



কর্তা ২০০৬২৪৮

INVESTMENT MANAGEMENT AGREEMENT

CAPM IBBL ISLAMIC MUTUAL FUND

Mohammad Abdul Mannan
Managing Director
Islami Bank Bangladesh Ltd
Head Office, 40, Dilkusha C/A, Dhaka-1000

SM Mahmud Hussain
Managing Director & CEO
CAPM Company Ltd.

THIS AGREEMENT OF INVESTMENT MANAGEMENT is made at Dhaka on this the 13th day of November of the Christian era 2016.

BETWEEN

Islami Bank Bangladesh Limited, a Banking Company incorporated under the Companies Act, 1994 of Bangladesh and governed by the Bank Companies Act, 1991 having registered office at 40 Dilkusha C/A, Dhaka-1000, Bangladesh represented by its Managing Director, Mr. Mohammad Abdul Mannan, hereinafter referred to as the SPONSOR, which expression shall, unless it be repugnant to the context or meaning thereof, include its Directors, legal representatives, successors in interest and assigns of the **FIRST PART**.

AND

CAPM (Capital & Asset Portfolio Management) Company Limited, a Private Limited Company duly incorporated under the Companies Act, 1994 vide a Certificate of Incorporation No. **C-89365/11**, dated: **03.01.2011** and an Asset Management Company, registered with the Securities and Exchange Commission having its registered office at Flat-A2, Plot-07, Road 17, Rupsha Tower, Banani C/A, Dhaka - 1213, Bangladesh represented by its Managing Director & CEO, Mr. SM Mahmud Hussain hereinafter referred to as the Asset Management Company or ASSET MANAGER or AMC, as the case may be, which expression shall, unless it be repugnant to the subject or context or meaning thereof, include its Directors, legal representatives, successors in interest and assigns of the **SECOND PART**.

WHEREAS, the party of the first part is a leading Shariah based Commercial Banking institution in Bangladesh, engaged in various types of shariah based banking services, having adequate skilled manpower in its concerned field of activities and offices and network of branches all over Bangladesh and a qualified SPONSOR of the closed-end mutual fund named CAPM IBBL Islamic Mutual Fund.

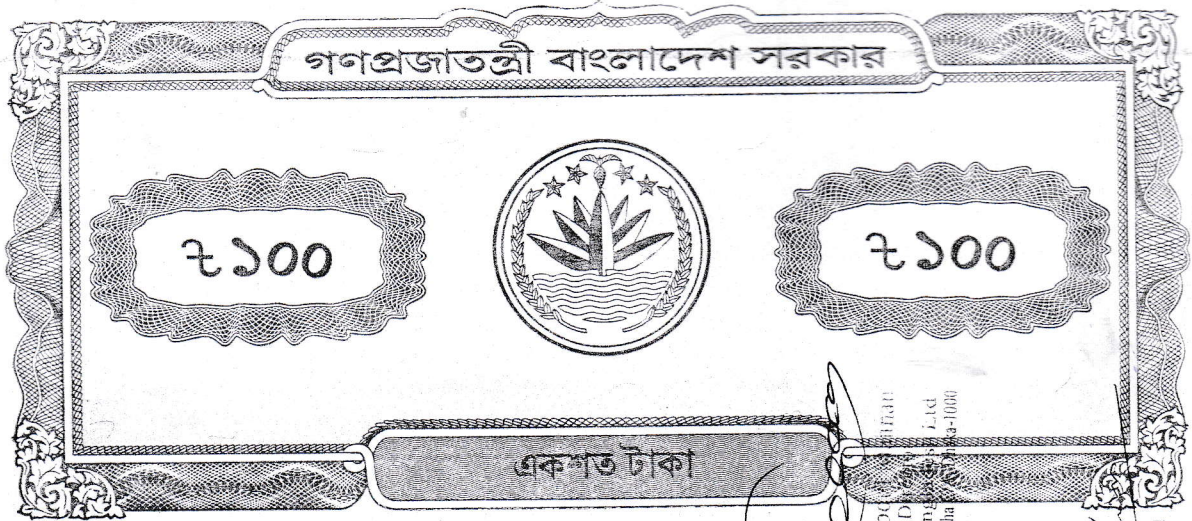
WHEREAS the party of Second Part is an Asset Management Company of Bangladesh having adequate skills in its concerned field of activities and is a qualified and capable ASSET MANAGEMENT COMPANY of the closed-end mutual fund named CAPM IBBL Islamic Mutual Fund.



কঠ ২০০৬২৪৪

NOW THEREFORE, with the intent to manage the CAPM IBBL ISLAMIC MUTUAL FUND in particular and its various schemes established by the Sponsors of the Fund from time to time for the benefit of the investors and the development of capital market of Bangladesh as are entrusted to the ASSET MANAGEMENT COMPANY from time to time and in consideration of mutual covenants and arrangement hereinafter set forth, it is hereby mutually agreed between the parties hereto as follows:

1. The Asset Manager shall design, structure, seek registration and custodial arrangements and operate and manage the various schemes of the close end mutual fund, i.e. CAPM IBBL ISLAMIC MUTUAL FUND approved by the Trustee under the sponsorship of the Islami Bank Bangladesh Limited, in terms of the Trust Deed as per the provisions of the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১ and (hereinafter referred to as the "বিধিমালা" (Rules)).
2. The Asset Manager shall operate and manage the various schemes of the close-ended mutual Fund i.e. CAPM IBBL Islamic Mutual Fund approved by the Trustee in accordance with the Shariah Principles, Trust Deed and বিধিমালা (Rules) with prior permission from the Commission.
3. The Asset Manager may constitute, organize, manage the Fund and will issue electronic certificates in such denominations of the par value of Tk. 10.00 each.
4. The Asset Manager is prohibited to undertake any activities without prior approval of the Trustee and the Commission excepting determination of size, objective and nature of the schemes, preparation of prospectus and acquiring consent of the Commission, issuance of certificates of the schemes, formation and management of investment portfolio, calculation of NAV, preparation, submission and dissemination of financial and other statements besides the duties and responsibilities mentioned in Rule 33 of the Bangladesh Securities and Exchange Commission (Mutual Fund) Rules, 2001.
5. The Asset Manager shall be responsible for the management of the Fund and its various schemes subject to necessary approval from the Bangladesh Securities and Exchange Commission (hereinafter referred to as the 'BSEC' or Commission) and in accordance with the provisions of the Trust Deed and the বিধিমালা (Rules).
6. The Asset Manager shall not acquire any asset for the Mutual Fund 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.
7. The Asset Manager shall not extend any term loans/credit facilities and/or guarantee the repayment of the same, for any purpose or undertake any activity in contravention of the বিধিমালা (Rules).



কঠ ২০০৬২৪৫

8. Any loss or damage or expenses resulting from the negligence of the Asset Manager or any of its officers or any person delegated by them, shall not be met out of the trust property.

9. The Asset Manager shall ensure that no application form, or sales literature or other printed matter issued to prospective buyers, or advertisement, or report and or announcement (other than an announcement of price or yields) addressed to the unit holders, or to the public, or to the press or other communication media, is issued or published with contents and statement or matter extraneous to the Trust Deed or Prospectus or Offer Document of any scheme approved by the Commission or the Trustee, as the case may be without prior written approval of Trustee.

10. The Asset Manager shall notify the investors the Net Asset Value (NAV) of various schemes of the fund and the method of its calculation as per time schedule determined by the Trustee and the Commission.

11. The Asset Manager shall provide information as per the requirements of the Trustee, so that it is revealed that the affairs of various Schemes of the Mutual Fund are being conducted as per the provision of the Trust Deed and the বিধিমালা (Rules).

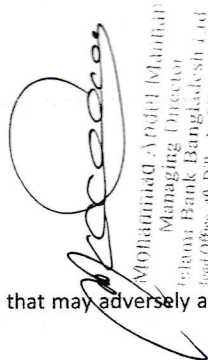
12. The Asset Manager shall submit report on the activities of the various schemes of the Mutual Fund on quarterly basis to the Trustee and the Commission or at such intervals as may be required by the Trustee or the Commission.


13. The Asset Manager shall arrange and have discretion over private placement of the Mutual Fund.

14. The Asset Manager shall take all required steps and exercise all endues diligence and ensure that the investment of the schemes of the Fund is not contrary to the provisions of the Trust Deed and the বিধিমালা (Rules).

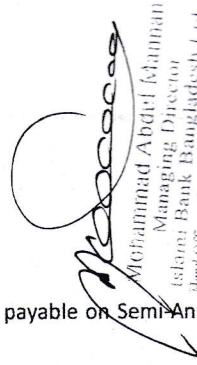
15. The Asset Manager shall calculate the Net Asset Value (NAV) per unit weekly as per formula prescribed in the বিধিমালা (Rules).

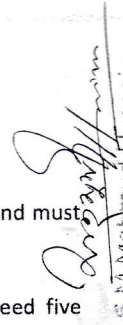
16. The Asset Manager shall follow a general formula for computing the Net Asset Value as per বিধিমালা (Rules) and approved by the Bangladesh Securities and Exchange Commission (hereinafter referred to as the 'BSEC' or 'Commission') and the Trustee and disclosed in the Prospectus or Information Memorandum of the Scheme and it shall be adequately published as per the provisions of the বিধিমালা (Rules).


Mohammad Arafat Mahfuz
Managing Director
Islami Bank Bangladesh Ltd
Head Office, 40, Dilkusha CA, Dhaka-1000


S.M. Mahmud Hussain
Managing Director & CEO
CAPM Company Ltd.

17. The Asset Manager shall not undertake any business that may adversely affect the interest of the Fund.
18. The Asset Manager shall have a Shariah Advisory Board for the management of CAPM IBBL Islamic Mutual Fund. All the investment of the fund should be approved by the Sharih Advisory Board.
19. For listed securities, the average of the quoted closing market prices at 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.
20. When the securities are not traded either at Dhaka Stock Exchange (DSE) or Chittagong Stock Exchange (CSE) on the particular valuing date, immediate previous closing price, which one is nearer, but not longer than 30 days, to the valuing date will be taken into account.
21. When the securities are not traded either at Dhaka Stock Exchange (DSE) or Chittagong Stock Exchange (CSE) for a period over 30 days, the fund shall follow the method approved by the Commission for valuation of the non-traded investment and the Trustee shall periodically review the value of such investments.
22. For Participation Term Certificates, Mudaraba Term Certificates, Mudaraba deposits, the accrued profit 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.
23. The Mutual Fund shall follow the method approved by the BSEC for valuation of the non-traded investment, if any, and the Trustee shall periodically review the value of such investments.
24. The valuation of non-traded securities will be made with their reasonable value determined by the Asset Manager and approved by the Trustee and commented upon by the Auditors in the Annual Report of the schemes of the Fund, provided that the value shall not be higher than the intrinsic value of such securities.
25. The valuation of non-listed securities will be made by the Asset Manager with their reasonable value and approved by the Trustee and commented upon by the Auditors in the Annual Report of the schemes of the Fund.
26. 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 AMC.
27. The Asset Manager and Trustee will value the non-listed securities once in at least after every three months.
28. For designing, structuring, seeking registration and custodial arrangements of 'CAPM IBBL Islamic Mutual Fund', the Asset Management Company will receive a Formation and/or any other fees as per the BSEC approved prospectus.
29. In consideration for the services rendered to the Mutual Fund under this Agreement, the Asset Manager shall be entitled to receive Asset Management Fee as per বিকিমালা (Rules).


Mohammad Abdel Mannan
Managing Director
Islami Bank Bangladesh Ltd
Head Office: 40, Dhaka CA, Dhaka-1000


S M Mahmud Hussain
Managing Director & CEO
CAPM Company Ltd.

30. The Asset Manager's fee will be accrued weekly and payable on Semi-Annual basis and must be paid within the 30 days of lawfully due date.

31. As per বিধিমালা (Rules) the initial expenses in respect of the scheme shall not exceed five percent of the initial fund size of the fund raised under the scheme or any ceiling as determined by the commission and the Asset Management Company shall furnish a detailed breakdown of cost in the prospectus.

32. The Trustee may also cause to make such disclosures by the Asset Manager to the investors as are essential in order to keep them informed about any information, which may have an adverse bearing on their investments.

33. The Trustee shall have the right to call for any books of accounts, records, documents and such other information as considered necessary from the Asset Manager as is relevant to the management of the affairs of the various Schemes of the Fund.

34. The Trustee of the Fund shall have the power to initiate the process of annulment of the appointment of the Asset Manager of the Mutual Fund under specific events of breach of Trust and Investment Management Agreement and/or provisions of the বিধিমালা (Rules), only with the prior approval of the Commission, in accordance with the provisions of the বিধিমালা (Rules).

35. Any change in the appointment of the second party as the Asset Management Company of the Fund shall be subject to prior approval of the BSEC.

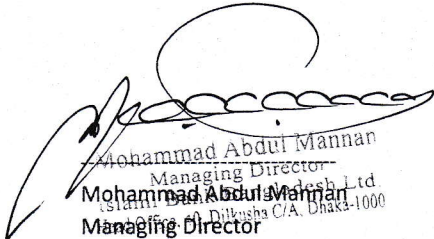
36. Relevant provisions of the বিধিমালা (Rules) in general and Schedule III and V of the বিধিমালা (Rules) in particular shall apply for the interpretation of this agreement and in case of any controversy as to the meaning and spirit, the decision by the Commission shall be conclusive.

37. The Asset Manager and each officer of the Asset Manager shall be indemnified and held harmless by the Sponsor from any and all financial liabilities, charges, fines and penalties imposed or assessed upon him or her in any action, suit or proceeding, in which he or she is made a party by reason of being, or having been, acting within the scope of his or her duties under this Agreement if such person (i) shall be determined to have acted in good faith and in a manner he or she reasonably believed to be in the best interest of the Sponsor or Trustee, and (ii) shall not be determined to have acted with gross negligence or willful misconduct in the performance of such duties. Such indemnity shall include payment of all reasonable expenses and legal counsel fees incurred in connection with any such action, suit or proceeding.

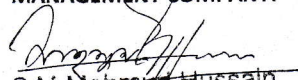
IF ANY CONFUSION ARISES ANY TIME ABOUT EXPLANATION OF ANY CLAUSE OF THIS AGREEMENT, THE SECURITIES AND EXCHANGE COMMISSION (MUTUAL FUND) RULES,2001 WILL BE CONCLUSIVE FOR THIS AGREEMENT AND ALL OTHER DOCUMENTS EXECUTED IN CONNECTION OF THIS MUTUAL FUND AND PROVISIONS OF THIS AGREEMENT WILL BE TREATED TO BE CHANGED IN ACCORDANCE WITH ANY CHANGE OR AMENDMENT OF THE SECURITIES AND EXCHANGE COMMISSION (MUTUAL FUND) RULES,2001.

IN WITNESS WHEREOF the Sponsor and the Asset Management Company have caused their common seals to be affixed to these presents and have hereto set their hands the day and year above written.

The party of the First Part, the **SPONSOR:**



Mohammad Abdul Mannan
Managing Director
Islamic Bank Bangladesh Ltd.
Dilkusha C/A, Dhaka-1000
Managing Director
Islami Bank Bangladesh Limited

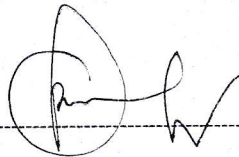
The party of the Second Part, the **ASSET MANAGEMENT COMPANY:**



S M Mahmud Hussain
Managing Director & CEO
CAPM Company Ltd.


SM Mahmud Hussain
Managing Director & CEO
CAPM (Capital & Asset Portfolio
Management) Company Limited

WITNESSES:


1. Mohammed Shahid Ullah, FCA, CDCS
Chief Financial Officer
Islami Bank Bangladesh Limited
Head Office, Dhaka.


1. Chandan Wasif
SAVP
CAPM Company Ltd.


2. KHALED MAHMUD RAIHAN
Asstt. Vice President
Islami Bank Bangladesh Ltd.
FAD, Head Office, 40, Dilkusha, Dhaka.


2. Sumit Paul
Asst. Manager