

- (2) If any stock dividend or bonus shares remains unclaimed or unsettled including corporate benefit in terms of bonus shares thereon for a period of 3 (three) years from the date of declaration or approval or record date, as the case may be, shall be transferred by the issuer in dematerialized form to the BO Account of the Fund within such time as directed by the Commission or the Fund from time to time:

Provided that the issuer shall provide detailed information (e.g., year of dividend, name of shareholder/unit holder, BO account number/folio number, permanent & contact address, shareholding/unit holding, nominee (if any), number of stock dividend/bonus shares, etc) to the Fund during transfer of stock dividend or bonus shares.

- (3) Any cash in the clients' ledger under 'Consolidated Customer Account' remaining unclaimed for more than 3 (three) years shall be transferred by the stock broker to the bank account of the Fund within such time as directed by the Commission or the Fund from time to time:

Provided that the stock broker shall provide detailed information (e.g., name of the customer, BO account number, customer account/code number, permanent & contact address, nominee (if any), amount left in the customer account with date, etc) to the Fund during transfer of such unclaimed cash balances.

- (4) Any securities left in the BO account remaining unclaimed for more than 3 (three) years shall be transferred by the stock broker to the BO Account of the Fund in demate form within such time as directed by the Commission or the Fund from time to time:

Provided that the stock broker shall provide detailed information (e.g., name of the customer, BO account number, customer account/code number, permanent & contact address, nominee (if any), name of the securities (including issuer's name), number of securities left in the customer account with date, etc.) to the Fund during transfer of such unclaimed securities.

- (5) Any cash left in the clients' portfolio accounts remaining unclaimed for more than 3 (three) years shall be transferred by the portfolio manager to the bank account of the Fund within such time as directed by the Commission or the Fund from time to time:

Provided that the portfolio manager shall provide detailed information (e.g., name of the customer, BO account number, customer account/code number, permanent & contact address, nominee (if any), amount left in the customer account with date, etc.) to the Fund during transfer of such unclaimed cash balances.

- (6) Any securities left in the clients' portfolio accounts remaining unclaimed for more than 3 (three) years shall be transferred by the portfolio manager to the BO Account of the Fund in demate form within such time as directed by the Commission or the Fund from time to time:

Provided that the portfolio manager shall provide detailed information (e.g., name of the customer, BO account number, customer account/code number, permanent & contact address, nominee (if any), name of the securities (including issuer's name), number of securities left in the customer account with date, etc.) to the Fund during transfer of such unclaimed securities.

- (7) Any delay in transferring of such unclaimed or unsettled dividend or cash balance or securities as mentioned in sub-rule (1) to (6) above by the issuer, stock broker or portfolio manager shall be subject to charge default interest at the rate of 2% per month on the amount of unclaimed or unsettled dividend or cash balance or the securities market price from the due date as per the Commission's or the Fund's direction.

- (8) The Board or the Chief of Operation shall, by creating a data base/bank, preserve the information as provided under the proviso of sub-rule (1) to (6) above until the respective claim is settled in full.

10. Claims settlement Procedures:

- (1) If any shareholder or unit holder claims his cash dividend after transfer of such dividend to the bank account of the Fund, within 15 (Fifteen) days of receiving such claim, the issuer shall, after proper verification of the claim, recommend with a detailed information as mentioned in the proviso of rule 9 (1) of these rules to the Chief of Operation of the Fund to pay off such dividend from the bank account of the Fund:

Provided that the Chief of Operation of the Fund shall, after due scrutiny with the data base/bank as created under sub-rule (8) of rule 9 of these rules as well as the aforesaid recommendation and approval of the Board or the management committee for settlement of investors' claims as the case may be, pay off such cash dividend to the claimant through BEFTN or any electronic payment system within 15 (fifteen) working days of receiving of such recommendation with intimation to the concerned issuer.

- (2) If any shareholder claims his stock dividend or bonus shares after transfer of such dividend or bonus shares to the BO Account of the Fund, within 15 (Fifteen) days of receiving such claim, the issuer shall, after proper verification of the claim, recommend with a detailed information as mentioned in the proviso of rule 9 (2) of these rules to the Chief of Operation of the Fund to pay off or transfer such stock dividend or bonus shares from the BO Account of the Fund:

Provided that the Chief of Operation of the Fund shall, after due scrutiny with the data base/bank as created under sub-rule (8) of rule 9 of these rules as well as the aforesaid recommendation and approval of the Board or the management committee for settlement of investors' claims as the case may be, pay off or transfer such stock dividend or bonus shares to the claimant's BO Account within 15 (fifteen) working days of receiving of such recommendation with intimation to the concerned issuer.

- (3) If any customer of a stock broker claims his cash balance left with his ledger after transfer of cash balance to the bank account of the Fund, within 15 (Fifteen) days of receiving such claim, the stock broker shall, after proper verification of the

claim, recommend with a detailed information as mentioned in the proviso of rule 9 (3) of these rules to the Chief of Operation of the Fund to pay off such cash balance from the bank account of the Fund:

Provided that the Chief of Operation of the Fund shall, after due scrutiny with the data base/bank as created under sub-rule (8) of rule 9 of these rules as well as the aforesaid recommendation and approval of the Board or the management committee for settlement of investors' claims as the case may be, pay off such cash balance to the claimant through BEFTN or any electronic payment system within 15 (fifteen) working days of receiving of such recommendation with intimation to the concerned stock broker.

- (4) If any customer of a stock broker claims his securities left with the BO Account of the stock broker after transfer of such securities to the BO account of the Fund, within 15 (Fifteen) days of receiving such claim, the stock broker shall, after proper verification of the claim, recommend with a detailed information as mentioned in the proviso of rule 9 (4) of these rules to the Chief of Operation of the Fund to pay off or transfer such securities from the BO account of the Fund:

Provided that the Chief of Operation of the Fund shall, after due scrutiny with the data base/bank as created under sub-rule (8) of rule 9 of these rules as well as the aforesaid recommendation and approval of the Board or the management committee for settlement of investors' claims as the case may be, pay off or transfer such securities to the claimant's BO Account within 15 (fifteen) working days of receiving of such recommendation with intimation to the concerned stock broker.

- (5) If any customer of a portfolio manager claims his cash balance left with his ledger after transfer of cash balance to the bank account of the Fund, within 15 (Fifteen) days of receiving such claim, the portfolio manager shall, after proper verification of the claim, recommend with a detailed information as mentioned in the proviso of rule 9(5) of these rules to the Chief of Operation of the Fund to pay off such cash balance from the bank account of the Fund:

Provided that the Chief of Operation of the Fund shall, after due scrutiny with the data base/bank as created under sub-rule (8) of rule 9 of these rules as well as the aforesaid recommendation and approval of the Board or the management committee for settlement of investors' claims as the case may be, pay off such cash balance to the claimant through BEFTN or any electronic payment system within 15 (fifteen) working days of receiving of such recommendation with intimation to the concerned portfolio manager.

- (6) If any customer of a portfolio manager claims his securities left with the BO Account of the portfolio manager after transfer of such securities to the BO account of the Fund, within 15 (Fifteen) days of receiving such claim, the portfolio manager shall, after proper verification of the claim, recommend with a detailed information as mentioned in the proviso of rule 9(6) of these rules to the Chief of Operation of the Fund to pay off or transfer such securities from the BO account of the Fund:

Provided that the Chief of Operation of the Fund shall, after due scrutiny with the data base/bank as created under sub-rule (8) of rule 9 of these rules as well as the aforesaid recommendation and approval of the Board or the management committee for settlement of investors' claims as the case may be, pay off or transfer such securities to the claimant's BO Account within 15 (fifteen) working days of receiving of such recommendation with intimation to the concerned portfolio manager.

Chapter V

Financial Statements and Audit of the Fund

11. Preparation of Financial Statements and Audit:

- (1) Management committee for audit and accounts shall be responsible for maintaining the accounts of the Fund and prepare the annual and half yearly financial statements in accordance with the International Financial Reporting Standards;
- (2) Half yearly financial statements of the Fund shall be furnished to the Commission within 30 (thirty) days of closing of the first half year duly approved by the Board;
- (3) The Board shall appoint a firm of chartered accountants for auditing the annual financial statements of the Fund from the panel of auditors as declared by the Commission from time to time, in its annual general meeting as well as fix the remuneration of the auditors;
- (4) The Annual financial statements of the Fund shall be audited within 120 (one hundred and twenty days) from the date of closing of financial year and a copy of such audited financial statements shall be submitted to the Commission duly approved by the Board within 14(fourteen) days thereof;

Chapter VI

Miscellaneous

12. Reporting to the Commission:

- (1) The Board shall furnish the following reports on the Fund and its affairs of previous month within tenth day of each month of Gregorian Calendar to the Commission:
- Total cash receipts and payments for the Fund mentioning the purpose;
 - Total securities receipts to the Fund mentioning the purpose;
 - Settlement of investors' claims in cash mentioning the particulars;
 - Settlement of investors' claims in securities mentioning the particulars;
 - Statement of securities lending and borrowing mentioning the particulars;
 - A statement of cash balance position of the Fund;
 - A statement of securities position held under the Fund in market price and cost price;
 - Any other report as directed by the Commission from time to time.
- (2) The Board shall furnish minutes of the meeting to the Commission as per rule 5(12) of these rules.
- (3) The Board shall furnish the half-yearly financial statements and annual audited financial statements of the Fund to the Commission as per Rule 9(2) and 9(4) of these rules respectively.