


NDB | WEALTH

Information Memorandum 2015

Money Market Funds | NDB Wealth Money Fund and NDB Wealth Money Plus Fund



NDB Wealth Management Limited Company Reg. No. PB 624
Ground Floor, NDB – EDB Tower, 42 Nawam Mawatha, Colombo 2, Sri Lanka

 Tax Free Income

 Doorstep Wealth Management

 Unrestricted Withdrawals

 Get started with just Rs.5000

Contents

01	NDB WEALTH MONEY FUND	01 - 02
02	NDB WEALTH MONEY PLUS FUND	03 - 04
03	MANAGER OF THE FUNDS	05
04	BOARD OF DIRECTORS	05
05	HOW TO INVEST IN NDB WEALTH FUNDS	06
06	OFFER	06
07	HOW TO APPLY	07 - 08
08	VALUATION OF UNITS	09
09	SWITCHING	12
10	REPORTS AND ACCOUNTS	12
11	GENERAL INFORMATION	13 - 14
12	CORPORATE INFORMATION	15

NDB WEALTH MONEY FUND

FUND NAME		NDB WEALTH MONEY FUND		
TYPE OF FUND	Open ended Money Market Fund which will invest in Government Securities, or Deposits in a licensed Commercial Banks or Specialised Banks with a AA or above Rating			
INVESTMENT OBJECTIVE	To provide above average returns, commensurate with low risk while providing a high level of liquidity, through a portfolio of short-term Government Securities			
ASSET ALLOCATION	Type of Investments	Asset Allocation	Risk Profile	
	Government of Sri Lanka Treasury Bills, Treasury Bonds and Bank Deposits (including reverse repo and cash) with maturities up to 366 days	Max 90%	Low	
	Government of Sri Lanka Treasury Bills, Treasury Bonds (including reverse repo and cash) with maturities less than 15 days	Min 10%	Low	
MINIMUM INVESTMENT	Rs. 1,000/-			
FEE STRUCTURE	Entry Fee: NIL Exit Fee: NIL Management and Trustee Fee: 0.75% per annum (on Net Asset Value of the Fund) Custody: Rs. 120,000 per annum			
RISK FACTORS	Mutual Fund investments are subject to market risks. Since the fund is invested exclusively in Government Treasury Securities the credit risk of default is eliminated, while interest rate risk is minimized by investing only in short-term positions up to 365 days.			

FUND NAME

NDB WEALTH MONEY FUND

AUTHORISED INVESTMENTS	<ol style="list-style-type: none"> Government Treasury Bills issued by the Central Bank of Sri Lanka of a maturity period not exceeding 365 days, and Government Treasury Bonds issued by the Central Bank of Sri Lanka of a maturity period not exceeding 365 days, and Central Bank Securities (CBSL Securities) issued by the Central Bank of Sri Lanka of a maturity period not exceeding 365 days, and Any Reverse Repurchase Agreement with a maturity period not exceeding 365 days, and Deposits in a licensed Commercial Banks or Specialised Banks with a AA (lka) rating by Fitch Ratings Lanka Any investment permitted by the SEC of Sri Lanka and approved by the Trustee in writing
INCOME DISTRIBUTION	At the discretion of the Manager.
TRUSTEE	Deutsche Bank AG, Colombo Branch

NDB WEALTH MONEY PLUS FUND

FUND NAME		NDB WEALTH MONEY PLUS FUND		
TYPE OF FUND	Open ended Money Market Fixed Income Fund			
INVESTMENT OBJECTIVE	To provide higher returns while providing a high level of liquidity, by investing in a portfolio of Gilt Edged and Corporate Debt securities			
ASSET ALLOCATION	Type of Investments	Asset Allocation	Risk Profile	
	Government of Sri Lanka Treasury Bills, Treasury Bonds (including reverse repo and cash) with maturities up to 366 days	Max Up to 90%	Low	
	Corporate debt and Securitized debt with maturity up to 366 days	Min 90%	Medium	
	Government of Sri Lanka Treasury Bills, Treasury Bonds (including reverse repo and cash) with maturities less than 92 days	Min Up to 3% Max Up to 10%	Low	
MINIMUM INVESTMENT	Rs. 1,000/-			
FEE STRUCTURE	Entry Fee: NIL Exit Fee: NIL Management and Trustee Fee: 0.85% per annum (on Net Asset Value of the Fund) Custody: Rs. 120,000 per annum			
RISK FACTORS	Mutual Fund investments are subject to market risks. Investments in money market instruments would involve a moderate credit risk. While interest rate risk is minimized by investing only in short-term positions up to 366 days			

FUND NAME

NDB WEALTH MONEY FUND

AUTHORISED INVESTMENT	a. Government Treasury Bills issued by the Central Bank of Sri Lanka of a maturity period not exceeding 366 days, and
	b. Government Treasury Bonds issued by the Central Bank of Sri Lanka of a maturity period not exceeding 366 days, and
	c. Central Bank Securities (CBSL Securities) issued by the Central Bank of Sri Lanka of a maturity period not exceeding 366 days, and
	d. Quoted and unquoted Debentures, Debenture Stocks and Bond of a maturity period not exceeding 365 days, and
	e. Commercial Papers and Promissory Notes of a maturity period not exceeding 365 days, and
	f. Asset backed securities of a maturity period not exceeding 365 days, and
	g. Bank guaranteed/or endorsed debt securities of a maturity period not exceeding 365 days, and
	h. Any revenue re-purchase agreement stated on the securities specified above in (a) to (g) with a maturity period not
	i. Deposits in a licensed Commercial Banks or Specialised Banks with a maturity period not exceeding 365 days, and
	j. Any investment permitted by the Commission and approved by the Trustee in writing
INCOME DISTRIBUTION	At the discretion of the Manager
TRUSTEE	Deutsche Bank AG, Colombo Branch

MANAGER OF THE FUNDS

Fully owned subsidiary of NDB Bank, Sri Lanka

NDB Wealth Management Limited is the largest private sector Fund Management Company in Sri Lanka with over Rs. 90.0 Billion of funds under management

Incorporated in 1991, NDB Wealth Management Limited is independently owned and managed by a highly qualified and experienced team of professionals, assisted by the best in class systems. Our comprehensive product offer caters to investment needs of our clients. Our comprehensive product offer caters to investment needs of our clients. NDB Wealth is licensed with and regulated by the Securities and Exchange Commission of Sri Lanka (SEC) as an investment manager

Our clients are offered a range of savings and investment options through a series of risk rated mutual funds managed and promoted by the company. This unique proposition will enable our clients to have reliable and easy access to investments ranging from shares of companies to government securities

NDB Bank

NDB Bank is a universal bank with operations in the South Asian region. The bank is independently owned and managed, whilst known for its integrity and high standards in compliance. NDB Bank is one of the highest capitalized banks in Sri Lanka with very high quality balance sheet and is rated AA+ by Fitch Ratings Lanka Limited. NDB's product offerings in corporate banking, investment banking, retail banking, and insurance has made it a true universal bank

BOARD OF DIRECTORS

Mr. D. S. P. Wikramanayake

Representing NDB Bank(Chairman)

Mr. R. Theagarajah

Representing NDB Bank

Mr. C. V. Kulatilake

Representing NDB Bank

HOW TO INVEST IN THE NDB WEALTH INVESTMENT ACCOUNTS

NDB Wealth Funds are a series of mutual funds comprising NDB Wealth Income Fund, NDB Wealth Gilt Edged Fund, NDB Wealth Growth, NDB Wealth & Income Fund, NDB Wealth Money Fund & NDB Wealth Money Plus Fund which offers investors with a diversified range of mutual funds depending on their different risk profile. The existence of several funds will enable investors to determine their preferred level of exposure to risk by spreading their investments across the series of funds

NDB Wealth Income Fund, NDB Wealth Gilt Edged Fund, NDB Wealth Growth, NDB Wealth & Income Fund, NDB Wealth Money Fund & NDB Wealth Money Plus Fund are licensed by the Securities & Exchange Commission of Sri Lanka under the SEC Act No 36 of 1987 and amended Act No 26 of 1991

Each fund in the series will reflect a particular level of risk ranging from virtually 'no risk', (i.e. through a money market fund invested solely in government securities) to the NDB Wealth Growth Fund which has a "higher risk" being exclusively an Equities Fund but with more opportunities for capital appreciation. The spectrum will be completed by many other Mutual Funds investing in one or more different combinations of asset classes. As such, the funds will offer investors a wide range of investment opportunities according to their risk preference

OFFER

By this Memorandum, the general public of Sri Lanka or any other eligible person(s) are invited to purchase units of NDB Wealth Money and NDB Wealth Money Plus mutual funds offered under the NDB Wealth Funds managed by NDB Wealth Management Limited ("NDB Wealth or Manager") NDB Wealth Money Fund & NDB Wealth Money Plus Fund are open – ended mutual funds which can be purchased on a continuing basis. The offer of mutual funds under this Memorandum will continue until the Manager issues a new Memorandum

MINIMUM INVESTMENT

The minimum amount per initial investment for NDB Wealth Money Fund & NDB Wealth Money Plus Fund mutual funds will be Rs. 1,000/- and in multiples of Rs. 1/- thereafter

WHO CAN INVEST?

The following persons are eligible and may apply for investment in the NDB Wealth Money Fund & NDB Wealth Money Plus Fund mutual funds :

1. Resident adult individuals
2. Minors through parent/legal guardian;
3. Companies and institutions incorporated in Sri Lanka ;
4. Non-resident Institutional/Individual Investors as permitted by the exchange control rules applicable

HOW TO APPLY?

- A. Open Master Account
1. Copies of this Memorandum and application forms can be obtained from NDBWM or from Deutsche Bank AG or any authorized Sales Agent appointed by NDBWM from time to time.
 2. All prospective investors shall open a Master Account/myeaglefunds Account with NDBWM before investing into NDB Wealth Islamic Money Plus Fund
 3. Investors must fill in the mandatory fields of mobile number, Correspondence Address, e-mail address and a Bank Account in the Master Account Opening Application ("Form A for Individual Investors, Form B for Institutional Investors").
 4. Bank Details: In order to protect the interest of investors from fraudulent encashment of cheques, it is mandatory for investors to mention in their Application the bank account details of the investor. All redemptions shall be credited to this bank account at all times.
 5. NDBWM shall have the sole discretion to reject any Application without above details.
 6. Each Application shall accompany the following documents
 - a. Individual/Joint Accounts – copy of NIC/Passport of each individual
 - b. Minor Account – Copy of Birth Certificate of Minor and NIC/Passport copy of the parent/legal guardian
 - c. Corporate/Institutional – Copy of the Business Registration Certificate, Articles of Association and Board Resolution
- B. Fund Registration Application
- Before investing into NDB Wealth Money Fund & NDB Wealth Money Plus Fund all Investors shall register with the relevant Fund by completing a Fund Registration Application (Form C).
- C. Subscription
- Investors may apply for Units and make payment for Units in cash/cheque or through a banker's draft crossed "A/C Payee Only" or by Transfer of Funds made payable to following collection accounts of NDB Wealth Management Ltd or any other collection accounts assigned by NDBWM from time to time, which may be published in its website www.ndbwealth.com. All cash deposits, cheque deposits or fund transfers to the Collection Accounts, the Account holder shall inform the bank to include the client account number and product code as the transaction reference [Eg. 1101101-01(client Account) + 28435 product code]

Account Name – NDB Wealth Management Limited

Bank Name	Collection Account No
Bank Of Ceylon	656
Commercial Bank of Ceylon	1030017137
NDB Bank	101000167232
Sampath Bank	002932005555
Nations Trust Bank	100060002131

Completed application along with the crossed cheques shall be sent to NDB Wealth Management Ltd., Ground Floor, NDB EDB Towers, 42, Navam Mawatha, Colombo 2.

NDBWM reserves the right to scrutinize, review and reject any application received on an ongoing basis, at its discretion, without assigning any reason, in cases where, according to the Manager, accepting the same would not be in the best interests of the Trust.

ALLOTMENT

If an application duly made at the office of NDB Wealth Management is accompanied by cash or bank draft, units will be allotted on the day of receipt of the monies if it is a Business Day, if not, on the following Business Day. Allotments on all other applications will be made only after the monies are realised or the application is received at the office of NDB Wealth Management Ltd, whichever is later

PLEDGE OF INVESTMENTS

Investments in NDB Wealth Money Fund and NDB Wealth Money Plus Fund by any investor maybe offered as security by way of a pledge/charge in favour of schedule banks, financial institutions, non-banking finance companies, or any other body. A standard form for this purpose is available on request. The NDB Wealth Management Limited shall mark a lien only upon receiving the duly completed form and documents as it may require. Disbursement of such loans will be at the entire discretion of the bank/financial institution or any other body concerned and the NDB Wealth Management Limited assumes no responsibility thereof.

The Pledgor will not be able to withdraw investments that are pledged until the entity to which the investments are pledged provides written authorisation to the NDB Wealth Management Limited that the pledge/lien charge may be removed

VALUATION OF UNITS

The assets of the Mutual Fund will be valued at the close of business on each Business Day (or Subscription Day). The Net Asset Value (NAV) per unit of a Mutual Fund will be ascertained by dividing the net assets of the respective fund by the number of Units outstanding under the fund on the valuation date

Each mutual fund will value its investments according to the valuation norms included in the Trust Deed, Directives issued by the Securities & Exchange Commission of Sri Lanka and industry norms applied by the Unit Trust Association of Sri Lanka. The NDB Wealth will calculate and disclose the NAVs of the respective funds in its official website of the fund www.ndbwealth.com on a daily basis. A business day will be any day other than a day the Colombo Stock Exchange Exchange and/or the Central Bank of Sri Lanka is closed for dealings

The price at which units can be purchased, called the Offer Price or Subscription Price as well as the price at which the units can be redeemed, called the Redemption or Realisation Price, will be based on the daily valuation and will be computed each Subscription Day by reference to the asset value of the fund as at the end of the Subscription Day.

The published price will be calculated in the following manner:

- a) Ascertain the value of the assets of the fund as at 4.30 p.m (Sri Lanka standard time) on the business day.
- b) Adding/Deducting such sum that the manager may consider as representing the appropriate provision for duties and charges and arriving at the net asset value.
- c) Dividing the net asset value by the number of Units then in issue and deemed to be in issue. The offer and redemption prices will be regularly published in leading newspapers, generally on a daily basis.

Money Market funds that invest only in short term liquid fixed income securities with a maturity period of less than 366 calendar days shall continue to be valued on a cost plus accrued interest method.

Government Securities shall be valued on a Mark to Market basis using the daily yield curve released by the Central Bank of Sri Lanka (CBSL) until maturity.

All unquoted fixed income securities shall be valued on a Mark to Market basis using the daily yield curve released by the CBSL until the maturity plus any risk premium attached to the instrument.

All quoted debt securities shall be valued at the last traded price. Where there is no trade for 90 calendar days it shall be valued on a Mark to Market basis using the daily yield curve released by the CBSL until the maturity plus any risk premium attached to the instrument.

The risk premium for valuation of unquoted and quoted debt securities shall continue to be calculated as the difference between the yield on the Corporate Debt and the yield on the Government Security of a similar maturity at the time of investing.

Repo Investments and Bank Deposits shall be valued at cost plus accrued interest basis

The Offer and Redemption Prices will be regularly published in leading newspapers, generally on a daily basis.

CUT-OFF TIMES - Issue of Units

- i. For valid applications received upto 2.00 p.m. on a Business Day and funds for the entire subscription/purchase as per the application are credited and realised to the designated collection/operations bank accounts of the Funds and, the closing NAV of the same day of realization of money shall apply
- ii. in respect of valid applications received after 2.00 p.m. on a Business Day and funds for the entire subscription/purchase as per the application are credited to the designated collection account/s of the Funds,, the closing NAV of the day immediately preceding the next Business Day or the date of realization of funds shall apply
- iii. Irrespective of the time of receipt of application, where the funds for the entire subscription/purchase as per the application are not credited to the designated collection account/s of the fund and are not realised before the cut-off time, the closing NAV of the day immediately preceding the day on which the funds are realized shall apply

CUT-OFF TIMES - Issue of Units

- i. In respect of valid applications received upto 3.00 pm - the closing NAV of the same business day shall apply; and
- ii. In respect of valid applications received after 3.00 p.m. by the Mutual Fund, the closing NAV of the next Business Day shall be applicable in consultation with the Trustee, the Manager has the discretion to amend the above cut-off times from time to time

REDEMPTION OF UNITS

Investors can withdraw their investments on any Business Day. The withdrawal/transfer request can be made on the pre-printed withdrawal slip, withdrawal instruction form or written request which should be submitted at/may be sent by mail to NDB Wealth Management Limited or any designated bank or agent. The withdrawal would be permitted to the extent of clear credit balance in the Master Account. The withdrawal request can be made by specifying the Rupee amount to be withdrawn. The maximum amount of withdrawal may be changed in future by the NDB Wealth Management Limited

RIGHT TO LIMIT REDEMPTIONS

The NDB Wealth Management Limited may, in the general interest of the Unit holders of NDB Wealth Money and NDB Wealth Money Plus, keeping in view the unforeseen circumstances/unsure conditions, limit the total amount of withdrawal for any Business Day to 5% of the net value of the investment account. NDB Wealth Management Limited shall reserve the right to limit withdrawals to be made by Unit holders based on the mutual fund invested

SWITCHING

A Unit holder may instruct the Manager to switch his investments from any Fund, in which the investment is already made to another Fund under the management of the Manager. A switch will be treated as a redemption and a new investment. For example, the Unit holder may instruct the Manager to switch his unit holdings in the NDB Wealth Money and NDB Wealth Money Plus. This will be treated as a redemption from the NDB Wealth Money Fund, and a new investment made in the NDB Wealth Money Plus Fund. The Manager shall comply with the same upon deducting any switching fee, if applicable. However, the fee applicable on a switch between Funds may be waived off at the discretion of the Manager

REPORTS & ACCOUNTS

Annual Reports and Financial Statements of the NDB Wealth Money and NDB Wealth Money Plus would be made available to investors unit holders as required under the applicable regulations and will be published in the official website of the fund www.ndbwealth.com of NDB Wealth Management Limited or any other website as designated by the Manager. Unit holders who wish to obtain a printed version of the Financial Statements could obtain a copy by making a written request to the Manager

FEES AND CHARGES

NDB Wealth Management Limited may recover any fees and charges payable by the Unit holder by debiting such charges to the respective NDB Wealth Account

GENERAL INFORMATION

RIGHTS OF INVESTORS

- a. To inspect the Trust Deed free of charge at the office of the Manager during office hours. Copies of the Trust Deed priced at Rs.2,500/- can be purchased from the Manager
- b. To redeem Units registered in their names
- c. To participate and vote at meetings of the Unitholders
- d. To transfer Units on the payment of the appropriate fee

CHARGES AND FEES PAYABLE BY THE FUNDS

Details of other administrative and professional expenses payable by the fund are as follows:

- a. the cost of dealing in the deposited property
- b. taxation and duties payable in respect of the deposited property or the issue of units
- c. any costs incurred in the preparation or modification of the Trust Deed
- d. any costs incurred in respect of meetings of unit holders
- e. the fees of the Trustee
- f. any expenses or disbursements of the Trustee, which are authorized by the Trust Deed to be paid out of the deposited property
- g. the audit fees of the auditor and any expenses of the auditor
- h. licensing fees imposed by the Commission
- i. all direct and indirect taxes imposed by the Government from time to time that are required to be charged to the deposited property
- j. legal expenses incurred in safeguarding the deposited property
- k. any other fee approved by the commission and specified in the Trust Deed.

GENERAL INFORMATION

This document does not constitute an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation and may be used only in connection with this offering of units to which it relates by distributors as contemplated herein

"The Board of Directors of the Trustee hereby declare that it will carry out the transactions with the Management Company at arm's length basis and on terms which are best available for the fund, as well as act, at all times, in the best interests of the fund's unit holders and also that the requirements of the Guidelines for Trustees and Managing Companies of Unit Trust Funds issued by the Securities & Exchange Commission of Sri Lanka have been complied with. The Trustee further certify that it has read and agrees with the representation contained herein"

Signed : Tyronne Hannan, Head of Global Transaction Banking , Deutsche BankOn behalf of the Board of Directors of the Trustee

"The Board of Directors of the Managing Company hereby declare that it will carry out the transactions with the Trustee at arm's length basis and on terms which are best available for the fund, as well as act, at all times, in the best interests of the fund's unit holders and also that the requirements of the Guidelines for Trustees and Managing Companies of Unit Trust Funds issued by the Securities & Exchange Commission of Sri Lanka have been complied with"

"This Explanatory Memorandum has been seen and approved by the Directors of the NDB Wealth Management Limited and they collectively and individually accept full responsibility for the accuracy of the information given and confirm that, after making all reasonable inquiries and to the best of their knowledge and belief, there are no other facts, the omission of which, would make any statements herein misleading"

Board of Directors of the Managing Company

IMPORTANT

Read and retain the document for further reference. If you are in any doubt about the contents of this Explanatory Memorandum you should consult your Fund Manager, or Financial Adviser

CONSENT

The following parties have given written consent to include their names in the Explanatory Memorandum and have not withdrawn their consent upto the time of publication of this Memorandum

Deutsche Bank AG
SJMS Associates

DOCUMENTS AVAILABLE FOR INSPECTION

Documents available for inspection at the office of the Manager during normal business hours are as follows:

- a. Trust Deed of respective the funds
 - b. Memorandum & Articles of Association of NDB Wealth Management Limited
- No fee is applicable for inspection of the documents referred to above

CORPORATE INFORMATION

FUND MANAGER AND REGISTRAR
NDB-EDB TOWER (Ground Floor), No. 42,
Nawam Mawatha, Colombo 2, Sri Lanka.

TRUSTEE AND CUSTODIAN
Deutsche Bank AG Colombo Branch, 86, Galle
Road, Colombo 3, Sri Lanka.

FUND AUDITORS
SJMS Associates, (Chartered Accountants),
2, Castle Lane, Colombo 4, Sri Lanka.

TAX CONSULTANT OF THE FUND
SJMS Associates, (Chartered Accountants),
2, Castle Lane, Colombo 4, Sri Lanka.

All inquiries about the NDB Wealth Investment Accounts should be directed to:

NDB WEALTH MANAGEMENT LTD

NDB-EDB TOWER (Ground Floor), No. 42, Nawam Mawatha, Colombo 2, Sri Lanka.
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