LR GLOBAL
BANGLADESH ASSET MANAGEMENT COMPANY LTD.
LOGAN ROCKEFELLER

If you have any queries about this document, you may consult the Asset Management Company

PROSPECTUS (Abridged version)

LR Global Bangladesh Mutual Fund One

AB Bank | city bank | গ্রীন ডেল্টা ইন্স্যুরেন্স কোম্পানী লিমিটেড Green Delta Insurance Company Ltd. | IDLC Finance Limited | International Leasing | পপুলার লাইফ ইনস্যুরেন্স কোম্পানী লিমিটেড POPULAR LIFE INSURANCE COMPANY LIMITED | Trust Bank

Registered Office: LR Global Bangladesh Asset Management Company Ltd, I-K Tower (4th Floor), Plot-2, Block-CEN (A), Gulshan North Avenue, Gulshan-2, Dhaka-1212, Bangladesh **Phone:** 8818409, 8826676 **M:** 01730450478, 01730450479 **Fax:** 9895689 **Email:** info@lrglobalbd.com **Website:** www.lrglobalbd.com

SIZE OF THE FUND: Tk. 300 crore divided into 30,00,00,000 units at par value of Tk. 10 each

SPONSORS' CONTRIBUTION: 5,00,00,000 units of Tk. 10 each at par for Tk. 50,00,00,000
PRE-IPO PLACEMENT: 10,00,00,000 units of Tk. 10 each at par for Tk. 100,00,00,000
PUBLIC OFFER: 15,00, 00,000 units of Tk. 10 each at par for Tk. 150,00,00,000
RESERVED FOR MUTUAL FUNDS: 1,50,00,000 units of Tk. 10 each at par for Tk. 15,00,00,000
NON-RESIDENT BANGLADESHIS: 1,50,00,000 units of Tk. 10 each at par for Tk. 15,00,00,000
RESIDENT BANGLADESHIS: 12,00,00,000 units of Tk. 10 each at par for Tk. 120,00,00,000

Subscription opens: July 24, 2011	Subscription closes: July 28, 2011

For Non-Resident Bangladeshis, Subscription closes on August 06, 2011

SPONSORS: AB Bank, city bank, গ্রীন ডেল্টা ইন্স্যুরেন্স কোম্পানী লিমিটেড Green Delta Insurance Company Ltd., IDLC Finance Limited, International Leasing, পপুলার লাইফ ইনস্যুরেন্স কোম্পানী লিমিটেড POPULAR LIFE INSURANCE COMPANY LIMITED, Trust Bank

ASSET MANAGER: LR GLOBAL BANGLADESH ASSET MANAGEMENT COMPANY LTD.

TRUSTEE: BANGLADESH GENERAL INSURANCE COMPANY LTD.

CUSTODIAN: Standard Chartered

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 LR GLOBAL BANGLADESH MUTUAL FUND ONE (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 SPONSORS, AMC OR THE FUND IS NOT GUARANTEEING ANY RETURNS

The particulars of the Fund have been prepared in accordance with সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচ্যুয়াল ফান্ড) বিধিমালা, ২০০১, as amended till date and filed with the Securities and Exchange Commission of Bangladesh. The Issue/Fund shall be placed in "A" category. The Fund shall apply for listing with both the Stock Exchanges.

FUND HIGHLIGHTS

1. Name:	**LR Global Bangladesh Mutual Fund One**
2. Size of the Fund:	Tk. 300,00,00,000 divided into 30,00,00,000 units at par value of Tk. 10.00 each.
3. Face Value & Market lot:	Tk. 10.00 per unit, 500 units per lot.
4. Nature:	Closed-end mutual fund of 10 (ten) years tenure.
5. Objective:	The objective of the Fund is to provide attractive risk adjusted returns to the unit holders by investing the proceeds in the Capital Market and Money Market.
6. Target Group:	Individuals, Institutions, Non-Resident Bangladeshis (NRB), Mutual Funds and Collective Investment Schemes are eligible to apply for investment in the Fund.
7. Dividend:	Minimum 70% realized income of the Fund will be distributed as dividend in Bangladeshi Taka only at the end of each accounting year. The Fund shall create a dividend equalization reserve fund to ensure consistency in dividend.
8. Time of Distribution:	The dividend will be distributed within 45 days from the date of declaration.
9. Transferability:	Units are transferable. The transfer will be made by the CDBL under electronic settlement process.
10. Encashment:	The Fund will be listed with DSE and CSE. So investment in this Fund will be easily encashable.
11. Tax Benefit:	Income will be tax free up to a certain level, which is permitted as per the Finance Act. Investment in the Fund would qualify for tax exemption under section 44(2) of the Income Tax Ordinance 1984.
12. Report & Accounts:	Yearly and half yearly statement of the Accounts and other reports will be available at the website **(www.lrglobalbd.com)** of the Asset Management Company.

RISK FACTORS

*Investing in the **LR Global Bangladesh Mutual Fund One** (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 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 Sponsors 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. 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 in its entirety before investing.
2. **External Risk :** Performance of the Fund is substantially dependent on the macroeconomic situation and in the capital market of Bangladesh. Political and social instability may have an adverse effect on the value of the Fund's assets. Adverse natural climatic condition 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.

THE MUTUAL FUND IS NOT GUARANTEEING OR ASSURING ANY RETURNS

1. PRELIMINARY

1.1 PUBLICATION OF PROSPECTUS FOR PUBLIC OFFERING

LR Global Bangladesh Asset Management Company Limited has received registration certificate from the Securities and Exchange Commission (SEC) under the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন আইন ১৯৯৩, and the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচ্যুয়াল ফান্ড) বিধিমালা, ২০০১ made there under on **May 19th, 2010** and also received approval for issuing prospectus of the public offering on 23rd June, 2011 available for public inspection at the registered office of the Fund.

1.2 APPROVAL OF THE SECURITIES AND EXCHANGE COMMISSION (SEC)

"APPROVAL OF THE 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 (মিউচ্যুয়াল 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 OF PRICE OF ITS UNITS OR THE CORRECTNESS OF ANY OF THE STATEMENTS MADE OR OPINION EXPRESSED WITH REGARD TO THEM. SUCH RESPONSIBILITY LIES WITH THE ASSET MANAGER, TRUSTEE, SPONSORS AND/OR CUSTODIAN."

1.3 LISTING OF FUND

Declaration about Listing of Fund with the Stock Exchange(s):

"None of the Stock Exchange(s), if for any valid reason, grants listing within **75 (seventy five) days** from the closure of subscription, any allotment in terms of this Prospectus shall be void and the Asset Management Company shall refund the subscription money within **15 (fifteen) days** from the date of refusal for listing by the Stock Exchange(s), or from the date of expiry of the said **75 (seventy five) days**, as the case may be.

In case of Non-Refund of the subscription money within the aforesaid **15 (fifteen) days**, the Asset Management Company, in addition to the Sponsor and Trustee, shall be collectively and severally liable for refund of the subscription money, with interest at the rate of 2% (two percent) per month above the bank rate, to the subscribers concerned.

The Asset Management Company, in addition to the Sponsor and Trustee shall ensure due compliance of the abovementioned conditions and shall submit compliance report thereon to the Commission within **7 (seven) days** of expiry of the aforesaid **15 (fifteen) days** time period allowed for refund of the subscription money."

1.4 DOCUMENTS AVAILABLE FOR INSPECTION

Copy of this Prospectus will be available with the Members of the Stock Exchanges, website and at the registered office of LR Global Bangladesh Asset Management Company Limited (**www.lrglobalbd.com**) and also at the website of Securities and Exchange Commission (**www.secbd.org**).

2. Copy of Trust Deed and Investment Management Agreement will be available for public inspection during business hours at the head office of the Asset Management Company of the Fund. The Trust Deed and Investment Management Agreement may also be viewed on the website of the LR Global Bangladesh Asset Management Company Limited (**www.lrglobalbd.com**)

1.5 CONDITIONS OF THE PUBLIC OFFER (PO)

PART- A

1. The Fund shall go for Public Offer (PO) for 15,00,00,000 units of Taka 10.00 (taka ten) each at par worth Taka 150,00,00,000 (taka one hundred and fifty crore) following the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচ্যুয়াল ফান্ড) বিধিমালা, ২০০১, the Securities and Exchange Commission (Public Issue) Rules, 2006, the ডিপজিটরি আইন, ১৯৯৯ and regulations issued there under.
2. The Prospectus/abridged version of the Prospectus as vetted by SEC, shall be published in two widely circulated national daily newspapers (Bangla and English) within **10 (Ten) days** of receipt of the approval letter, provided that information relating to publication of Prospectus in the form of advertisement be published in two national daily newspapers (Bangla and English).
3. Sufficient copies of the Prospectus shall be made available by the Asset Management Company so that any person requesting a copy may receive one. A notice shall be placed on the front of the application form distributed in connection with the offering, informing that interested persons are entitled to a Prospectus, if they so desire, and that copies of Prospectus may be obtained from the Asset Management Company. The subscription application shall indicate in bold type that no sale of securities shall be made, nor shall any money be taken from any person, in connection with any such sale until **25 (twenty five)** days after the Prospectus has been published.
4. The Asset Management Company shall ensure transmission of the Prospectus and relevant application forms for NRBs through e-mail, simultaneously of publication of the Prospectus, to the Bangladesh Embassies and Missions abroad, as mentioned in the Prospectus, and shall also ensure sending of the printed Prospectus and application forms to the said Embassies and Mission within **5 (five) working days** of the publication date by express mail service (EMS) of the postal department. A compliance report shall be submitted in this respect to the SEC by the Asset Management Company within **3 (three) working days** from the date of said dispatch of the Prospectus & the forms.
5. The paper clipping of the published Prospectus/abridged version of the Prospectus and all other published documents/notices regarding the Fund shall be submitted to the Commission within **24 (twenty four) hours** of publication thereof.
6. The Asset Management Company shall submit **40 (forty) copies** of the printed Prospectus, along with a Diskette/Compact Disk (CD) prepared in "MS WORD" containing the Prospectus and its abridged version, as vetted by SEC, to the Securities and Exchange Commission for official record within **5 (five) working days** from the date of publication of the Prospectus in the newspaper.
7. The Asset Management Company shall maintain a separate bank account(s) for collecting proceeds of the Public Offering and shall also open FC account(s) to deposit the application money of the Non-Resident Bangladeshis (NRBs) for Public Offer purpose, and shall incorporate full particulars of said FC account(s) in the Prospectus. The company shall open the abovementioned accounts for Public Offer purpose and close these accounts after refund of over-subscription. **NRB means Bangladeshi citizens staying abroad including all those who have dual citizenship (provided they have a valid Bangladeshi passport) or those, whose foreign passport bear a stamp from the concerned Bangladesh Embassy/High Commission to the effect that "no visa is required to travel to Bangladesh."**
8. Subscription shall start after **25 (twenty five) days** from the date of publication of the Prospectus for both NRBs and resident Bangladeshis. Subscription will remain open for **5 (five) consecutive banking days.**
9. Application shall be sent by the NRB applicants directly to the Asset Management Company within the closing date of the subscription so as to reach the same to the Asset Management Company by the closing date plus **9 (nine) days**. Applications received by the Asset Management Company after the abovementioned time period will not be considered for allotment purpose.
10. The Asset Management Company shall apply the spot buying rate (TT clean) in US Dollar, UK Pound Sterling and Euro of Sonali Bank Ltd. as prevailed on the date of opening of the subscription for the purpose of application of the NRBs.
11. **A Non-Resident Bangladeshi shall apply either directly by enclosing a foreign demand draft drawn on a bank payable at Dhaka, or through a nominee by paying out of foreign currency deposit account maintained in Bangladesh or in Taka, supported by foreign currency encashment certificate issued by the concerned bank, for the value of securities applied for through crossed bank cheque marking "Account Payee Only" or by the Telegraphic Transfer through Banking Channel. Applications shall be sent by the NRB applicants to the Asset Management Company within the closing date of the subscription so as to reach the same to the company by the closing date plus 9 (nine) days. Applications received by the company after the above time period will not be considered for allotment purpose.**
12. The Asset Management Company shall ensure prompt collection/clearance of the foreign remittances of NRBs for allotment of units without any difficulty/complaint.
13. The Asset Management Company shall provide SEC with the preliminary status of the subscription within **5 (five) working days** from closure of the subscription date and also the list of valid and invalid applicants (i.e. final status of subscription) in electronic form in 2 (two) CDs to the Commission within **3 (three) weeks** after the closure of the subscription date including bank statement (original) and branch-wise subscription statement. The final list of valid and invalid applicants shall be finalized after examining with the CDBL in respect to BO accounts and particulars thereof. The public offering shall stand **cancelled** and the application money shall be refunded immediately (but no later than **5 (five) weeks** from the date of the subscription closure) if any of the following events occur:
    a) **Upon closing of the subscription list it is found that the total number of valid applications is less than the minimum requirement as specified in the listing regulations of the Stock Exchange(s) concerned; or**
    b) **At least 60% (i.e. Tk. 180.00 crore) of the targeted amount (i.e. Tk. 300.00 crore) under বিধি ৪৮ of the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচ্যুয়াল ফান্ড) বিধিমালা, ২০০১** is not subscribed.
14. **Public Offer distribution system:**
    a) **Units of Tk. 15,00,00,000 (taka fifteen crore) only** of total public offering shall be reserved for Non-Resident Bangladeshi **(NRB), Tk. 15,00,00,000 (taka fifteen crore) only** for Mutual Funds and Collective Investment Schemes registered with the Commission and the remaining units of **Tk. 120,00,00,000 (taka one hundred and twenty crore) only** shall be opened for subscription by the General Public;
    b) All securities/units stated in para (a) shall be offered for subscription and subsequent allotment by the Asset Management Company subject to any restriction which may be imposed from time to time by the Securities and Exchange Commission;
    c) In case of **over-subscription under any of the 3 (three) categories** mentioned in para (a), the Asset Management Company shall conduct an open lottery of all the applications received under each category **separately** in accordance with the SEC's instructions;
    d) In case of **under-subscription** under any of the 2 (two) categories **[i.e. units of Tk. 15,00,00,000.00 (taka fifteen crore) only for NRB and units of Tk. 15,00,00,000.00 (taka fifteen crore) only for Mutual Funds]** mentioned in para (a), the unsubscribed portion shall be added to the **general public category [units of Tk. 120,00,00,000.00 (taka one hundred and twenty crore) only]** and if after such addition, there is oversubscription in the general public category, the Asset Management Company shall conduct an open lottery of all the applicants added together;
    e) The lottery as stated in para (c) and (d) shall be conducted in the presence of authorized representatives from SEC, concerned Stock Exchange(s), Sponsor, Asset Management Company, Trustee and the applicants.
15. Upon completion of the period of subscription for securities, the issuer and the Asset Manager shall jointly provide the Commission and the Stock Exchange (s) with the preliminary status of the subscription within **5 (Five) working days,** in respect of the following matters, namely:
    a) Total number of securities for which subscription has been received;
    b) Amount received from the subscription; and
    c) Amount of commission paid to the banker to the issue.
16. The Asset Management Company shall issue unit allotment letters to all successful applicants within **5 (five) weeks** from the date of the subscription closing date. Within the same time, refund to the unsuccessful applicants shall be made in the currency in which the value of units was paid for by the applicant without any interest and refunded to the respective banks for onward deposit of the refund money into the applicant's bank accounts provided in respective application form for subscription. After completion of remittance of the Fund to the respective applicant's bank account, the Asset Manager shall disclose the information in the newspapers where the abridged version of prospectus has been published. In this regard a compliance report shall be submitted to the Commission within **7 (seven) days** from the date of completion of the allotment of units and refund warrants (if applicable).
17. The Applicant shall provide the same Bank account number in the application form as it is in the Beneficiary Owners account of the applicant. Otherwise the application will be considered invalid and the subscription money may be forfeited.
18. All the applicants shall first be treated **as applied** for one minimum market lot of **500 (five hundred) units worth TK. 5,000.00 (taka five thousand) only.** If, on this basis, there is oversubscription, then lottery shall be held amongst the applicants allocating one identification number for each application, irrespective of the application money. In case of oversubscription under any of the categories mentioned hereinabove, the issuer and the Asset Manager shall jointly conduct an open lottery of all the applications received under each category separately in presence of representatives from the SEC, the Stock Exchange(s), Sponsor, Trustee, Asset Manager and applicants, if there be any.
19. **An applicant cannot submit more than two applications, one in his/her own name and another jointly with another person. In case an applicant makes more than two applications, all applications will be treated as invalid and will not be considered for allotment purpose. In addition, whole or part of applica tion money may be forfeited by the Commission.**
20. Lottery (if applicable) will be held within **4 (four) weeks** from closure of the subscription date.
21. The Asset Management Company shall furnish the List of Allotees to the Commission and the Stock Exchange(s) simultaneously in which the units will be listed, within **24 (twenty four) hours** of allotment.
22. **Unit Certificates for 100% of the Sponsors' contribution amounting to Tk. 50,00,00,000 (taka fifty crore) only shall be subject to a lock-in period of one year from the date of listing in the Stock Exchange(s) and 1/10th of the Sponsors' contribution amounting to Tk. 5,00,00,000 (taka five crore) only shall be subject to a lock-in period of full time of the Fund.**
23. All Pre-IPO placements will be in **1(one) year lock-in period** from the date of listing of the Fund.
24. If the Asset Management Company fails to collect the minimum 60% of the targeted amount under বিধি ৪৮ of the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচ্যুয়াল ফান্ড) বিধিমালা, ২০০১, it will **refund** the subscription money within **5 (five) weeks** from the closure of subscription without any deduction. In case of failure, the Asset Management Company shall refund the same with an interest @ 18% per annum from its own account within the next month.
25. In case of oversubscription, the excess amount shall be refunded within **5 (five) weeks** from the closure of subscription period, failing which the Asset Management Company will refund the same with an interest @18% per annum from its own account within the next month.
26. The Asset Management Company shall publish a notice through the newspaper to all successful applicants within **5 (five) weeks** from the closing of subscription for collection of allotment letters.
27. The Asset Management Company shall apply for listing of the Fund with stock exchange(s) within **7 (seven) working days** of first publication of the Prospectus.
28. **Declaration about Listing of Fund with the Stock Exchange(s):**
    "None of the Stock Exchange(s), if for any reason, grants listing within **75 (seventy five) days** from the closure of subscription, any allotment in terms of this Prospectus shall be void and the Asset Management Company shall refund the subscription money within **15 (fifteen) days** from the date of refusal for listing by the Stock Exchange(s), or from the date of expiry of the said **75 (seventy five) days,** as the case may be.
    In case of non-refund of the subscription money within the aforesaid **15 (fifteen) days**, the Asset Management Company, in addition to the Sponsor and Trustee, shall be collectively and severally liable for refund of the subscription money, with interest @ 2% (two percent) per month above the bank rate, to the subscribers concerned.
    The Asset Management Company, in addition to the Sponsor and Trustee, shall ensure due compliance of the above mentioned conditions and shall submit compliance report thereon to the Commission within **7 (seven) days** of expiry of the aforesaid **15 (fifteen) days** time period allowed for the refund of the subscription money."
29. **Letter informing allotment shall be issued within 5 (five) weeks from the closure of subscription.**
30. The Fund shall maintain **escrow bank account** for the proceeds of the public offering. The Fund collected through public offering shall not be utilized prior to the allotment and shall be effected through banking channel i.e., through account payee cheque, pay order, bank draft or telegraphic transfer etc.
31. The Fund shall not be involved in **option trading, short selling or carry forward** transactions.
32. The Annual Report or its abridged version of the Fund shall be published within **45 (forty five) days** of the closure of each accounting year of the Fund.
33. The 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.
34. Half-yearly accounts/financial results of the Fund shall be submitted to the Commission and the Stock Exchanges and published in at least one widely circulated Bangla national daily newspaper within **30 (thirty) days** from end of the period.
35. Dividend shall be paid within **45 (forty five) days** of its declaration, and a report shall be submitted to SEC, Trustee and Custodian within **7 (seven)** days of dividend distribution.
36. Net asset Value (NAV) of the Fund shall be calculated and disclosed publicly as per the বিধি ৬০ of the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচ্যুয়াল ফান্ড) বিধিমালা, ২০০১.
37. SEC may appoint auditors for special audit/investigation on the affairs of the Fund, if it so desires.

Part - B

1. The Asset Management Company (i.e. LR Global Bangladesh Asset Management Company Limited) shall ensure that the Prospectus/abridged version of the Prospectus is published correctly and in strict conformity without any error/omission, as vetted by the Securities and Exchange Commission.
2. The Asset Management Company shall carefully examine and compare the published Prospectus/abridged version of the Prospectus on the date of publication with the Prospectus, as vetted by SEC. If any discrepancy/inconsistency is found, both the Sponsors and the Asset Management Company shall jointly publish a corrigendum immediately in the same newspapers concerned, simultaneously endorsing copies thereof to SEC and the Stock Exchange(s) concerned, correcting the discrepancy/inconsistency as required under 'Declaration' provided with SEC.
3. The Sponsors and Asset Management Company shall, immediately after publication of the Prospectus, jointly inform the Commission in writing that the published Prospectus/abridged version of the Prospectus is a verbatim copy of the Prospectus vetted
4. The Sponsors and the Asset Management Company shall simultaneously submit to the Commission an attested copy of the application filed with the Stock Exchange(s) for listing of the securities.
5. The Fund collected through public offering shall not be utilized prior to allotment and/or issuance of unit, as and when applicable, and that utilization of the said Fund shall be effected through banking channel, i.e. account payee cheque, pay order bank draft or telegraphic transfer etc.

Part - C

1. All the above imposed conditions shall be incorporated in the Prospectus/abridged version immediately after the page of the table of contents where applicable, with a reference in the table of contents, prior to its publication.
2. The Commission may impose further conditions/restrictions etc. from time to time as and when considered necessary which shall also be binding upon the Sponsors, Asset Management Company, Trustee and Custodian.

Part - D

1. As per provision of the ডিপজিটরি আইন, ১৯৯৯ and regulations made hereunder, units shall only be issued in dematerialized condition. All transfer/transmission/splitting will take place in the Central Depository Bangladesh Ltd. (CDBL) system and any further issuance of units will be issued in dematerialized form only.
   `An applicant (including NRB) shall not be able to apply for allotment of units without Beneficiary Owner account (BO account).
2. The Asset Management Company shall also ensure due compliance of all above mentioned conditions.

Part - E

General Information:

1. This Prospectus has been prepared by LR Global Bangladesh Asset Management Company Limited (hereinafter the AMC or LR Global Bangladesh Asset Management Company Limited) based on the Trust Deed executed between the Trustee and the Sponsors 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 that there are no other material facts, the omission 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 given or made, any such information or representation must not be relied upon as having been authorized by the LR Global Bangladesh Asset Management Company Limited.
3. The issue as contemplated in this document is made in Bangladesh and 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.

1.6 DECLARATIONS

Declarations about the responsibility of the Sponsors

The Sponsors, whose name appears in this Prospectus, accept full responsibility for the authenticity and accuracy of the information contained in this Prospectus and other documents regarding the Fund. To the best of the knowledge and belief of the Sponsors, who has taken all reasonable care to ensure that all conditions and requirements concerning this public issue and all the information contained in this document, drawn up by virtue of the Trust Deed of the Fund by the entrusted AMC, have been met and there is no other information or documents the omission of which may make any information or statements therein misleading. The Sponsors also confirms that full and fair disclosures have been made in this Prospectus to enable the investors to make an informed decision for investment.

Sd/-
(Kaiser A Chowdhury)
President & Managing Director
AB Bank Ltd.

Sd/-
(K. Mahmood Sattar)
Managing Director & CEO
The City Bank Ltd.

Sd/-
(Nasir A. Choudhury)
Managing Director & CEO
Green Delta Insurance Company Ltd.

Sd/-
(Selim R.F. Hussain)
CEO & Managing Director
IDLC Finance Ltd.

Sd/-
(Mustafizur Rahman)
Managing Director
International Leasing and Financial Services Ltd

Sd/-
(B.M. Yousuf Ali)
Managing Director & CEO
Popular Life Insurance Company Ltd.

Sd/-
(M. Shah Alam Sarwar)
Managing Director &CEO
Trust Bank Ltd.

Declaration about the responsibility of the Asset Management Company

This Prospectus has been prepared by us based on the Trust Deed, Investment Management Agreement, the Securities and Exchange Commission (Public Issue) Rules, 2006, the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচ্যুয়াল ফান্ড) বিধিমালা, ২০০১, ডিপজিটরি আইন, ১৯৯৯, and other documents as relevant for adequate disclosure of the Fund's objectives and investment strategies to the investors. We also confirm that:

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

Investors should be aware that the value of investments in the Fund could be volatile and as such no guarantee can be made about the returns from the investments that the Fund will make. Like any other equity investment, only investors who are willing to accept a moderate amount of risk, should invest in the Fund. Investors are requested to pay careful attention to the "Risk Factors" as detailed in Chapter 4 and to take proper cognizance of the risks associated with any investment in the Fund.

Sd/-
(Reaz Islam)
Chief Executive Officer
LR Global Bangladesh Asset Management Company Ltd.

Declaration about the responsibility of the Trustee

We, as Trustee of the LR Global Bangladesh Mutual Fund One, accept the responsibility and confirm that we shall:

a) Be the guardian of the Fund, held in trust for the benefit of the unit holders in accordance with the Rules & Trust Deed; b) Always act in the interest of the unit holders;
c) Take all reasonable care to ensure that the Fund floated and managed by the Asset Management Company are in accordance with the Trust Deed and the Rules;
d) Make such disclosure 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
e) Take such remedial steps as are necessary to rectify the situation where we have reason to believe that the conduct of business of the Fund is not in conformity with the relevant Rules.

Sd/-
(A.K.A.H. Chaudhuri)
Managing Director & CEO
Bangladesh General Insurance Company Ltd.

Declaration about the responsibility of the Custodian

We, as Custodian of the LR Global Bangladesh Mutual Fund One, accept the responsibility and confirm that we shall:

a) Keep all the securities in safe custody and shall provide the highest security for the assets of the Fund; and
b) Preserve necessary documents and record so as to ascertain movement of assets of the Fund as per Rules.

Sd/-
(Arunangshu Dutta)
Head, Securities Services, Bangladesh
Standard Chartered Bank

2. BACKGROUND

2.1 FORMATION OF LR GLOBAL BANGLADESH MUTUAL FUND ONE

A typical Mutual Fund is an investment fund that pools money from unit holders and invests in a diversified portfolio of securities. The Mutual Fund industry has a long history tracing as far back as the early 1800's with its humble beginnings generally considered to be in Europe. Today, Mutual Funds are widely considered to offer investors attractive risk adjusted returns by pooling assets for various investment purposes. The mutual fund industry came into wide public prominence in the mid 1980's and during the 1990's technology boom with Fund managers when the likes of Michael Price and Peter Lynch, were considered the new investment gurus with their impressive Mutual Fund returns. Since then the industry has gone through peaks and through but have largely managed to flourish and grow both in the developing market and developed markets of the world. The Mutual Fund industry in Bangladesh is at its early or nascent stages, offering room for greater growth and product innovation. Investing in a Mutual Fund especially for retail investors should be an attractive proposition mainly due to:

- Professional Management - mutual funds are actively managed by qualified investment professionals with an objective to limit downside risk and improve the upside potential with active management.
- Diversification Benefit - mutual funds are generally diversified pooled investment which is expected to reduce the risk per adjusted return for the small and retail investors.
- Efficiency and Economies of Scale - mutual funds by pooling together a large portfolio can negotiate competitive commissions and fees, which results in lower costs to the investors.
- Transparency - mutual funds are highly regulated investment vehicles and operate under strict rules and regulations by the Securities and Exchange Commission.

The Board of Directors and senior management of the Sponsors' Company strongly believe sponsoring a mutual fund is an efficient and effective means of expanding its capital market investment alternatives that will result in an attractive and stable income source for them and lead to greater development of the capital markets in Bangladesh.

To further this initiative, LR Global Bangladesh Asset Management Company will be the Asset Manager for LR Global Bangladesh Mutual Fund One, with Bangladesh General Insurance Company (BGIC) as the Trustee of the Fund and Standard Chartered Bank (SCB) as the Custodian of the Fund.

2.2 RATIONALE FOR LAUNCHING PROPOSED MUTUAL FUND UNDER CURRENT CAPITAL MARKET CONDITIONS

The year 2011 has so far been much volatile for the capital market of Bangladesh. The prime index, the Dhaka Stock Exchange Index (DSI) lost around 23% in the first 3 months. As of 31st March, 2011, the turnover on DSE for the month of March stood at approximately Tk. 21696 crore which is close to 26% higher than that in the same period in 2010. The high volatility experienced lately marks the importance of increasing institutional investment participation in this market. As the Bangladesh capital markets continue to evolve, the mutual fund industry offers significant growth potential. By most measures the current listed, closed-end mutual funds in the market, which number approximately 35 in total, represent a very small percentage of the total domestic market capitalization; thus there exists greater scope for market growth in the mutual fund sector. As a number of mutual funds are currently in the process to come to the market, a paradigm shift will take place with institutions and professional money managers representing a more sizable and reasonable proportion of the market versus retail and short term investors. This shift will help to reduce unnecessary market volatility, lead to more rational price discovery and limit the influence of rumor-based trading in the market on a day-to-day basis. This growth and maturity in the market is necessary to attract and inject stable and long-term domestic and foreign institutional capital into the market. Furthermore, the SEC and other market regulators and industry veterans view responsible expansion of the mutual fund industry as a key driver for further development of the capital market in Bangladesh. With the above framework in mind, the Sponsors of the Fund, leading Banks, Non-Banking Financial Institutions and Insurance Companies in Bangladesh has joined forces with LR Global Bangladesh to launch this Mutual Fund.

2.3 PERFORMANCE OF LR GLOBAL MANAGED FUNDS

Mutual Funds managed by LR Global have shown consistent performance since their listing on the DSE and the CSE. The four listed Mutual Funds managed by LR Global had net asset value of Tk 486.7 crore as of 31st March, 2011. The funds compositely yielded annualized return close to 24% since inception, where as the broader market index, DSI, yielded annualized return close to 15% in the same period. This outperformance came with significantly lower volatility. The overall superior performance of LR Global managed funds can be attributed to the fund manager's tested investment process, market research skills and strategic asset allocation technique.

2.4 ADVANTAGES OF INVESTING IN LR GLOBAL BANGLADESH MUTUAL FUND ONE

Generally investment in mutual funds provides certain incremental advantages when compared to investment made directly in individual securities in the capital market .Highlighted below are some of the advantages that investors may benefit from when investing in a mutual fund:

1. Mutual Funds generally lower investment risk for small and retail investors through diversification into multiple sectors, companies, securities, and via investing in various asset classes. The fund manager will attempt to maximize return for a given level of risk and always conduct a balance in his risk-return tradeoff.
2. Mutual Funds through its diversified pool of investments will provide small investors access to returns of the wider market, which will be if not impossible very costly for retail investors to achieve.
3. Greater participation of mutual funds will add to enhanced liquidity to the overall market and, since most mutual funds are long term investment vehicles, this will create price stability and better price discovery and reduce short term volatility in market.
4. The Fund's performance will benefit from the LR Global Bangladesh (AMC) proprietary investment process and research tools for both fundamental and technical analysis; AMC has a highly skilled in-house research team who are experienced investment professionals dedic