, C/A Dhaka - 1000
3.	Motijheel Branch Peoples Insurance Bhaban (10 th Floor), 36 Dilkusha, C/A Dhaka - 1000

9.3 Banker

One Bank Limited has been appointed to act as the Banker of the Fund by Asset Manager. The public subscription money collected from the investors through the Selling Agents will be remitted to the following bank account:

Account Name	CWT - Community Bank Shariah Fund
Account Number	1061490000312
Bank	One Bank Ltd.
Branch Location	Mirpur-1 Sub-Branch

Forms

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

- I. Application Form to Purchase Units, Individual
- II. Application Form to Purchase Units, Institution
- III. Surrender/Repurchase Form
- IV. Transfer Form
- V. SIP Form



APPLICATION FORM TO PURCHASE UNITS - INDIVIDUAL

CWT Asset Management Company Ltd.
(Please read "Terms and Conditions" on reverse carefully)
(PLEASE FILL UP THE FORM IN BLOCK LETTERS)

To,
The Managing Director
CWT Asset Management Company Limited (CWTAMC)
Corporate Office: House: 1/B (Flat: B2 - Green Square), Road: 5,
Gulshan (Circle - 1), Dhaka - 1212

For Office Use Only
Selling Agent's Name: _____
Registration No: _____
Sale No: _____

Please Select the Fund You Want to Invest in

- | | |
|--|--|
| ☐ CWT Emerging Bangladesh First Growth Fund | ☐ CWT - Sadharan Bima Growth Fund |
| ☐ CWT Opportunities Fund | ☐ CWT - Community Bank Shariah Fund |

If we would like to purchase units of the Fund at a price of BDT per unit, prevailing on the sale date ...
If we have enclosed following instrument(s) with the application.

Cheque/ P.O/ D.D No: _____ or BEFTN/ NPSS/ RTGS TxID: _____

Bank: _____ Branch: _____ Routing No: _____

Total amount in BDT: _____ in words _____

Principal Applicant

Name: _____
Father: _____ Mother: _____
Occupation: _____ NID/Passport: _____ Date of Birth: DD/MM/YY
Address: _____
Email: _____ Mobile: _____ ETIN: _____

Joint Applicant (If any)/ Guardian (If Nominee is a minor)

☐ Mr ☐ Mrs ☐ Ms

Name: _____
Father: _____ Mother: _____
Occupation: _____ Passport: _____ Date of Birth: DD/MM/YY
Address: _____
Email: _____ Mobile: _____ ETIN: _____

Other Information

Bank: _____ Branch: _____ Account No: _____

BO ID: _____ Sales Process: ☐ Cheque ☐ BEFTN/ Online Transfer

Dividend: Cash ☐ CIP (in the form equivalent amount of units) ☐ Mode of operation: ☐ Joint ☐ Single Investment Option: ☐ SIP ☐ Non-SIP

Nominee 1 ☐ Mr ☐ Mrs ☐ Ms

Nominee 2 ☐ Mr ☐ Mrs ☐ Ms

Name: _____	Name: _____
NID: _____	NID: _____
Mobile: _____	Mobile: _____
Email: _____	Email: _____
Address: _____	Address: _____
Relation: _____ % of Allocation: _____	Relation: _____ % of Allocation: _____

Acknowledgement (for official use only)

- | | |
|--|--|
| ☐ CWT Emerging Bangladesh First Growth Fund | ☐ CWT Opportunities Fund |
| ☐ CWT - Sadharan Bima Growth Fund | ☐ CWT - Community Bank Shariah Fund |

Certified that this selling agent has received following instrument(s) for an amount of BDT _____ (in words _____)
_____ from Mr/Mrs/Ms _____ being the application
money for _____ units of the Fund on _____

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

Bank: _____ Branch: _____ Routing No: _____

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

Sale No: _____

Authorized Person's Signature
(Name & Designation): _____



Documents Provided

☐ NID/Passport (Applicant and Nominee)☐ BO Acknowledgement☐ ETIN Certificate (Applicant)☐ Passport size photograph (Applicant 2 copies, Nominee 1 copy)☐ Photocopy of blank cheque leaf

Principal Applicant

Joint Applicant (if any)

Nominee 1's Photograph
Attested by
Principal Applicant

Nominee 2's Photograph
Attested by
Principal Applicant

Terms and Conditions

1. Units of the mutual fund may be bought and surrendered through CWT Asset Management Company limited and authorized selling agents from time to time.

2. Subscription application may be made by an individual (both resident and non-resident), a corporation or company (both local and foreign), a trust or a society (registered in or outside of Bangladesh) and not by a minor or a person of unsound mind.

3. Joint applications acceptable by two persons. Registration and Unit Allocation will be in favor of the principal applicant while dividend and others benefit, if any, will be addressed to the bank account of principal applicant mentioned in the application form. In case of death of anyone of the joint holders, only the survivor shall be recognized as having any title of the Units. On death of both the joint holders, the Units will bestow upon the nominee.

4. Units can be traded on every business day except Thursday and during book closure period of the Fund.

5. Minimum purchase amount of an individual investor is 100 (one hundred) Units and 5,000 (five thousand) Units for an institution.

6. Application for purchase of Units should be accompanied by an account payee cheque/ pay order/ bank draft online fund transfer as approved by the regulatory authority in favor of the mutual fund.

7. After clearance/ encashment of cheque/ pay order/ bank draft online fund transfer, the units will be allocated in favor of the principal applicant against every purchase with a denomination of number of proportionate to the prevailing NAV (Net Asset Value) of the week. Units will also be delivered to the unit holder's BO accounting demat form.

8. Partial surrender is allowed subject to minimum surrender quantity of 100 (One hundred) Units both for individuals and institutions. Upon partial surrender, the Unit holder will be issued with a new Confirmation of Unit Allocation representing the balance of Unit Holding.

9. Surrender of Units should be done by transferring units from the Unit holder's BO account to mutual fund's designated BO account. The DP40 report will be submitted to the asset manager for confirming the surrender of units.

10. The Units may be transferred by way of inheritance/ gift/ and/ or by specific operation of the law. In case of transfer, the Fund will charge a nominal fee as decided by the asset manager from time to time except in the case of transfer by way of inheritance.

11. Dividend may be delivered in cash or by way of Units under Cumulative Investment Plan (CIP) as the applicant mentioned in the application form. If Dividend Option in the Form remains blank, it will be considered as CIP by default.

12. All payments in connection with or arising out of transactions in the Units hereby applied for shall be in BDT.

Applicant's Signature

I/ we confirm that I/ we have received the Confirmation of Unit Allocation Mentioned above and also that I/ we agree to abide by the terms cited above as may be altered, replaced and modified from time to time by CWT Asset Management Company Limited. I/ We also understand the fundamentals of Mutual Fund and the flowcharts, enclosed with this application form.

Principal Applicant

Joint Applicant (if any)

Nominee 1

Nominee 2 (if any)

Date of Application:



CWT

CWT Asset
Management
Company Ltd.
Creating Wealth for Tomorrow

APPLICATION FORM TO PURCHASE UNITS - INSTITUTION

CWT Asset Management Company Ltd.
(Please read "Terms and Conditions" on reverse carefully)
(PLEASE FILL UP THE FORM IN BLOCK LETTERS)

To,
The Managing Director
CWT Asset Management Company Limited (CWTAMC)
Registered Office: 57 & 57/a, Gulshan Avenue (Uday
Tower – 8th floor), Gulshan (Circle - 1), Dhaka - 1212

For Office Use Only

Selling Agent's Name:

Registration No: _____

Selling No: _____

Please Select the Fund You Want to Invest in

☐ CWT Emerging Bangladesh First Growth Fund

☐ CWT – Sadharan Bima Growth Fund

☐ CWT Opportunities Fund

☐ CWT – Community Bank Shariah Fund

I/we would like to purchase _____ units of the Fund at a price of BDT _____ per unit, prevailing on the sale date.

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

Cheque/ P.O./ D.D. No: _____ or BEFTN/ NPSB/ RTGS TxID: _____

Bank: _____ Branch: _____ Routing No: _____

Total Amount in BDT: _____ in words _____

Institution's Credential

Name of
Institution

Type of
Institution

Local

Foreign

Society

Trust

Other

Company
Registration

ETIN

Contact
Person

Mobile

EMAIL

Address

Name of
MD/CEO

Details of Authorized Person(s)

	Name	Designation	Contact	Signature
1				
2				
3				

Other Information

Bank

BO ID

Sales Proceed ☐ Cheque ☐ BEFTN/ Online Transfer

Dividend

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

Mode of Operation

Joint

Single

Investment Option

SIP

Non-SIP

Acknowledgment (For Office Use Only)

Certified that this selling agent has received the following instrument(s) for an amount of BDT _____ (in words _____) from Mr/ Mrs/ Ms _____ being the application money for _____ units of the

Fund on _____

Cheque/ P.O./ D.D. No: _____ or BEFTN/ NPSB/ RTGS TxID: _____

Bank: _____ Branch: _____ Routing No: _____

Selling Agent's Signature (with seal)

Selling Agent ID No: _____

No: _____

Authorized Person's Signature
(Name and Designation)



Documents Enclosed

- ☐ Memorandum and Article of Association
- ☐ Extract of Board Resolution
- ☐ Trade License/ Trust Deed
- ☐ Power of Attorney in Favor of Authorized Person(s)
- ☐ ETIN Certificate
- ☐ Certificate of Incorporation

Photograph

MD/CEO

1st Authorized Person

2nd Authorized Person

Terms and Conditions

1. Units of the mutual fund may be bought and surrendered through CWT Asset Management Company Ltd. and authorized selling agents from time to time.
2. Subscription application may be made by an individual (both resident and non-resident), a corporation or company (both local and foreign), a trust or a society (registered in or outside of Bangladesh) and not by a minor or a person of unsound mind.
3. Joint applications acceptable by two persons. Registration and Unit Allocation will be in favor of the principal applicant while dividend and others benefit, if any, will be addressed to the bank account of principal applicant mentioned in the application form. In case of death of anyone of the joint holders, only the survivor shall be recognized as having any title of the Units. On death of both the joint holders, the Units will bestow upon the nominee.
4. Units can be traded on every business day except Thursday and during book closure period of the Fund.
5. Minimum purchase amount of an individual investor is 100 (one hundred) Units and 5,000 (five thousand) Units for an institution.
6. Application for purchase of Units should be accompanied by an account payee cheque/ pay order/ bank draft online fund transfer as approved by the regulatory authority in favor of the mutual fund.
7. After clearance/ encashment of cheque/ pay order/ bank draft online fund transfer, the units will be allocated in favor of the principal applicant against every purchase with a denomination of number of proportionate to the prevailing NAV (Net Asset Value) of the week. Units will also be delivered to the unit holder's BO accounting demat form.
8. Partial surrender is allowed subject to minimum surrender quantity of 500 (five hundred) Units both for individuals and institutions. Upon partial surrender, the Unit holder will be issued with a new Confirmation of Unit Allocation representing the balance of Unit Holding.
9. Surrender of Units should be done by transferring units from the Unit holder's BO account to mutual fund's designated BO account. The DP40 report will be submitted to the asset manager for confirming the surrender of units.
10. The Units may be transferred by way of inheritance/ gift/ and/ or by specific operation of the law. In case of transfer, the Fund will charge a nominal fee as decided by the asset manager from time to time except in the case of transfer by way of inheritance.
11. Dividends may be delivered in cash or by way of Units under Cumulative Investment Plan (CIP) as the applicant mentioned in the application form. If Dividend Option in the Form remains blank, it will be considered as CIP by default.
12. All payments in connection with or arising out of transactions in the Units hereby applied for shall be in BDT.

Applicant's Signature(s)

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

MD/CEO

1st Authorized Person

2nd Authorized Person

Date of Application:



To,
The Managing Director
CWT Asset Management Company Limited (CWTAMC)
Registered Office: 57 & 57/a, Gulshan Avenue (Uday Tower – 8th floor), Gulshan (Circle - 1), Dhaka - 1212

APPLICATION FORM TO SURRENDER UNITS
CWT Asset Management Company Ltd.
(Please read "Terms and Conditions" on reverse carefully)
(PLEASE FILL UP THE FORM IN BLOCK LETTERS)

For Office Use Only

Selling Agent's Name:

Registration No:

Selling No:

Please Select the Fund You Want to Invest in

☐ CWT Emerging Bangladesh First Growth Fund

☐ CWT – Sadharan Bima Growth Fund

☐ CWT Opportunities Fund

☐ CWT – Community Bank Shariah Fund

My/Our surrender request is summarized below:

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

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

Unit Holder's Information

Name

Broker House

DP ID

Contact Person

Phone

EMAIL

Bank

Branch

Account

Terms and Conditions

1. The Units of Fund may be surrendered through CWT Asset Management Company Limited and authorized selling agents from time to time.
2. Units may be surrendered on all working days except last working day of the week and during the book closure period/ record date of the Fund.
3. Minimum surrender quantity is 100 (one hundred) Units for both individual and institutional unit holders.
4. Partial surrender is allowed without any additional cost subject to minimum surrender quantity of 100 (one hundred) Units both for individuals and institutions. Upon partial surrender, the unit holder will be issued with a new Confirmation of Allocation representing the balance of his/her Unit holding.
5. Surrender of Units should be done by transferring units from the Unit holder's BO account to mutual fund's designated BO account. The DP40 report will be submitted to the asset manager for confirming the surrender of units.
6. Unit holder is required to attach the Confirmation of Unit Allocation Letter(s) he/she/ the institution wants to surrender along with this surrender form.
7. After verification of authenticity of Confirmation of Unit Allocation Letter(s), account payee cheque/BEFTN for surrender amount will be issued in favor of unit holder within maximum of three working days. In case of joint holding, account payee cheque may be issued in favor of principal holder.

Signature

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

Date of Application:

Joint Applicant (if any)

Principal Applicant

For Office Use Only

Checked and Verified by

Name:

Signature:

Unit holder's Bank Account No:

Routing No:

Bank:

Payment Instruction

Cheque/ BEFTN Tx ID:

Bank:

Date:

Acknowledgement (For Office Use Only)

Received the Confirmation of Unit Allocation for surrender/ partial surrender as mentioned below:

Registration No:

Name:

1. Holding Quantity: Surrendered Quantity: Surrender Price: Confirmation of Unit Allocation No:

2. Holding Quantity: Surrendered Quantity: Surrender Price: Confirmation of Unit Allocation No:

Selling Agent's Signature (with seal)

Selling Agent ID No:

Seal No:

Authorized Person's Signature

(Name and Designation)

