

PROSPECTUS (Abridged Version)

UFS-POPULAR LIFE UNIT FUND

Paramount Heights, Level -11, 65/2/1, Box Culvert Road, Purana Paltan, Dhaka-1000
Phone :+88(02)-7122152,+88(02)-9587880, Fax:+88(02)-9513934, E-mail : info@ufslbd.com, Web : www.ufslbd.com

Size of Issue : Initial Size Tk. 80,00,00,000 (Taka Eighty crore) of 8,00,00,000 (Eight crore) Units of Tk.10 (Taka Ten) each
Initial/Opening Price : Tk.10 (Taka Ten) per unit Subscription Opens : 10 December 2015

Asset Manager

UFS Universal Financial Solutions Limited

Sponsor



Popular Life Insurance Company Limited

Trustee and Custodian



Investment Corporation of Bangladesh

This Offer Document sets forth concisely the information about the Fund that a prospective investor ought to know before investing. This Offer Document should be read before making an application for the Units and should be retained for future reference. Investing in the UFS-POPULAR LIFE UNIT FUND (hereinafter the Fund) bears certain risks that investors should carefully consider before investing in the Fund. Investment in the capital market and in the Fund bears certain risks that are normally associated with making investments in securities including loss of principal amount invested. There can be no assurance that the Fund will achieve its investment objectives. The Fund value can be volatile and no assurance can be given that investors will receive the amount originally invested. When investing in the Fund, investors should carefully consider the risk factors outlined in the document.

THE SPONSOR, AMC OR THE FUND IS NOT GUARANTEEING ANY RETURNS

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

FUND HIGHLIGHTS

Name	UFS-POPULAR LIFE UNIT FUND
Type	Open End Fund
Life and Size of the Fund	Perpetual life and unlimited size
Sponsor	Popular Life Insurance Company Limited
Asset Manager	Universal Financial Solutions Limited (UFS)
Trustee	Investment Corporation of Bangladesh (ICB)
Custodian	Investment Corporation of Bangladesh (ICB)
Initial Size of the Fund	Tk. 80,00,00,000 (Taka Eighty crore) divided into 8,00,00,000 (Eight crore) Units of Tk.10 (Taka ten) each.
Face Value	Tk.10 (Taka ten) per Unit
Objective	The objective of the UFS-POPULAR LIFE UNIT FUND is to achieve superior risk adjusted return in forms of Capital Appreciation, dividend, interest income and to provide attractive dividend payments to the unit holders.
Minimum Application Amount	Tk.5,000.00/- per application (500 Units) for individuals Tk.50,000.00/- 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.ufslbd.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	Minimum 70 (seventy) percent of realized income of the Fund will be distributed as dividend in Bangladeshi Taka in each accounting year
Dividend Distribution	The dividend warrant will be distributed within 45 (forty-five) days from the date of declaration.
Transferability	The Units of the Fund are transferable by way of inheritance/ gift and/ or by specific operation of the law.
Encashment	The Unit holders can surrender their Units through the Asset Manager and through the Selling Agents appointed by the Asset Manager. So investment in the fund will be easily encashable
Reports and Accounts	Every Unit holder is entitled to receive annual report along with the yearly and half-yearly statements of accounts as and when published from the website (www.ufslbd.com). Every Unit holders will also get quarterly statements of portfolio in UFS's official website.

RISK FACTORS

Investing in the UFS-POPULAR LIFE UNIT FUND (hereinafter the Fund) involves certain risks that investors should carefully consider before investing in the Fund. Investment in the capital market and in the Fund bears certain risks that are normally associated with making investments in securities including loss of principal amount invested. There can be no assurance that the Fund will achieve its investment objectives. The Fund value can be volatile and no assurance can be given that investors will receive the amount originally invested. When investing in the Fund, investors should carefully consider the risk factors outlined below, which are not necessarily exhaustive or mutually exclusive:

1. General: There is no assurance that the Fund will be able to meet its investment objective and investors could potentially incur losses, including loss of principal when investing in the Fund. Investment in the Fund is not guaranteed by any government agency, the Sponsor or the AMC. Mutual funds and securities investments are subject to market risks and there can be no assurance or guarantee that the Fund's objectives will be achieved. As with any investment in securities, the Net Asset Value of the Fund may go up or down depending on the various factors and forces affecting the capital markets and Money Markets. Past performance of the Sponsors and their affiliates and the AMC do not indicate the future performance of the Fund. Investors should study this Offer Document carefully before investing.

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

3. Market Risk: The Bangladesh capital market is highly volatile and mutual fund prices and prices of securities can fluctuate significantly. The Fund may lose its value or incur a sizable loss on its investments due to such market volatility. Stock market trends indicate that prices of majority of all the listed securities move in unpredictable direction which may affect the value of the Fund. Furthermore, there is no guarantee that the market prices of the units of the Fund will fully reflect their underlying Net Asset Values.

4. Concentration Risk: Due to a limited number of listed securities in both the DSE and CSE, it may be difficult to invest the Fund's assets in a widely diversified portfolio as and when required to do so. Due to a very thin secondary fixed income/debt market in Bangladesh, it would be difficult for the Fund Manager to swap between asset classes, if and when required. Limited options in the money market instruments will narrow the opportunity of short term or temporary investments of the Fund which may adversely impact the returns.

5. Dividend Risk: Despite careful investment selection of companies in the Fund, if the companies fail to provide the expected dividend or fail to disburse the dividends declared in a timely manner, this will impact the income of the Fund and the overall return of the Fund.

6. Underlying Liquidity Risk: For investing in Pre-Public Offer Placement securities i.e. in unlisted equity securities by the Fund, may involve liquidity risk. In addition, market conditions and investment allocation may have an impact on the ability to sell securities during periods of market volatility. 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 that are listed on the stock exchange carry lower liquidity risk, the ability to sell these investments is limited by the overall trading volume on the stock exchanges and may lead to the Fund incurring losses till the security is finally sold.

7. Investment Strategy Risk: Since the Fund will be an actively managed investment portfolio; the Fund is subject to management strategy risk. Although the AMC will apply its investment process and risk minimization techniques when making investment decisions for the Fund, there can be no guarantee that such process and techniques will produce the desired outcome.

8. Credit Risk: Since the Fund will seek to also invest as per the Mutual Fund Regulations (2001) in both equity and fixed income securities; the credit risk of the fixed income issuers is also associated with the Fund. Investment in fixed income securities are subject to the risk of an issuer's inability to meet interest and principal payments on its obligations and market perception of the creditworthiness of the issuer.

9. Interest Rate Risk: The Net Asset Value (NAV) of the Fund, to the extent invested in Debt and Money Market securities, will be affected by changes in the general level of interest rates. The NAV of the Fund is expected to increase from a fall in interest rates while it would be adversely affected by an increase in the level of interest rates. In addition, zero coupon securities do not provide periodic interest payments to the holder of the security; these securities are more sensitive to changes in interest rates. Therefore, the interest rate risk of zero coupon securities is higher. The AMC may choose to invest in zero coupon securities that offer attractive yields. This may increase the risk of the portfolio.

10. Issuer Risk: In addition to market and price risk, value of an individual security can, in addition, be subject to factors unique or specific to the issuer, including but not limited to management malfeasance, lack of accounting transparency, management performance, management decision to take on financial leverage. Such risk can develop in an unpredictable fashion and can only be partially mitigated, and sometimes not at all, through research or due diligence. To the degree that the Fund is exposed to a security whose value declines due to issuer risk, the Fund's value may be impaired.

CHAPTER 1: PRELIMINARY

1.1 Publication of Prospectus for Public Offering

Universal Financial Solutions Limited (UFS) is licensed from Bangladesh Securities & Exchange Commission under Securities & Exchange Commission Act, 1993 and সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়ালফান্ড) বিধিমালা, ২০০১, made there under and also received consent for issuing prospectus for public offering. A complete copy of the prospectus is available for public inspection at Paramount Heights, Level-11, 65/2/1, Box Culvert Road, Purana Paltan, Dhaka-1000, the registered office of UFS, the asset manager of UFS-POPULAR LIFE UNIT FUND, here in after referred to as the Fund.

1.2 Consent of the Bangladesh Securities and Exchange Commission

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

1.3 Listing of Fund

The Fund, being an open-ended one, will not be listed with any stock exchanges of the country; hence the Units of the Fund will not be traded in the stock exchanges unless otherwise BSEC and stock exchange houses make 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 office so of authorized selling agents. Asset Manager shall disclose selling price and surrender/repurchase price of Units at the beginning of business operation on the first working day of every week as per the Rule.

1.4 Availability of Documents for Inspection

- I. Copy of this prospectus will be available at the registered office of the Asset Manager and offices of the authorized selling agents of the Fund. This prospectus will also be available at the website of Bangladesh Securities and Exchange Commission (www.sec.gov.bd), Universal Financial Solutions Ltd. (www.ufsbd.com) and Popular Life Insurance Company Ltd. (www.popularlifeins.com);
- II. Copy of the trust deed will be available for public inspection during business hours at the office of the asset manager of the Fund. One will be able to purchase a copy of the trust deed by paying the price as determined by the Asset Manager.

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

- i. The Fund shall not account for any upward revaluation of its assets creating reserve without clearance from Bangladesh Securities and Exchange Commission;
- ii. The Fund shall not be involved in option trading, short selling or carry forward transactions;
- iii. A confirmation of Unit Allocation shall be issued at the cost of the Fund at par value of Tk. 10.00 (Taka ten) each within 90 (ninety) days from the date of sale of such Units;

- iv. Money receipt/acknowledgement slip issued at the time of sale of Units will be treated as allotment letter, which shall not be redeemable/transferable;
- v. The annual report of the Fund/or its abridged version will be published within 45 (forty five) days of the closure of each accounting year of the Fund;
- vi. 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;
- vii. 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;
- viii. 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.
- ix. Net Asset Value (NAV) of the fund shall be calculated and disclosed publicly at least once a week.
- x. After initial public subscription, the sale and repurchase/surrender price of units will be determined by the Asset Management Company. NAV at market price calculated on a date shall from the sale price of units by rounding up the amount and shall be effective up to next calculation of NAV of the Fund. Difference between sale and repurchase price shall primarily be Tk. 0.30, which may be changed in future, but not be over 5% of the sale price of the unit;
- xi. BSEC may appoint auditors for special audit/investigation on the affairs of the Fund, if it so desires;
- xii. The Fund shall maintain separate bank account(s) to keep the sale proceeds of Units and to meet up day-to-day transactions including payment against Repurchase of Units. All transactions of the account shall be made through banking channel and shall be properly documented;
- xiii. 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);
- xiv. If abridged version of the prospectus is published in the newspaper, complete prospectus shall be made available to the applicants;
- xv. If the Fund manager fails to collect the minimum 40% of the initial target amount under বিধি ৪৮ of the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়ালফান্ড) বিধিমালা, ২০০১, will refund the subscription money within 30 days without any deduction. In case of failure, the Fund Manager will refund the same with an interest @18 percent per annum from its own account within the next month;
- xvi. On achievement of 40% of initial target amount, the fund is allowed to commence investment activities of the fund with permission of the Trustee;
- xvii. 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;
- xviii. Confirmation of Unit Allocation of the Sponsor's contribution amounting to Tk 20,00,00,000/- (BDT Twenty Crore) only shall be subject to a lock-in period of minimum three years from the date of formation of the Fund and after that period, entire holding may be transferred to any eligible institution who has the qualification to be a sponsor of a mutual fund with prior permission of BSEC;
- xix. A Confirmation of Unit Allocation amounting Tk. 20,00,00,000/- (25% 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.

Please ensure that the following are adhered to:

- i. As per provisions contained in the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়ালফান্ড) বিধিমালা, ২০০১ regarding limitation of time on closure of subscription, the initial public subscription will remain open for forty five days or for a period up to achievement of the initial target amount, whichever is earlier;
- ii. 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;
- iii. The asset management company shall submit 40 (forty) copies of printed prospectus to the commission for official record;
- iv. 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;
- v. The expiry date of the sponsors locked-in portion shall be specially mentioned on the body of the jumbo confirmation of unit allocation;
- vi. 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;
- vii. The AMC shall submit to the Commission a diskette containing the vetted prospectus and its abridged version;
- viii. All conditions imposed under Section 2CC of the Securities and Exchange Ordinance ,1969 must be complied with and the incorporated in the body of the prospectus and its abridged version;
- ix. After due approval by the Trustee regarding issue and formation expenses, the AMC shall submit in details to the Commission regarding issue and formation expenses within 15 days of fund operation.

1.6 General Information

- i. This prospectus has been prepared by Universal Financial Solutions Limited based on the Trust Deed executed between the Trustee and the Sponsor of the Fund, which is approved by the Commission and available publicly. The information contained herein is true and correct in all material aspects and there are no other material facts, the commission of which would make any statement herein misleading.
- ii. No person is authorized to give any information to make any representation not contained in this prospectus and if so given or made, such information or representation must not be relied upon as having been authorized by Universal Financial Solutions Limited.
- iii. The issue as contemplated in this document is made in Bangladesh is subject to the exclusive jurisdiction of the court of Bangladesh. Forwarding this prospectus to any person residing outside Bangladesh in no way implies that the issue is made in accordance with the laws of that country or is subject to the jurisdiction of the laws of that country.

1.7 Sale and Repurchase of Units

UFS will maintain BO Accounts with Investment Corporation of Bangladesh, custodian of UFS POPULAR LIFE UNIT FUND for creation and redemption of units of UFS-Popular Life Unit Fund. In the case of Sale/Purchase of unit funds by the investor, units will be transferred to the unit holders BO Accounts as per instruction of UFS after the acceptance of demat setup by the Custodian.

In the case of redemption/Re purchase of units by the Asset Manager, units will be taken out from the Central Depository System after setting up remat request by the Custodian and acceptance of remat request by the Asset Manager.

1.8 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 UFS-POPULAR LIFE UNIT FUND. To the best of the knowledge and belief of the Sponsor, who has taken all reasonable care to ensure that all the conditions and requirements concerning this public offer and all information contained in this document, drawn up by virtue of the Trust Deed of the Fund by the entrusted Asset Management Company have been met and there is no other information or document, the omission of which may make any information or statements there in misleading.

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

Sd/-

B. M. Yousuf Ali

Managing Director & CEO

Popular Life Insurance Company Ltd.

Declarations about the Responsibility of the Custodian

We, as Custodian of the UFS-POPULAR LIFE UNIT FUND, accept the responsibility and confirm that we shall:

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

Sd/-

Mohammed Shahjahan

Deputy General Manager (Custodian & Trustee)

Investment Corporation of Bangladesh

8, Rajuk Avenue (Level 14-17)

Dhaka, Bangladesh.

Declarations about the Responsibility of the Trustee

We, as Trustee of the UFS-POPULAR LIFE UNIT FUND, accept the responsibility and confirm that we shall:

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

Sd/-

Mohammed Shahjahan

Deputy General Manager (Custodian & Trustee)

Investment Corporation of Bangladesh

8, Rajuk Avenue (Level 14-17)

Dhaka-1000, Bangladesh.

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 (মিউচুয়ালফান্ড) বিধিমালা, ২০০১ and other related agreements and examination of other documents as relevant for adequate disclosure of the Funds objectives and investment strategies to the investors. We also confirm that,

- i. The prospectus is in conformity with the documents, materials and papers related to the public offer;
- ii. All the legal requirements of the public offer have been duly fulfilled; and
- iii. The disclosures made are true, fair and adequate for investment decision. Investors should be aware that the value of investments in the Fund could be volatile and such no guarantee can be made about the returns from the investments that the Fund will make. Like any other equity investment, only investors who are willing to accept a moderate degree of risk, should invest in the Fund. Investors are requested to pay careful attention to the risk factors as detailed in the Risk Factor section and to take proper cognizance of the risks associated with any investment in the Fund.

Sd/-

Sayed Hamza Alamgir

Managing Director

Universal Financial Solutions Limited

CHAPTER 2: BACKGROUND

2.1 Preamble

Open-end unit fund is a collective investment scheme which can issue and redeem shares at any time. An investor will generally purchase shares in the fund directly from the fund itself rather than from the existing shareholders. By investing in an open-end unit fund, the investors gain access to a thoroughly researched and professionally managed capital market portfolio, thereby increasing their diversity and reducing the overall risk associated with the capital market investments. Such funds allow the small investor to reap the benefits of a large diversified and professionally managed portfolio.

The UFS-POPULAR LIFE UNIT FUND will provide an investment alternative for the existing retail investors in the Bangladesh. It will also encourage new investors to join in and enjoy the returns of the capital market with minimal risks.

The parties to the fund are, Popular Life Insurance Company Limited as Sponsor, Universal Financial Solutions Limited (UFS) as the Asset Manager, Investment Corporation of Bangladesh (ICB) as the Trustee and the Custodian of the Fund.

2.2 Capital Market of Bangladesh

The Capital Market of Bangladesh is still in the developing phase, in terms of quality of capital, quality & quantity of investable instruments, efficiency and regulatory strength. Through various ups and downs both the market and the regulators are gaining their strength.

After the Stock Market Crash of 2010, the Bangladesh capital market has witnessed a turbulent period for the next few years. It stabilized around the first quarter 2014. The BSEC has taken a number of steps to restore investor confidence, including, but not limited to, the demutualization of the bourses, introducing faster and more reliable trading platform, unveiling of a more sophisticated surveillance system, encouraging more public issues to increase market depth et al.

UFS, in conjunction with Popular Life Insurance Company Limited, has taken an initiative by introducing the UFS-POPULAR LIFE UNIT FUND for the benefit of investors from all walks of life. The idea is to help transform the capital market from a speculative hub to a savings hub.

2.3 Advantages of Investing in UFS-POPULAR LIFE UNIT FUND

Following are the advantages the investors of UFS-POPULAR LIFE UNIT FUND will enjoy:

- I. **Diversification:** Diversification is often thought of as the key to smart investing. Well-conceived portfolio diversification often results in achieving better results. Diversified portfolio, to be developed for the Fund, will help in lowering investment risk of the investors, who will be able to minimize or even eliminate their individual exposure to company-specific risks.
- II. **Professional Management:** The Fund will be managed by qualified professionals, who take investment decisions based on their continuous research of the economy, the market and the companies. The professionals at Universal Financial Solutions limited use a host of investment strategies while managing the investment keeping in mind the objective of a specific Fund.
- III. **Less Emotional Stress:** Investment management often results in emotional stress for the individual who manages the investment. Trying to balance between personal and professional life and at the same time managing investment might have its impact on a person, who is not a professional in the field of investment management and ultimately result in emotional stress. On the other hand asset managers are the one who specializes in investment management. Asset managers engage themselves in an organized and disciplined way of investment management based on relevant education, years of hands on experience and skills. Allowing the asset manager to take the responsibility of managing investment and dealing with it professionally can release investor from the emotional stress.

- IV. Trading at Close to NAV:** Price of the Units of the Fund will not be determined by demand and supply function, rather by Net Asset Value (NAV).
- V. Cumulative Investment Plan (CIP):** UFS-POPULAR LIFE UNIT FUND offers the investors to choose either to receive dividend or to allow the Fund manager, to reinvest their dividend in the market. This flexibility allows investors to choose a plan according to their preference.
- VI. Transparent Operation & Extensive Disclosures:** Formation, management and operation of UFS-POPULAR LIFE UNIT FUND adheres to সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়ালফান্ড) বিধিমালা, ২০০১, and are monitored by the SEC and the Trustee. The Fund will disclose relevant information to the Trustee, SEC and the public as prescribed in the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়ালফান্ড) বিধিমালা, ২০০১.
- VII. Tax Benefit:** Investment in the Fund would qualify for investment tax credit under section 44 (2) of the Income Tax Ordinance 1984.

CHAPTER 3: THE FUND

3.1 Formation of the Fund

The trust deed of the Fund was registered on 15 September, 2015 under the Trust Act, 1882 and Registration Act, 1908. The Fund was registered by the BSEC on 5 October, 2015 under the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়ালফান্ড) বিধিমালা, ২০০১.

3.2 Life of the Fund

The Fund will be an 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 Tk 80,00,00,000 (Taka Eighty crore) only divided into 8,00,00,000 (Eight crore) Units of Tk 10 (Taka ten) each. Size of the Fund will be increased from time to time by the Asset Manager subject to approval of the Trustee and with due intimation to the BSEC.

3.3 Face Value and Denomination

Face value of each Unit will be Tk.10 (Taka ten) only. Initially, unit holders of the Fund shall be issued with a Confirmation of Unit Allocation letter by the Asset Manager at the cost of the Fund in any denomination but not less than 500 (five hundred) units for individuals and 5,000 (five thousand) units for institutions.

3.4 Investment Objective

The objective of the UFS-POPULAR LIFE UNIT FUND is to achieve superior risk adjusted return in forms of Capital Appreciation, dividend, interest income and to provide attractive dividend payments to the unit holders.

3.5 Investment Policies

- i. The Fund shall invest subject to the বিধিমালা and only in those securities, deposits and investments approved by Bangladesh Securities and Exchange Commission and/or the Bangladesh Bank and/or the Insurance Development & Regulatory Authority (IDRA) of Bangladesh or any other competent authority in this regard;
- ii. Not less than 60% (sixty percent) of the total assets of the Scheme of the Fund shall be invested in capital market instruments out of which at least 50% (fifty percent) percent shall be invested in listed securities;
- iii. Not more than 25% (twenty five percent) of the total asset of the Scheme of the Fund shall be invested in Fixed Income Securities (FIS);
- iv. Not more than 15% (fifteen percent) of the total asset of the Scheme shall be invested in Pre-IPOs at one time;
- v. All money collected under the Fund shall be invested only in cashable/transferable instruments, securities whether in money market or capital market or privately placed pre-IPO equity, preference shares, debentures or securitized debts;
- vi. The Fund shall get the securities purchased or transferred in the name of the Fund;
- vii. Only the Asset Management Company will make the investment decisions and place orders for securities to be purchased or sold for the Scheme's portfolio.

3.6 Investment Restrictions

- i. The Fund shall not invest more than 10% (ten percent) of its total assets in any one particular company.
- ii. The Fund shall not invest in more than 15% (fifteen percent) of any company's paid up capital.
- iii. The Fund shall not invest more than 20% (twenty percent) of its total assets in shares, debentures or other securities of a single company or group.

- iv. The Fund shall not invest more than 25% (twenty-five percent) of its total assets in shares, debentures or other securities in any one industry.
- v. The Fund shall not invest in, or lend to, any scheme under 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 property 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 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.
- ix. The Fund shall not involve in option trading or short selling or carry forward transaction.
- x. The Fund shall not buy its own unit.

3.7 Valuation Policy

- 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 taken into account 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 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 three months.
- ix. In case of deferred expenses, accrued expenses for the period will be taken into account for determining total liabilities.

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

Total NAV = $V_A - L_T$

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

V_A = Value of all securities in vault + Value of all securities placed in lien + Cash in hand and at bank + Value of all securities receivables + Receivables of proceeds of sale of investments + Dividend receivables net of tax + Interest 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 with regard to management fee, annual fee, audit fee and safe keeping fee.

3.8 Limitation of Expenses

- i. All expenses should be clearly identified and appropriated to the Fund.
- ii. The Asset Management Company may charge Fund for Investment Management and Advisory fees as per the বিধিমালা;
- iii. Asset Management Company may amortize the initial issue costs of the Fund over a period as provided for in the বিধিমালা provided that initial issue expenses/Initial Public Offering (IPO) costs shall not exceed 5% of the collected amount of the Fund.
- iv. In addition to the fees mentioned herein above the Asset Management Company may charge the Scheme of the Fund with the following recurring expenses, namely:
 - a. Marketing and selling expenses including commissions of the agents, if any;
 - b. Brokerage and Transaction costs;
 - c. Cost of registrar services for transfer of securities sold or redeemed;
 - d. Trusteeship fees;
 - e. Custodian fees;
 - f. Dematerialization fees and others if any;
 - g. Re-registration fees, if any.
 - h. Relevant expenditure for calling meeting by the Trustee Committee; and
 - i. Other expenses applicable to the Mutual Fund.
- v. The expenses referred to herein above and any other fees payable or reimbursable to the Asset Management Company or the Trustee shall be charged to the open-end Mutual Fund.

3.9 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 manager shall calculate the Net Asset Value (NAV) per unit on the last working day of every week as per formula prescribed in the বিধিমালা and shall disclose sales price and repurchase/ surrender price per unit determined on the basis of NAV before commencement of business operation of the first working day of the following week to the Commission and to the investors through at least one national daily, the website of the asset management company and the authorized selling agents of the Fund. The difference between sales price and repurchase/ surrender price shall primarily be 3 (three) percent of the face value of the Unit which may be changed in future with a maximum limit of 5 (five) percent of the face value of the Unit.

Sale and Repurchase procedure is given below:

- i. The units of UFS- POPULAR LIFE UNIT FUND may be bought and surrender through Universal Financial Solutions Limited and authorized selling agents appointed by UFS 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 "UFS-POPULAR LIFE UNIT FUND" for the total value of Units.
- iv. After clearance/encashment of cheque/ draft/ pay order the applicant will be issued with one unit allocation confirmation against every purchase with a denomination of number of units he/she/the Institutional investor applies for. The units will also be delivered to the Unit holder's BO A/C.

- v. Partial surrender (fraction of total units held under a Unit Allocation Confirmation) is allowed without any additional cost subject to minimum surrender quantity is 500 (five hundred) units both of individuals and institutions. Upon partial surrender, the unit holder will be issued with a new unit allocation confirmation representing the balance of his unit holding.
- vi. All payments/ receipts in the connection with or arising out of transactions in the units hereby applied for shall be in Bangladeshi Taka.

3.10 Winding up Policy

3.10.1 Procedure of Winding Up

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

3.10.2 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 বিক্রয়, 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.

3.10.3 Effect of Winding Up

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

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

3.11 Investment Management

Universal Financial Solutions Limited 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 and/or the Commission. However, Asset Manager shall have discretionary authority over the Fund's portfolio about investment decisions. For investment decision an Investment Committee (IC) shall be formed comprising of the following –

- Managing Director
- Chief Investment Officer
- Head of Research & Development
- Chief Compliance Officer

Managing Director will be heading the IC and have full authority for investment and exit decision within the frame work of সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়ালফান্ড) বিধিমালা, ২০০১, and parameters set in the investment policies and approved by the board of Director of UFS. IC shall review the present and future economic condition from the research report and regular updates from the IC and will take investment decision. IC shall deliberate and resolve the following matters in connection with investment:

- Developing investment objectives asset allocation strategy and performance guidelines
- Short, mid and long term investment policies of the fund and amend it time to time as necessary
- Develop and maintain investment guidelines and performance criteria for each investment along with entrustment of each asset class
- Determine the Fund's risk tolerance and investment horizon an communicate such to the WC as risk management policies of the fund
- Evaluate investment performance
- Oversee the working committee
- Monitoring fund cash flow, liquidity and overall net asset value (NAV) of the fund
- Compare Portfolio composition with desired composition and entrust portfolio rebalancing if necessary
- Administrative decision including review of fund expenses and Accounting control

3.12 Dividend Policy

- i. The accounting year of the Fund shall be January 01 to December 31;
- ii. The Fund shall distribute minimum 70%, or as may be determined by the বিধিমালা from time to time, of the annual net income of the Fund as dividend at the end of each accounting period after making provision for bad and doubtful investments. The dividend can be given in the form of cash and/or re-investment Unit or both the option. The Fund shall create a dividend equalization reserve by appropriation from the income of the Scheme;
- iii. Before declaration of dividend the Asset Management Company shall make a provision in consultation with the Auditors if market value of investments goes below the acquisition cost and the method of calculation of this provision will be incorporated in the notes of accounts;
- iv. Surpluses arising simply from the valuation of investments shall not be available for dividend;
- v. Dividend warrants will be dispatched within 45 days from the declaration of such dividends.

CHAPTER 4: INVESTMENT APPROACH AND RISK CONTROL

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

- i. Investments will be pursued in selected sectors based on the analysis of business cycles, regulatory reforms, competitive advantage, etc.;
- ii. Selective stock picking will be done from the selected sectors;
- iii. The Asset Management Company in selecting scripts will focus on the fundamentals of the business, the industry structure, the quality of management, sensitivity to economic factors, the financial strength of the company and key earnings drivers;
- iv. In addition, the Asset Management Company will study the macro-economic conditions, including the political, economic environment and factors affecting liquidity and interest rates;
- v. Since disciplined investing requires risk management, the Asset Management Company would incorporate adequate safeguards for controlling risks in the portfolio construction process;
- vi. Risk will also be reduced through adequate diversification of the portfolio. Diversification will be achieved by spreading the investments over a range of industries / sectors.

CHAPTER 5: FORMATION, MANAGEMENT AND ADMINISTRATION

5.1 Sponsor of the Fund

Popular Life Insurance Company Limited one of the largest life insurance company in Bangladesh was incorporated in September, 2000 and provides ordinary life insurance and non-traditional micro insurance products. The Company is listed in both Dhaka Stock Exchange and Chittagong Stock Exchange with an authorized and paid up capital of Tk. 500 crore and Tk. 30 crore respectively. Since inception, Popular Life set before itself a high standard of all round performance coextensive with professional soundness and proficiency and it made a mark in the life insurance arena by undertaking and successfully implementing innovative and welfare oriented life insurance schemes.

Managing Director :	Mr. B M Yousuf Ali
Chairman :	Mr. Hasan Ahmed
Date of Establishment :	September 26, 2000
Products :	Al-Amin Bima, Janapriya Bima, Islami DPS, Al Barakah Islami DPS, Popular DPS, Ekok Bima, Islami Bima Takaful, IDPS Ekok Bima, Janapriya Ekok Bima, Al-Amin Ekok Bima
Office Address :	Peoples Insurance Bhaban, 36 Dilkusha C/A (3rd Floor), Dhaka- 1000

According to the actuarial valuation of the assets and liabilities of the company as on December 31, 2014, it has shown a surplus of BDT 174.85 crore. The company has set up its business strategy for boosting the transaction and targeting to achieve even a higher premium than previous year.

Mission: To build Popular Life Insurance Company Ltd into a truly popular and trusted insurer with pro-insure governance structure and empathetic action.

Vision: To be the best Life Insurance Company in Bangladesh in terms of efficiency, service, quality, claims settlement, trust worthiness and profitability with strong liquidity.

With over 182 locations servicing and maintaining healthy claim-to-premium ratios, the company is regarded as one of the best-managed life insurance companies in the country. It actively participates in various Corporate Social Responsibility (CSR) programs. Among these activities, the important ones are campaign against drug abuse and human trafficking, tree plantation etc. With the motto to provide cordial and best service to the policyholders, the company is relentlessly reinforcing their emphasis on sustainable growth within a frame work of trust, integrity, good governance and compliance with the legal and regulatory frame work of the country.

Competition: According to latest information of IDRA, currently there are 30 life insurance companies exists among which 11 are listed as public limited company.

Year	Premium Income (BDT)	Growth Rate (%)	Declared Dividend (%)
2008	3,932,393,662	30.24%	26%B
2009	4,630,330,984	17.75%	35%B
2010	5,403,145,973	16.69%	37%B
2011	6,049,552,474	11.96%	40%B
2012	6,617,845,084	9.39%	32%C, 5%B
2013	6,410,354,694	-3.14%	40%B
2014	6,623,172,050	3.31%	40%B

B = Bonus Share Issued, C = Cash Dividend

Relative Contribution to Sale and Income of Each Product or Service that Accounts for More than 10% of the Companies Total Revenue:

Particulars	2014	%	2013	%	2012	%	2011	%	2010
First year Premium	161.33	24%	155.43	24%	154.82	23%	154.26	26%	151.04
Renewal Premium	500.85	76%	485.55	76%	506.77	77%	450.62	74%	389.15
Total	662.18		640.98		661.59		604.88		540.19

* All the values are in BDT million

5.2 Trustee of the Fund

Investment Corporation of Bangladesh (ICB), having its registered office at BDBL Bhaban, 8, Rajuk Avenue (Level 14-17), Dhaka, Bangladesh represented by its Managing Director Mr. Md. Fayekuzzaman, Son of late Abdul Wadud Talukdar herein after referred to as the Trustee, which expression shall, unless it be repugnant to the subject or context include its representatives, ICB is a leading investment banker so far engaged in Issue Management, Underwriting, Portfolio Management, Merchant Banking, Fund Management, Brokerage, Trustee and Custodian service activities and are qualified and capable to act as the Trustee of a mutual fund.

5.3 Custodian of the Fund

Investment Corporation of Bangladesh (ICB), having its registered office at BDBL Bhaban, 8, Rajuk Avenue (Level 14-17), Dhaka, Bangladesh represented by its Managing Director Mr. Md. Fayekuzzaman, Son of late Abdul Wadud Talukdar hereinafter referred to as the Custodian, which expression shall, unless it be repugnant to the subject or context include its representatives, ICB is a leading investment banker so far engaged in Issue Management, Underwriting, Portfolio Management, Merchant Banking, Fund Management, Brokerage, Trustee and Custodian service activities and are qualified and capable to act as the Custodian of a mutual fund.

5.4 Asset Manager

Universal Financial Solutions Limited (UFS) will act as the Asset Manager of the Fund. UFS has received an asset management license in October, 2010 after fulfilling rigorous due diligence requirement by BSEC and was formed in March 2008 under the Companies Act 1994 with a view to making investments through proper qualitative and quantitative research and risk management.

Area of Performance: Universal Financial Solutions team is focused on providing its clients with the best service and solutions to their finance needs. Commitment, integrity, innovation and service are the driving values shared by UFS with its Clients. The success of UFS is only defined by the success of its Clients in attaining the best financial solutions.

UFS Team: the UFS team consists of over 15 investment professionals and have-

- i. A group of young professionals who has gained unique insights into local capital market through capital market applications and in depth research on the market;
- ii. Senior Bangladeshi investment professionals who have experience in investment management in worlds' most developed capital markets;
- iii. Senior Bangladeshi professionals from the local banking and financial services industry with strong operational experience and an extensive contact base among the local business community.

5.4.1 Investment Management Process

UFS sees investment management as a process of building and continually adjusting portfolio to stay consistent with your personal market situation and financial goals. These measures are integrated with big-picture asset allocation factors such as economic conditions, market fundamentals and appropriate investment selection. Based on that UFS has an integrated asset management approach:-

Selecting Universe of Stocks: Firstly UFS identify the universe of the stocks that helps to achieve financial goal then these stocks are classified in different categories based on UFS's selection Criteria.

Preparing Prospective Stock List: UFS then prepare prospective stock list and narrowed down the universe. This step is usually done through UFS's filtering process and fundamental inputs.

Top Down and Bottom Up Approach: Top Down Approach Analysis generally starts with analysis of macroeconomic trends, analysis on broad market indices, analysis of fund flow trend to formulate sector biases and sector allocations. Bottom Up Approach involves a combination of individual security analysis based on multiple parameters, including valuation, qualitative analysis to identify business trends, competitive outlook and corporate management. These analyses are supplemented by company visits and information exchange with management.

Portfolio Construction and Risk Management: UFS then construct an optimum portfolio with the goal of maximizing returns and minimizing risks. Risk Management step applies the pre-determined position limits to the portfolio, limiting sector exposure and individual stock exposure. Maintaining lower volatility is also an important concern; to this end, beta adjustment and other sophisticated risk analysis is used.

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

5.4.2 The Brief Profiles of the Senior Management are as follows

Mr. Sayed Alamgir Farrouk Chowdhury

Chairman

Former Secretary, People's Republic of Bangladesh

Mr. Alamgir spent many years in various ministries of the Government of Bangladesh, and was the Secretary of the several ministries including Education, Health, Local Government as well as Commerce. He was also the Chairman of the House Building Finance Corporation, a governmental housing finance body to ensure equitable housing for all. He was also responsible for planning and supervising activities relating mainly to Tariff commission, EPB (exports), tea sector, the private sector, imports and was responsible for the overall functioning of the ministry and its related departments/organizations.

After retirement from the Government Service, Mr. Alamgir has consistently lent his expertise in various sectors including health and commerce. He has worked as an advisor with the Bangladesh Economic Enterprise, an economic and financial think tank that advises policy makers and civil society in Bangladesh.

Mr. Sayed Hamza Alamgir

Managing Director

Mr. Alamgir has graduated from Macalester College with a B.A in economics, a core in economics, and a core in Mathematics. He had worked for RBC Capital Markets, Boston, USA, as a generalist assisting in the execution of numerous transactions in the technology and media space, executing deals worth approximately USD 1.6 Billion. Subsequently, he worked with the syndication team in Standard Chartered, Bangladesh, helping the team to execute various financial deals.

Mr. Khandakar Shafiqur Rahman

Chief Executive Officer

Mr. Shafiqur Rahman has 16 years of experience in the financial sector of the country. He has earned success and contributed in both Capital and Money Market. Prior to his journey he was the Head of Corporate Banking Division & Structure Finance Division of UCBL. He also served as the Head of Structured Finance Division of IIDFC. In addition to that he served at IIDFC Capital (a Merchant Bank) as a Board member. He has extensive experience in different financial management and he has anchored many workshops in national and international level. Mr. Shafiqur Rahman is the first introducer of listed Zero coupon bond in the capital market of Bangladesh.

Mr. Jackson Shaumen Biswas

Compliance Officer

Mr. Jackson Shaumen Biswas is one of the youngest but highly experienced employees in Universal Financial Solutions Ltd who had already worked in few of the most promising and largest companies in our financial sector, such as Summit Cosmopolitan Finance, and Race Asset Management. He had finished his Honors and Masters in Business Administrations, Finance from Dhaka University.

5.5 Auditors

Rahman Mostafa Alam & Co., Chartered Accountants having office at Paramount Heights (7th Floor-D-2), 65/2/1, Box Culvert Road, Purana Paltan, Dhaka-1000, Bangladesh, shall be the first Auditor of the fund and the auditor shall be paid service fee of TK 25,000 (Taka Twenty Five Thousand) only, plus VAT, if any only for the first year.

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 be at its own costs and expenses incurred / accrued in connection with its formation, promotion, registration, public offering together with certain other costs and expenses incurred in its operation, including without limitation expenses of legal and consulting service, auditing, other professional fees and expenses, brokerage, 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

Initial issue and formation expenses are estimated not to be over 5 (five) percent of the collected amount of Tk. 80,00,00,000.00 (Taka Eighty crore) only. The issue and formation expenses will be amortized within 7 (seven) years on a straight-line method. The estimated expenses for the issue and formation of the Fund are presented below:

Issue and Formation Expenses

SL	Type of Expenses	Percentage of Total Target Fund	Total Tk.	Sub Total/Details	Description
1	Formation Fee Payable to AMC	1.00%	8,000,000	Set-fee	Formation fee to AMC on collected fund of approved fund size.
2	Management Fee for Pre-scheme formation period	0.26%	2,104,166	On Scheme	Management fee of AMC for pre-Scheme formation period as per BSEC directive (SEC/CMRRCD/2009- 193/160) dated 28 May 2014.
3	Legal & Compliance related Expenses (Application, Registration fees etc.)	0.79%	6,334,125		
				10,000	BSEC Application Fees
				1,600,000	BSEC Registration Fees (0.2% of Initial Fund Size)
				100,000	Trust Deed Registration fee
				1,200,000	Trustee Fee (0.15% of Fund Size)
				1,500,000	Legal advisory Fee
				228,500	CDBL Fee
				1,695,625	15% VAT on Formation, Management and Trustee Fee
4	Printing & Publication	0.81%	6,500,000		
				2,000,000	Publication of Abridged version Prospectus
				3,000,000	Printing of Prospectus
				1,500,000	Printing of Forms and Other Marketing Documents
5	Road Show	1.25%	10,000,000		
				10,000,000	Marketing, Road Show etc.
6	Other Expenses	0.13%	1,000,000		
	Total	4.24%	33,938,291.00		

* 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 (মিউচুয়ালফান্ড) 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 Tk 5.00 crore and @2.00 percent per annum for additional amount of the weekly average NAV up to 25.00 crore over Tk.5.00 crore and @1.50 percent per annum for additional amount of the weekly average NAV up to Tk 50.00 crore over 25.00 crore and @1.00 percent per annum for additional amount of the weekly average NAV over Tk. 50.00 crore, accrued and payable quarterly. As per BSEC directive (SEC/CMRRCD/2009-193/160) dated 28 May, 2014 Fund shall also pay management fee for pre scheme formation period to the Asset Management Company.

5.6.3 Trustee Fee

The Trustee shall be paid an annual Trusteeship fee @ 0.15% on the Net Asset Value (NAV) of the Fund on semi-annual in advance basis during the life of the Fund.

5.6.4 Custodian Fee

The Fund shall pay the Custodian a safe keeping fee @ 0.20% of balance securities held by the Fund calculated on the basis of average month end value per annum. In any case total Custodian fee shall not exceed 0.20% of the initial fund size annually. Any out of pocket expenses may be applicable to the Fund operation from time to time.

5.6.5 Fund Registration and Annual Fee

The Fund has paid Tk 16,00,000 (Taka Sixteen lac) only to the Bangladesh Securities and Exchange Commission as registration fee. In addition, the Fund will have to pay @ 0.10% of the Fund value or Tk 50,000 (Taka Fifty Thousand), whichever is higher, as annual fee in terms of the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়ালফান্ড) বিধিমালা, ২০০১,

5.6.6 Commission Payable to Selling Agent(s)

The Fund shall pay commission to the authorized selling agent(s) to be appointed by the Asset Manager at the rate of 1.00% (One Percent) on the total face value of unit sales which may change in future with the approval of the trustee.

5.6.7 Audit Fee

The audit fee will be Tk 25,000 (Taka Twenty Five Thousand Only) plus VAT, if any for the first accounting year and the Trustee will fix fees for subsequent years.

5.6.8 Annual CDBL Fee

The annual CDBL fee will be Tk 1,00,000 (Taka One Lac Only) plus VAT. Annual CDS connection fee will be Tk. 6,000 (Taka Six Thousands Only) plus VAT.

5.6.9 Amortization Expenditure

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

The total expense charged to the fund, except the amortization of initial issue expense and including transaction cost in the form of stock brokerage against buy and sale of securities forming a part of acquisition and disposal cost of such securities, transaction fees payable to the custodian against acquisition or disposal of securities, the annual registration fees payable to the Commission, Audit Fees, Cost for publication of reports and periodicals, Bank Charge, etc, shall not exceed 4 (Four) percent of the weekly average net asset outstanding during any accounting year.

5.6.10 Brokerage Commission

Brokerage Commission rate will be 0.20 (Point Two Zero) percent to 0.40 (Point Four Zero) percent of the total amount to transaction.

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

6.1 Size of Issue

The initial size of the Fund shall be Tk 80,00,00,000 (Taka Eighty crore) only divided into 8,00,00,000 (Eight crore) Units of Tk 10 (Taka Ten) each which may be increased from time to time by the Asset Manager subject to approval of the Trustee with due intimation to the Commission till liquidation of the Fund. The initial distribution of the Fund's Unit holding shall be as follows:

Subscriber	Number of Units	Face Value (Taka/Unit)	Amount (BDT)	Status
Popular Life Insurance Co. Ltd.	2,00,00,000	10	20,00,00,000	Subscribed
General Investors	6,00,00,000	10	60,00,00,000	Yet to be Subscribed
Total	8,00,00,000	10	80,00,00,000	

6.2 Sponsor's Subscription

Popular life Insurance Company Ltd, the sponsor, has already subscribed Tk 20,00,00,000 (Taka Twenty crore) only worth of Units equivalent to 2,00,00,000 (Two crore) Units of Tk 10 (ten) each at par on 13 September, 2015 the effective date.

6.3 Rights of the Unit holders

6.3.1 Voting Rights

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

6.3.2 Transfer of Units

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

6.3.3 Periodic Information

All the Unit holders of the Fund shall have the right to receive the annual report and audited accounts of the Fund. Moreover, the Unit holders shall be informed of the NAV of the Fund on weekly basis through newspaper, the website of the Asset Manager, the Selling Agent(s) to be appointed by the Asset Manager from time to time and any other means as the Asset Manager may deem fit.

6.3.4 Accounts and Information

The Fund's financial year will be closed on 31 December every year. Annual report or major head of income and expenditure account and balance sheet in line with schedule VI of the সিকিউরিটিজ ও এন্ড চেঞ্জ কমিশন (মিউচুয়ালফান্ড) বিধিমালা, ২০০১, will be published within 45 days from the closure of each accounting year. Furthermore, the NAV of the Fund, NAV per Unit, any suspension or alteration of the calculation of NAV of the Fund will be published by the asset manager as per বিধিমালা.

6.3.5 Beneficial Interest

The Unit holders shall preserve only the beneficial interest in the trust properties on prorata basis of their ownership of the respective Schemes.

CHAPTER 7: UNIT SUBSCRIPTION

7.1 Terms and Conditions of Unit Subscription

- i. The Units of UFS-POPULAR LIFE UNIT FUND, hereinafter referred to as the Fund, may be bought and Surrendered through Universal Financial Solutions Limited and authorized selling agents appointed by UFS from time to time.
- ii. Application must be made by an individual (both resident and non-resident), a corporation or company (both local and foreign), a trust or a society (registered in or outside Bangladesh) and not by a firm, minor or person of unsound mind.
- iii. Joint application by two persons is acceptable. In such cases, registration and issuance of Confirmation of Unit Allocation will be in favor of principal applicant while dividend and other benefits, if any, will be addressed to bank account of principal applicant mentioned in the application form/bank account mentioned in BO account. In case of the death of any of the joint holders, only the survivor shall be recognized a shaving any title to the Units. On death of both the joint holders, the title to the Units will be stow upon the nominee mentioned in the application form.
- iv. Minimum purchase amount for individual investors is 500 (Five hundred) Units and for institutional investors is 5,000 (Five thousand) Units.
- v. Application for purchase of Units should be accompanied by an account payee cheque/pay order/bank draft in favor of **“UFS-POPULAR LIFE UNIT FUND”** for the total value of the Units.
- vi. After clearance/encashment of cheque/draft/pay order, the applicant will be issued with a Confirmation of Unit Allocation against every purchase of Units he/she/the institutional investor applies for. The units will also be delivered to the unit holder's BO A/C in demat form.
- vii. Partial surrender is allowed without any additional cost subject to minimum surrender quantity is 500 (five hundred) Units both for individuals and institutions. Upon partial surrender, the Unit holder(s) will be issued with a new Confirmation of Unit Allocation representing the balance of his/her/their Unit holding.
- viii. The Units may be transferred by way of inheritance/gift and/or by specific operation of the law. In case of transfer, the Fund will charge a nominal fee as decided by the Asset Manager from time to time except in the case of transfer by way of inheritance.
- ix. Dividend may be delivered in cash or by way of Units under Cumulative Investment Plan (CIP) as the applicant gives option in the application form.
- x. All payments/receipts in connection with or arising out of transactions of the Units applied for shall be in Bangladeshi Taka.

CHAPTER 8: SALES AGENTS

8.1 Name of Selling Agents

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

Sl No.	Name of the Selling Agent	Type of Business
1	IDLC Securities Ltd.	Brokerage House
2	Phoenix Securities Ltd.	Brokerage House
3	BD Finance Securities Ltd.	Brokerage House
4	International Leasing Securities Ltd.	Brokerage House
5	Janata Capital and Investment Ltd.	Brokerage House
6	IIDFC Securities Ltd.	Brokerage House
7	Lanka Bangla Securities Ltd.	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.

8.2 Selling Agents' Details:

IDLC Securities Ltd.	1. Head office Peoples Insurance Bhaban, 36, Dilkusha Commercial Area, Dhaka- 1000. Telephone: +88 02 9571842
	2. Gulshan Branch South Avenue Tower (5th Floor), H # 50, Unit: 502, R # 37, Gulshan Avenue, Dhaka 1212. Telephone: +88 02 9883898, +88 02 9889861, E-mail: idlcsulgulshan@idlc.com
	3. DOHS Mohakhali Branch House No. 109, Park Road, Block A, New DOHS, Mohakhali, Dhaka 1206. Telephone: +88 02 8715081, +88 02 8715287, E-mail: idlcsldohs@idlc.com
	4. Uttara Branch Monsur Complex (4th Floor), Plot # 59/A, R # 7, Sector # 4, Uttara Model Town, Dhaka 1230. Telephone: +88 02 8959392, +88 02 8959046, E-mail: idlcsluttara@idlc.com
	5. Dhanmondi Branch Concord Royal Court (2nd Floor), H # 275/G (Old), 40 (New), R # 27 (Old), 16 (New), Dhanmondi R/A, Dhaka-1209. Tel: +88 02 8959392, +88 02 8959046, Email: idlcsldhn@idlc.com
	6. Narayangonj Branch Sattar Tower (Ground Floor), Municipal Holding No. 50, S.M. Maleh Road, Tanbazar, Narayanganj. Telephone: +88 02 7632891, +88 02 7632894, Email: idlcslng@idlc.com
	7. Gazipur Branch Rahmat Tower (2nd Floor), Holding No: 1034, Mouza: Outpara, District: Gazipur. Tel: +88 02 9263503, +88 02 9263505

	<p>8. Agrabad Branch Ayub Trade Centre (6th Floor), 1269/B, Sk. Mujib Road, Agrabad C/A, Chittagong-4100. Telephone: +88 031 2514051-52</p> <p>9. Khatungonj Branch Golsen Park, M.H No. 3/A (4th Floor), Ramjoy Mohajan Lane, Khatungonj, P.S. Kotwali, Chittagong. Telephone: +88 031 2866491-3</p> <p>10. Sylhet Branch Casablanca (2nd Floor), 982 Dargah Gate, Sylhet-3100. Telephone: +88 082 17282841-3, E-mail: idlclsylhet@idlc.com</p>
<p>Phoenix Securities Ltd.</p>	<p>11. Head Office Phoenix Bhaban (1st Floor), 12 Dilkusha, Dhaka-1000. Phone: +88 02 9577649</p> <p>12. Modhumita Branch Modhumita Building, (4th Floor), 158-160, Motijheel, C/A, Dhaka-1000. Phone: +88 02 7123582, +88 02 9515642</p> <p>13. Uttara Branch Syed Grand Centre (5th Floor), R # 28, Sec # 7, Mymensingh Road, Uttara Model Town, Dhaka. Phone: +88 02 8913026, +88 02 8913027</p> <p>14. New Market Branch Balaka Cinema Hall (1st Floor), New Market, 3, Mirpur Road, Dhaka-1205. Phone: +88 02 9611161</p> <p>15. Imamgonj Branch Al-Falah Market, 144, Mitford Road, Lalbagh, Imamgonj, Dhaka. Phone : +88 02 7343391, +88 02 7343392</p> <p>16. Chittagong Branch C & F Tower (2nd Floor), 1222, Sk. Mujib Road, Agrabad C/A, Chittagong. Phone: +88 031 2516111, +88 031 2516112</p> <p>17. Sylhet Branch Sylhet City Centre (6th Floor), Zindabazar, Sylhet-3100. Phone: 0821 717868, 0821 717831</p>
	<p>18. BD Finance Capital Holdings Ltd. 64, Motijheel CIA (2nd Floor), Dhaka-1000. Tel: +88 02 7122165, +88 02 9511094, +88 0197 2337500, E-mail: info@bdcapital.com.bd</p>
	<p>19. Head Office Printers Building (3rd Floor), 5 Rajuk Avenue, Dhaka-1000. Tel: +88 02 9577305</p> <p>20. Agrabad Branch Office Ayub Trade Centre (1st Floor), 1269/B, Sk.Mujib Road, Agrabad C/A, Chittagong. Tel: +88 031 2514624-26, +88 0192 9996570</p>
	<p>International Leasing Securities Ltd.</p>

	<p>21. Khatunganj Branch BSM Centre (2nd Floor), 119/122, Amir Market, Khatungank, Chittagong-4100. Tel: +88 031 2866971-4, Mobile: +88 0192 9996596</p>
	<p>22. Sylhet Branch Firoz Centre (5th Floor), Chowhatta, Sylhet Sadar, Sylhet-3100. Tel: +88 0821 710034, Mobile: +88 0192 999 6625</p>
Janata Capital and Investment Ltd.	<p>23. Head Office 48, Motijheel (3rd Floor), Dhaka-1000. Phone: +88 02 7114374, +88 02 7114375, E-mail: info@jcil.com.bd</p>
IIDFC Securities Ltd.	<p>24. Registered Office Eunoos Trade Center (Level-7), 52-53, Dilkusha C/A, Dhaka-1000. Telephone: +88 02 9560526</p>
	<p>25. Chittagong Office C&F Tower (4th Floor), 1712 Sheikh Mujib Road, Agrabad C/A, Chittagong-4100. Telephone: +88 031 2518393, Fax: +88 31 2518391</p>
	<p>26. Gulshan Office Progress Tower (4th Floor), House # 1, Road # 23, Gulshan -1, Dhaka-1212. Telephone: +88 02 8824090, Fax: +88 02 8824073</p>
Lanka Bangla Securities Ltd.	<p>27. Corporate Branch A.A. Bhaban (Level-5) 23 Motijheel, C/A, Dhaka-1000. Phone: +88 02 9563901, +88 02 9563903-5, Email: info@lbsbd.com</p>
	<p>28. Principal Branch DSE Annex Building (1st Floor) 9/E Motijheel C/A, Dhaka-1000. Phone: +88 02 9561868, +88 02 7174315, Email: nadim@lbsbd.com</p>
	<p>29. Extension of Principal Branch Eunoos Trade Center, (15th Floor), 52-53 Dilkusha C/A, Dhaka-1000. Phone: +88 02 9581628-30</p>
	<p>30. Banani Branch Faruk-Rupayan Tower (6th Floor), 32 Kemal Atatürk Avenue, Banani, Dhaka-1212. Phone: +88 02 9820669, Email: aziz@lbsbd.com</p>
	<p>31. Uttara Branch 4th Floor, Uttara tower, Plot # 1, Jashimuddin Avenue, Sector No # 3 Uttara, Dhaka. Phone: +88 02 8958575, +88 02 8951658, Email: mosharef@lbsbd.com</p>
	<p>32. Dhanmondi Branch MIDAS Centre (8th Floor), House: 05, Road: 16(New), 27(Old), Dhanmondi, Dhaka. Phone: +88 02 9112650, +88 02 9112648, Email: elahi@lbsbd.com</p>
	<p>33. Narayanganj Branch Hazi Plaza, (2nd Floor), 53/1, S.M. Maleh Road, Tan Bazar, Narayanganj. Phone: +88 02 7630582, Email: mokhles@lbsbd.com</p>

34. Chittagong Branch	Shafi Bhaban (2nd Floor), 1216/A, SK Mujib Road, Agrabad, Chittagong. Phone: +88 031 724547, +88 031 724548, Email: amir@lbsbd.com
35. Khatungonj Branch	Asma Chamber, 1016(Old), Ram Joy Mohajan Lane, Khatungonj, Chittagong. Phone: +88 031 630011, +88 031 632276, +88 031 626709, Email: nazim@lbsbd.com
36. Nasirabad Branch	Rahima Centre (5th Floor), 1618/1839, CDA Avenue, Nasirabad, Chittagong. Phone: +88 031 2554171-3, Email: munir@lbsbd.com
37. Sylhet Branch	R N Tower (4th Floor) Chowhatta, Sylhet. Phone: +88 082 1711143, +88 082 1711752, +88 082 1711912, Email: shamsuddin@lbsbd.com
38. Comilla Branch	Nahar Plaza (1st Floor), 67/58, Nazrul Islam Avenue, Kadirpar, Comilla. Phone: +88 08 162117, +88 08 162109, +88 08 161768, Email: nazir@lbsbd.com

8.3 Bankers

The following organization **'The Farmers Bank Limited'** has been appointed to act as the Bankers' of the fund by the fund manager:

Gulshan Corporate Branch	Lotus Kamal Tower-2, 59-61, Gulshan South Avenue, Gulshan-1, Dhaka-1212. Tel: +88 02 9858066-70, +88 02 9858052
Kachua Branch	Biponi Polash, Hospital Road, Kachua, Chandpur. Tel: +88 08425 56166, +88 0842 556183
Motijheel Branch	Elite House, 54 Motijheel C/A, Motijheel, Dhaka-1000. Tel: +88 02 9587770-4, +88 02 9587772
Bakshigonj Branch	Uttar Bazar, Pathati, Bakshigonj, Jamalpur. Tel: +88 09822-56145, +88 09822-56146
Bhulta Branch	Bhulta Bus Stand, Rupgonj, Narayangonj. Tel: +88 01987700146, +88 01987700132
Haluaghat Branch	Old Bus Stand, Haluaghat, Mymensingh. Tel: +88 09026 56326, +88 09026 56368
Chinishpur Branch	Nandipara, Chinishpur, Narsingdi. Tel: +88 02 9452514, +88 02 9452515
Shyampur Branch	Salman Plaza Super Market (2nd Floor), Shyampur, Dhaka. Tel: +88 02 7440581
Sreebardi Branch	Sreebardi Bazar, Sreebardi, Sherpur. Tel: +88 09325 56018

Tarakanda Branch	Khan Complex, Tarakanda, Mymensingh. Tel: +88 09325 56018-9
Sherpur Branch	Hazi Chand Market 67, Tinani Bazar, Collage Road, Sherpur. Tel: +88 0931-61056
Joypara Branch	328, Mahin Plaza, Joypara Bazar, Dohar, Dhaka. Tel: +88 02 7768225-26
Patuakhali Branch	S. M. Tower (1st Floor) 63, Old Steamer Ghat Road, Patuakhali. Tel: +88 0441 65294, +88 0441 65295
Imamgonj Branch	157, Biren bose Road, Chawkbazar, Dhaka. Te: +88 02 7341320
Aganagar Branch	Hazi Alimullah Complex, East Aganagar, South Keraniganj, Dhaka. Tel: +88 02 7764572-73
Dumki Branch	Sikder Market, Dumki, Patuakhali. Tel: +88 04427-56150, +88 04427-56160
Jamalpur Branch	FBL Jamalpur Branch, 1st Floor, Station Road, Jamalpur. Tel: +88 0981 62277, +88 0981 64880
Nalitabari Branch	Habib Plaza, Shahid Minar Mour, Taraganj Uttar Bazar, Nalitabari, Sherpur. Tel: +88 0932 473133
Bogra Branch	Jamil Bhaban (1st and 2nd Floor), 51-52 Borogola (Rangpur Road), Bogra. Tel: +88 01564154, +88 01567373
Khatungonj Branch	Ramjoy Mohajon Lane, Asadgonj Post Office Goli, Khatungonj, Chittagong. Tel: +88 031636298
Lohagara Branch	Lohagara Shopping Centre, Motor Station Road, Lohagara, Chittagong. Tel: +88 0303456125-27
Mawna Branch	Al-Haj Ousen Ali Mir Mansion, Mawna Chourasta, Mymensingh Road, Sreepur. Tel: +88 01787684505, +88 01787684525
Kamrangirchor Branch	Holding no. 649, Rony Apartment (1st Floor), Kamrangirchar, Dhaka. Tel: +88 02 9634592-93
Rahimanagar Branch	Rahimanagar Bazar Branch, Rahimanagar Bazar, Kachua, Chandpur.
Siddhirganj Branch	B/11, M S Tower (1st Floor), Adamzi EPZ Road, Ward # 4, Siddhirganj Pourashova, Narayanganj.
Gridkalindia Branch	Soudia Gazia Plaza, Gridkalindia Bazar, Chandpur-Raipur Highway, Gridkalindia, 16 Rupsha (South) Union, Faridganj, Chandpur.
Mymensingh Branch	28, Right Point (1st Floor), Durgabari Road, Ward # 08, Mymensingh Pourashova, P.S: Mymensingh Sadar, Mymensingh.
Netrokona Branch	8122, Aleya Plaza (1st Floor), Collage Road, Satpai, Netrokona Pourashova, P.S: Netrokona Sadar, Netrokona.
Keranihat Branch	Haji Ula Meah Shopping Center (1st Floor), Keranihat, 10 Keocia Union Parishad, Satkania, Dist: Chittagong.

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, Institutional.
- iii. Surrender/Repurchase Form.
- iv. Transfer Form.