



AIMS WIN SEC NOD ON Tk125 CRORE LARGEST MUTUAL FUND

AIMS TO FLOAT Tk125 CRORE LARGEST MUTUAL FUND SCHEME

GRAMEEN MUTUAL RECEIVES CONSENT TO FLOAT Tk1.25b SECOND SCHEME

Existing Unit Holders Rewarded With Entitlement In Unique Distribution

The Securities & Exchange Commission (SEC) on Tuesday, May 13, 2008 awarded consent to the public float of 'Grameen One : Scheme Two', the second scheme of 'Grameen Mutual Fund One' sponsored by Grameen Bank under the management of AIMS of Bangladesh Limited. The application for the purpose was made by AIMS way back in January 16, 2008 but initially the SEC apparently had some reservations on some unique propositions that the scheme devised. However, eventually the constituents could prevail with strong legal arguments in favor of the mechanism.

Having a paid-up capital of Tk1.25 billion (Tk125 crore) the Scheme is by far the single largest listed mutual fund undertaking ever in the country. It is also for the first time a 'growth' scheme is being launched in the local capital market. With a 15-year initial tenure it has the longest life and it is also for the first time that any mutual fund in Bangladesh is venturing to float multiple schemes.

In an unforeseen pioneering move to benefit thousands of general investors, provision was kept for Entitlement to 17 million units of Tk10 each at par totaling Tk170 million in 'Grameen One : Scheme Two' for the existing unitholders appearing on the register of 'Grameen One', the first scheme of the Fund now traded on the stock exchanges. Record date for the purpose was set for March 25, 2008 after the regulator declined on March 18, 2008 to consider the application without submission of bank certificate evidencing prior receipt of such deposit against the proposed Entitlement. Subsequently, 98% of the Entitlement was subscribed and evidence of deposit submitted by AIMS to the SEC on April 17, 2008.

Grameen Bank has already subscribed for Tk250 million as Sponsor's contribution in the new Scheme and pre-IPO allocation has been made in favor of various associate institutions and enterprises of the Grameen Bank family and capital market functionaries for Tk680 million while existing unit holders have subscribed for Tk166.59 million. The prospectus for public offer of 15.341 million units of Tk10 each totaling Tk153.41 million has now received the SEC nod. The public subscription may commence in early June to be collected at selected branches of AB Bank Limited, The City Bank Limited, Mutual Trust Bank Limited and the Investment Corporation of Bangladesh (ICB).

No paper certificate or allotment letter will be issued by the Fund. Instead the units will be credited directly to the successful BO accounts within 72 hours of the conduct of allotment lottery. The Scheme also intends to commence trading on the bourses within 10 (ten) working days from conduct of lottery for allotment against the public subscription. Refunds against unsuccessful applications would be directly credited to the respective bank accounts of the applicants within 30 working days from closing of the subscription list.

'Grameen Mutual Fund One' was established under the Trust Act 1882, and registered under the Registration Act 1908, on May 09, 2001. The Fund received SEC Registration on August 27, 2001. 'Grameen One', the Tk170 million first scheme of the Fund published prospectus for public offer on June 26, 2005. The public offer of 5 million units of Tk50 million was massively oversubscribed. The Scheme was listed at a record pace with the stock exchanges on September 04, 2005 within thirteen days of conducting lottery and has since been trading at a premium price to its' net asset value. At the close of its first full accounting year after listing as at June 30, 2007, 'Grameen One' declared 29% cash dividend for all unit holders.

'Grameen Mutual Fund One' is sponsored by the Nobel Prize winning Grameen Bank, founded by the globally acclaimed micro-credit pioneer and himself a Nobel Laureate Professor Muhammad Yunus, with the principal objective of facilitating micro-savers to invest in the country's high yielding capital market instruments. Grameen Bank intends to utilize income and proceeds from the portion of its' contribution to the Scheme for augmenting the '*Central Emergency Fund*' and the '*Rehabilitation Fund*' maintained by the Bank. The Emergency Fund is designed to provide immediate and outright grant to the family of any deceased borrower to perform last rites and provide support. The Rehabilitation Fund provides grants as well as interest free loans to borrowers in natural disaster affected areas, in the aftermath of flooding or cyclones etc. Over the years and with the increase of borrowers now standing at about 7.4 million, these funds has been overstretched and are in need of replenishment.

Grameen Trust is the Trustee and Standard Chartered Bank is the Custodian of the Fund. AIMS of Bangladesh Limited, the only private asset management company launching mutual funds in the country with Tk1 billion already under management, has been appointed as the Manager of the new mutual fund scheme. AIMS is also the Manager of AIMS First Guaranteed Mutual Fund, the country's first private mutual fund as well as the proposed BGIC Mutual Fund and the IDLC First Mutual Fund, application for registration of which is now pending with the SEC.