

Dividend Distribution Policy

SEML IBBL Shariah Fund

The Dividend Distribution Policy is prepared and adopted in compliance with the provisions of the Directive No. BSEC/CMRRCD/2021-386/03 dated 14 January, 2021 of the Bangladesh Securities and Exchange Commission (BSEC) about dividend declaration, pay off, disbursement and compliance.

Concept of Dividend

Dividend is the share of the profit that a company/fund decides to distribute among its Shareholders/Unitholders in proportion to the amount of units of the fund they hold.

Definitions

The Asset Manager shall be responsible for generating all proposed resolutions on the declaration and payment of dividends. The Asset Manager upon approval of Trustee of the Fund decides to distribute dividends among its Unitholders in proportion to the amount of the units they hold in the form of Cash dividend. Therefore, dividend declared will be distributed amongst all unitholders, based on their unitholding on the record date. The time, place and procedure for payment of Dividends shall be publicly communicated to unitholders in advance of the register Record Date or closure date and payment date.

As in the past, subject to the provisions of the applicable law, the fund's dividend payout will be determined based on available financial resources in compliance with Bangladesh Securities and Earning Commission (Mutual Fund) Rules-2001.

Declaration and Payment of Dividends

The dividend policy of the Fund is to distribute to its shareholders surplus funds from its distributable profits and/or general reserves, as may be determined by the Board of Directors, subject to:

Subject to the provisions of the Act, dividend shall be declared and paid out of:

1. 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.
2. Net income for a financial period of a mutual fund shall be measured following IFRSs and after incorporating all income, lawful expenses as well as provisions for diminution in the fair value of investments in securities and other assets.
Trustee shall examine every item of expenses of a mutual fund and determine their eligibility to be a charge against income of the Fund. Adequate disclosure shall be made with respect to provision (or reversal of provision) for diminution (or appreciation) in fair value of investments in securities. The excess of fair value of cost of investments in securities, if true in aggregate shall be reported as an other comprehensive income in

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the statement of Profit or Loss or Other Comprehensive Income and not be a part of earnings of the period

3. Dividend warrants will be dispatched within 45 days from the declaration of such dividends
4. Surpluses arising simply from the valuation of investments shall not be available for dividend

In the event of inadequacy or absence of profits in any financial year, the Asset Manager may not declare any dividend from the fund.

Amendment

This Policy Statement shall be effective from the date of execution and may be amended from time to time and approved by the Asset Manager of the Fund

Disclosures

The Dividend Distribution Policy shall be disclosed on the Asset Manager website & a web-link thereto shall be provided in the Annual Report.

Disclaimer

The above Policy Statement does not represent a commitment on the future Dividends of the Fund but represents a general guidance on the Dividend Policy
