

# Ceybank Unit Trust Funds

Approved by the Securities and Exchange Commission of Sri Lanka



## KEY INVESTOR INFORMATION DOCUMENT (KIID)

Fund Managers



No.85, York Street  
Colombo 1  
Sri Lanka

Tel: 94-11-7602000

Email: [info@ceybank.com](mailto:info@ceybank.com)

Web site: [www.ceybank.com](http://www.ceybank.com)

Trustee



Custodian



This Memorandum is dated 4<sup>th</sup> April 2024

## **IMPORTANT**

Ceybank Asset Management Ltd is licensed by the Securities and Exchange Commission of Sri Lanka (the SEC), to operate “**Ceybank Unit Trust Funds**”, which are Collective Investment Schemes (CIS) as defined in the Securities and Exchange Commission of Sri Lanka Act No 19 of 2021 as amended, or any other statutory regulations thereof. CIS are approved by the SEC and regulated in terms of Collective Investment Scheme code 2022 (CIS Code 2022).

Units of **Ceybank Unit Trust Funds** are offered solely on the basis of information contained in this **Key Investor Information Document (KIID)** and the documents referred to herein. This KIID should be read in conjunction with the Trust Deed of each respective Scheme. Read and retain this document for future reference. This Document is based on the law and practice in force in Sri Lanka as at the date of this Document and is subject to change therein. Investors who have any doubt in understanding the contents of this document should seek professional advice either from a Managing Company, Stockbroker, Banker, Lawyer, an Accountant or a Tax consultant.

### **THE PRICES OF UNITS COULD MOVE DOWN AS WELL AS UP FROM TIME TO TIME DUE TO MARKET FLUCTUATIONS.**

This KIID has been seen and approved by the Board of Directors of the Managing Company 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 facts, the omission of which, would make any statement herein misleading.

The Trustees hereby declare and certify that they have read and agreed with the representations herein.

Any information or representation that is not contained in the KIID and given by any dealer, salesperson or any other person should be regarded as unauthorized and should not be relied upon.

This KIID does not constitute an offer or solicitation where such offer or solicitation is not authorized or an offer or solicitation to any person to whom it is unlawful to make such offer or solicitation and may only be used in connection with this offering of units by distribution as contemplated herein.

### **SEC directive - SEC/LEG/14/09/71**

Directive dated 24<sup>th</sup> September 2014 issued by the SEC under section 13 (c) of the Securities & Exchange Commission of Sri Lanka Act No. 36 of 1987 (as amended) requires Managing companies to maintain a minimum number of fifty (50) unit holders for each Fund at all times. The directive further states that new Funds need to obtain a minimum fifty (50) unit holders during an initial public offer (IPO) period, and where the said minimum number is not met, to refund the monies collected at the close of the IPO period.

## **SALE AND REDEMPTION OF UNITS**

All enquiries about the **Ceybank Unit Trust Funds** should be directed to the Fund Manager

### **CEYBANK ASSET MANAGEMENT LTD**

85 York Street  
Colombo 1  
Sri Lanka  
Tel: 94 -11-7602000

Email: [info@ceybank.com](mailto:info@ceybank.com)

Units of the **Ceybank Unit Trust Funds** could be bought or redeemed through

#### **i CEYBANK ASSET MANAGEMENT LTD**

No.85, York Street  
Colombo 1  
Sri Lanka

#### **ii CEYBANK CUSTOMER SERVICE CENTRES**

Colombo	011-7602007	Galle	091-2235570
Jaffna	021-2217644	Kandy	081- 2202861
Kurunegala	037-2229455	Negombo	031-2228070

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## 1. CEYBANK UNIT TRUST FUNDS

### 1.1 INTRODUCTION

Ceybank Unit Trust Funds are a group of Collective Investment Schemes managed by Ceybank Asset Management Ltd., providing investment opportunities for investors across the risk/ return spectrum in the Sri Lankan Capital and Money Markets.

The Following CISs which are offered under this KIID are approved by the SEC.

Ceybank Century Growth Fund	- <i>Growth Scheme</i>
Ceybank Unit Trust Fund	- <i>Income &amp; Growth Scheme</i>
Ceybank Savings Plus Money Market Fund	- <i>Money Market Scheme</i>
Ceybank High Yield Fund	- <i>Money Market Scheme</i>
Ceybank Surakum Fund	- <i>Gilt Edged Scheme</i>
Ceybank Gilt Edged Fund (A series)	- <i>Gilt Edged Money Market Scheme</i>

The Funds/Schemes offered under this KIID are open ended Schemes and available for subscription on a continuous basis. The Managers will accept applications for the issue of units at the prevailing offer price per unit.

Each of the above funds have a separate Trust deed entered between Ceybank Asset Management Limited and the Trustee, National Savings Bank. The Trust deed of each scheme is the constituting document of each scheme and it is binding on the Managing Company, Trustee, Custodian and each Unit Holder.

Details of each Scheme are given in the following pages.

**The Manager has been authorized by the Securities and Exchange Commission of Sri Lanka (SEC) to operate CISs and Manage other Investment Portfolios, by the power vested in them through the SEC Act No.19 of 2021 as amended.**

Fund Name	Ceybank Century Growth Fund	Ceybank Unit Trust Fund	Ceybank Savings Plus Money Market Fund	Ceybank High Yield Fund	Ceybank Surakum Fund	Ceybank Gilt Edged Fund (A series)
Fund Category	Growth	Income & Growth	Money Market	Money Market	Gilt Edged	Gilt Edged Money Market
Fund Objective	Capital Growth	Capital Growth & Income	Income	Income	Income	Income
Trustee	National Savings Bank	National Savings Bank	National Savings Bank	National Savings Bank	National Savings Bank	National Savings Bank
Custodian	Bank of Ceylon	Bank of Ceylon	Bank of Ceylon	Bank of Ceylon	Bank of Ceylon	Bank of Ceylon
Date of Launch	3 <sup>rd</sup> December 1996	25 <sup>th</sup> March 1992	22 <sup>nd</sup> June 2009	14 <sup>th</sup> November 2017	8 <sup>th</sup> December 2010	26 <sup>th</sup> January 2016
Risk Barometer	High	Medium to High	Medium	Medium	Low to Medium	Low
Minimum Initial Investment	Rs 1,000/-	Rs 1,000/-	Rs 1,000/-	Rs 1,000/-	Rs 1,000/-	Rs 1,000/-
Minimum Additional Investment	Rs 1,000/	Rs 1,000/-	Rs 1,000/-	Rs 1,000/-	Rs 1,000/	Rs 1,000/-
Initial selling Price	Rs 10/-	Rs 10/-	Rs 10/-	Rs 10/-	Rs 10/-	Rs 10/-
Valuation Method	Marked to Market basis	Marked to Market basis	Cost + Accrued Interest basis	Cost + Accrued Interest basis	Marked to Market basis	Cost + Accrued Interest basis
<u>Fees &amp; Charges</u>						
Front End Fee	3.00%	5.00%	0	0	0	0
Exit Fee	0	0	0	0	0	0
Management Fee	1.650% p.a.	1.650% p.a.	0.750% p.a.	0.750% p.a.	0.500% p.a.	0.500% p.a.
Trustee Fee	0.250% p.a.	0.250% p.a.	0.150% p.a. *	0.150% p.a. *	0.150% p.a. *	0.150% p.a. *
Custodian Fee	0.085% p.a. **	0.085% p.a. **	0.050% p.a. **	0.025% p.a. **	0.050% p.a. **	0.050% p.a. **

\* The effective Trustee fees for Ceybank Savings Plus Money Market Fund, Ceybank High Yield Fund, Ceybank Surakum Fund and Ceybank Gilt Edged Fund (A series) will be as follows, and dependant on the Net Asset Value of the Fund.

- 0.150% p.a. up to Rs 1.5 billion
- 0.125%p.a. between Rs 1.5 billion and Rs 3.5 billion
- 0.10% p.a. above Rs 3.5 billion

\*\* The minimum monthly custodian fee for each fund is Rs. 15,000/=

## 1.2 FUNDS AT A GLANCE

### Ceybank Century Growth Fund

<b>Fund Structure</b>	
Type of Fund	Growth Scheme
Nature of the Fund	Open-Ended
Investment Objective & Strategies	To achieve high level of capital growth in the medium to long term by investing in companies listed on the Colombo Stock Exchange through careful scrutiny of such companies on performance, asset base and corporate actions, before investing while ensuring compliance with the following exposure limit. Equity Exposure of Minimum 70% Maximum 97%
Risk Profile (also refer 1.6)	High
<b>Dealing Information</b>	
Launch date	3 <sup>rd</sup> December 1996
Investment	Daily on dealing days
Investment Price	Manager's Selling Price on the dealing day
Minimum Initial Investment	Rs 1,000/-
Valuation	Market based valuation, done daily on dealing days
Currency denomination	Sri Lanka Rupees (LKR)
Dividends	At Managers discretion
Financial Year end	31 <sup>st</sup> March
Reporting	Annual and Half yearly
<b>Permissible Investments</b>	Quoted equity securities, Government Securities, Repurchase Agreements and Deposits with financial institutions
<b>Investment restrictions</b>	Fund does not invest in Corporate Debt (also refer 1.7)
<b>Fees &amp; Charges</b>	
Front - End Fee	3.00% p.a. of the Net Asset Value
Exit Fee	None
Management Fees	1.650% p.a. on the Net Asset Value of the Fund
Trustee Fees	0.250% p.a. on the Net Asset Value of the Fund
Custodian Fees	0.085% p.a. on the Net Asset Value of the Fund
<b>Taxes</b>	Taxes payable by the Fund & the Investor will be based on the prevailing Government tax policy.
<b>Fund Administration</b>	
Fund Manager	Ceybank Asset Management Ltd
Trustee	National Savings Bank
Custodian	Bank of Ceylon
Auditors	Kreston MNS & Co
Type of Investors for whom the Fund is suitable	The Fund is suitable for investors who wish to hold investments for a long term, to gain capital appreciation whilst having the capacity, to take the risk of losing part of their investment value temporarily in the short term due to market price fluctuations.

## Ceybank Unit Trust Fund

### **Fund Structure**

Type of Fund Income & Growth (Balanced) Scheme  
Nature of the Fund Open-Ended

Investment Objective & Strategies To achieve medium to long term capital growth the Fund Invests in Equities listed on the Colombo Stock Exchange, Government and Corporate Debt securities through careful scrutiny of listed companies & corporate entities on performance, asset base and corporate actions, before investing while ensuring compliance with the following exposure limit.  
Equity Exposure Minimum 60% Maximum 95%

Risk Profile (also refer 1.6) Medium to High

### **Dealing Information**

Launch date 25<sup>th</sup> March 1992  
Investment Daily on dealing days.  
Investment Price Manager's Selling Price on the dealing day  
Minimum Initial Investment Rs 1,000/-  
Valuation Market based valuation, done daily on dealing days  
Currency denomination Sri Lanka Rupees (LKR)  
Dividends At Manager's discretion  
Financial Year end 31<sup>st</sup> March  
Reporting Annual and Half yearly

**Investment restrictions** refer 1.7

**Permissible Investments** Listed equity securities,  
Government Securities, Corporate Debt Securities (quoted and unquoted),  
Repurchase Agreements and Deposits with financial institutions

### **Fees & Charges**

Front End Fee 5% of the Net Asset Value  
Exit Fee None  
Management Fees 1.650% p.a. on the Net Asset Value of the Fund  
Trustee Fees 0.250% p.a. on the Net Asset Value of the Fund  
Custodian Fees 0.085% p.a. on the Net Asset Value of the Fund

**Taxes** Taxes payable by the Fund & the Investor will be based on the prevailing Government tax policy.

### **Fund Administration**

Fund Manager Ceybank Asset Management Ltd  
Trustee National Savings Bank  
Custodian Bank of Ceylon  
Auditors Kreston MNS & Co

Type of Investors for whom the Fund is suitable The Fund is suitable for investors who wish to hold investments for a long term, to gain capital appreciation and have moderate capacity, to take the risk of losing part of their investment value temporarily in the short term due to market price fluctuations.



## Ceybank Savings Plus Money Market Fund

### **Fund Structure**

Type of Fund	Money Market Scheme
Nature of the Fund	Open-Ended
Investment Objective & Strategies	Maximise short term current income whilst ensuring ease of liquidity, by Investing in Money Market instruments, Government and Corporate Debt securities, with maturities less than 397 days.
Risk Profile (also refer 1.6)	Medium

### **Dealing Information**

Launch date	22 <sup>nd</sup> June 2009
Investment	Daily on dealing days
Investment Price	Manager's Selling Price on the dealing day
Minimum Initial Investment	Rs 1,000/-
Valuation	Cost plus accrued Interest, done daily on dealing days
Currency denomination	Sri Lanka Rupees (LKR)
Dividends	At Manager's discretion
Financial Year end	31 <sup>st</sup> December
Reporting	Annual and Half yearly

### **Permissible Investments**

- Treasury bills and repurchase agreements on government securities with a maturity of less than 397 days,
- Treasury bonds with a remaining term to maturity of less than 397 days,
- Deposits with banks and finance companies licensed by the Central Bank of Sri Lanka with a maturity of less than 397 days
- Commercial papers issued by listed or rated corporate entities with a maturity of less than 397 days
- Listed corporate debentures with a remaining term to maturity of less than 397 days
- Asset-backed securities issued by a listed or rated corporate entity with a remaining maturity of less than 397 days
- Repurchase agreements on listed corporate debt securities and unlisted short term corporate debt securities, such as commercial papers and asset back securities, where such agreements can have a maximum tenure of 91 days. No rollovers are permitted beyond 91 days

### **Specific investment restrictions**

Fund does not invest in Equity (also refer 1.7)  
The Fund is required to maintain liquidity parameters as per the CIS code for Money Market Funds, Investments in Corporate Debt will be restricted to securities issued by rated entities of 'A' or above.

<b>Fees &amp; Charges</b>	
Front End Fee	None
Exit Fee	None
Management Fees	0.750% p.a. on the Net Asset Value of the Fund
Trustee Fees *	0.150% p.a. on the Net Asset Value of the Fund
Custodian Fees	0.050% p.a. (minimum monthly fee Rs 15,000/-)
<b>Taxes</b>	Taxes payable by the Fund & the Investor will be based on the prevailing Government tax policy.
<b>Fund Administration</b>	
Fund Manager	Ceybank Asset Management Ltd
Trustee	National Savings Bank
Custodian	Bank of Ceylon
Auditors	BDO Partners, Chartered Accountants
Type of Investors for whom the Fund is suitable	The Fund is suitable for investors who wish to hold investments for short to medium term expecting an income through unit price appreciation at low risk and also require liquidity.

## Ceybank High Yield Fund

### **Fund Structure**

Type of Fund	Money Market Scheme
Nature of the Fund	Open-Ended
Investment Objective & Strategies	Maximise short term current income whilst ensuring ease of liquidity by Investing in Money Market Instruments, Government and Corporate Debt securities, with maturities less than 397 days.
Risk Profile (also refer 1.6)	Medium

### **Dealing Information**

Launch date	22 <sup>nd</sup> June 2009
Investment	Daily on dealing days
Investment Price	Manager's Selling Price on the dealing day
Minimum Initial Investment	Rs 1,000/-
Valuation	Cost plus accrued Interest, done daily on dealing days
Currency denomination	Sri Lanka Rupees (LKR)
Dividends	At Manager's discretion
Financial Year end	31 <sup>st</sup> December
Reporting	Annual and Half yearly

### **Permissible Investments**

- Treasury bills and repurchase agreements on government securities with a maturity of less than 397 days,
- Treasury bonds with a remaining term to maturity of less than 397 days,
- Deposits with banks and finance companies licensed by the Central Bank of Sri Lanka with a maturity of less than 397 days
- Commercial papers issued by listed or rated corporate entities with a maturity of less than 397 days
- listed corporate debentures with a remaining term to maturity of less than 397 days
- Asset-backed securities issued by a listed or rated corporate entity with a remaining maturity of less than 397 days
- Repurchase agreements on listed corporate debt securities and unlisted short term corporate debt securities, such as commercial papers and asset back securities, where such agreements can have a maximum tenure of 91 days. No rollovers are permitted beyond 91 days.

### **Specific investment restrictions**

Fund does not invest in Equity (also refer 1.7)  
The Fund is required to maintain liquidity parameters as per the CIS code for Money Market Funds.  
Investments in Corporate Debt will be restricted to securities issued by rated entities of Investment Grade or above.

<b>Fees &amp; Charges</b>	
Front End Fee	None
Exit Fee	None
Management Fees	0.750% p.a. on the Net Asset Value of the Fund
Trustee Fees *	0.150% p.a. on the Net Asset Value of the Fund
Custodian Fees	0.025% p.a. (minimum monthly fee Rs 15,000/-)
<b>Taxes</b>	Taxes payable by the Fund & the Investor will be based on the prevailing Government tax policy.
<b>Fund Administration</b>	
Fund Manager	Ceybank Asset Management Ltd
Trustee	National Savings Bank
Custodian	Bank of Ceylon
Auditors	Kreston MNS & Co
Type of Investors for whom the Fund is suitable	The Fund is suitable for investors who wish to hold investments for short to medium term, expecting higher income through unit price appreciation at moderate risk and also require liquidity.

## Ceybank Surakum Fund

<b>Fund Structure</b>	
Type of Fund	Gilt Edged Scheme
Nature of the Fund	Open-Ended
Investment Objective & Strategies	Maximise current income whilst ensuring ease of liquidity. The Fund invests in Government and Government guaranteed securities.
Risk Profile ( <u>also refer 1.6</u> )	Low to Medium
<b>Dealing Information</b>	
Launch date	8 <sup>th</sup> December 2010
Investment	Daily on dealing days
Investment Price	Manager's Selling Price on the dealing day
Minimum Initial Investment	Rs 1,000/-
Valuation	Market based valuation, done daily on dealing days
Currency denomination	Sri Lanka Rupees (LKR)
Dividends	At Manager's discretion
Financial Year end	31 <sup>st</sup> December
Reporting	Annual and Half yearly
<b>Permissible Investments</b>	Government securities and repurchase agreements on Government securities,  Debt securities issued by Government entity or public corporation with a guarantee from the Government
<b>Specific investment restrictions</b>	Fund does not invest in Equity (also refer 1.7)
<b>Fees &amp; Charges</b>	
Front End Fee	None
Exit Fee	None
Management Fees	0.500% p.a. on the Net Asset Value of the Fund
Trustee Fees*	0.150% p.a. on the Net Asset Value of the Fund
Custodian Fees	0.050% p.a. (minimum monthly fee Rs 15,000/-)
<b>Taxes</b>	Taxes payable by the Fund & the Investor will be based on the prevailing Government tax policy.
<b>Fund Administration</b>	
Fund Manager	Ceybank Asset Management Ltd
Trustee	National Savings Bank
Custodian	Bank of Ceylon
Auditors	BDO Partners, Chartered Accountants
Type of Investors for whom the Fund is suitable	The Fund is suitable for investors who have capacity, to tolerate the risk of losing part of their investment value temporarily due to interest rate fluctuations (market-based valuations) whilst expecting high yields.

## Ceybank Gilt Edged Fund (A Series)

<b>Fund Structure</b>	
Type of Fund	Gilt Edged Money Market Scheme
Nature of the Fund	Open-Ended
Investment Objective & Strategies	Maximise short term current income whilst ensuring ease of liquidity. Fund invests in Government securities and Repos backed by Government securities, with maturities less than 397 days.
Risk Profile (also refer 1.6)	Low
<b>Dealing Information</b>	
Launch date	26 <sup>th</sup> January 2016
Investment	Daily on dealing days
Investment Price	Manager's Selling Price on the dealing day
Minimum Initial Investment	Rs 1,000/-
Valuation	Cost plus accrued Interest, done daily on dealing days
Currency denomination	Sri Lanka Rupees (LKR)
Dividends	At the Manager's discretion
Financial Year end	31 <sup>st</sup> December
Reporting	Annual and Half yearly
<b>Permissible Investments</b>	
	Treasury bills and repurchase agreements on government securities with a maturity of less than 397 days, Treasury bonds with a remaining term to maturity of less than 397 days
<b>Specific investment restrictions</b>	
	Fund does not invest in Equity (also refer 1.7) The Fund is required to maintain liquidity parameters as per the CIS code for Money Market Funds
<b>Fees &amp; Charges</b>	
Front End Fee	None
Exit Fee	None
Management Fees	0.500% p.a. on the Net Asset Value of the Fund
Trustee Fees*	0.150% p.a. on the Net Asset Value of the Fund
Custodian Fees	0.050% p.a. (minimum monthly fee Rs 15,000/-)
<b>Taxes</b>	
	Taxes payable by the Fund & the Investor will be based on the prevailing Government tax policy.
<b>Fund Administration</b>	
Fund Manager	Ceybank Asset Management Ltd
Trustee	National Savings Bank
Custodian	Bank of Ceylon
Auditors	BDO Partners, Chartered Accountants
Type of Investors for whom the Fund will be suitable	The Fund is suitable for risk averse investors who are looking for an income through unit price appreciation and also require liquidity.

### 1.3 THE MANAGER AND THE REGISTRAR

**Ceybank Asset Management Ltd, (Ceybank AML)** having its registered office at No. 85 York Street, Colombo 1, Sri Lanka, is the Manager for **Ceybank Unit Trust Funds**.

Ceybank AML is a Fund management company incorporated in Sri Lanka in 1991 and re-registered under the Companies Act No. 7 of 2007 bearing company number PV 3326 PB. The primary objective of the company is managing CIS whilst also providing portfolio management services and other related services to clients. Ceybank AML is regulated by the Securities & Exchange Commission of Sri Lanka under the Securities and Exchange Commission Act No.19 of 2021.

#### **Shareholders of Ceybank AML are**

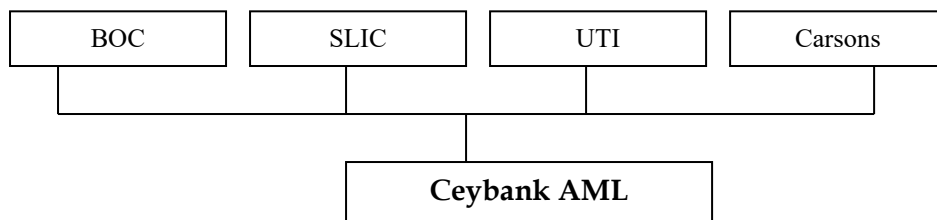
Bank of Ceylon (BOC)	- 43.4%	<a href="http://www.boc.lk">www.boc.lk</a>
Sri Lanka Insurance Corporation Ltd (SLIC)	- 26.6%	<a href="http://www.srilankainsurance.com">www.srilankainsurance.com</a>
Unit Trust of India (UTI)	- 17.5%	<a href="http://www.utimf.com">www.utimf.com</a>
Carson Cumberbatch PLC (Carsons)	- 12.5%	<a href="http://www.carsoncumberbatch.com">www.carsoncumberbatch.com</a>

The Manager's role is to manage the CIS in accordance with this Key Investor Information Document (KIID), the Trust Deed, the CIS Code 2022 as amended and any directions which may be issued by the Commission from time to time.

The Manager's functions include the issue and redemption of Units on behalf of the Scheme, making investments and divestments on behalf of the Scheme and providing a valuation for the Units.

**Ceybank AML** as the Registrar will maintain the Register of Unit Holders and liaise with the Unit Holders for all matters pertaining to the sale of units, redemption of units, despatch of dividends and periodic reports.

#### **Group Structure of the Management Company**



## Board of Directors of the Management Company

	Name	Address	Status	Principal occupation of independent directors
1	Mr. Anura Christopher Manilka Fernando	No.12/6, Spathodea Avenue, Colombo 05	Independent	Chairman of CAML
2	Mr. Rajapaksha Mudiyansele Nadira Jeewantha	No.283, Hansagiri Road, Gampaha	Non-Independent	-
3	Ms. Vasantha Govindan	<b>Local Address:</b> No.85, York Street, Colombo 01  <b>Foreign Address:</b> No.507, B Wing, Oberoi Splendor, JVLR, Andheri East, Mumbai 400060 Mumbai, India	Non-Independent	-
4	Mr. Godakanda Arachchige Jayashantha	No.30/21, Meda Mawatha, Gangodawila, Nugegoda	Non-Independent	-
5	Mr. Appukuttige Dayaratne Perera	No.488/1, Lake Road, Averihena, Hokandara	Non-Independent	-
6	Mr. Ian Cedric Christopher Ferdinands	No.75/19, Bandu Peiris Place, Kalalgoda, Pannipitiya.	Non-Independent	-
7	Ms. Weerasinghege Sriyani Kulasinghe	No.77/B/4B, Ranmuthugala, Kadawatha	Non-Independent	-

## Portfolio Managers

Name	Experience in Portfolio Management and Qualifications
Ms Kanchana Karannagoda	Ms. Karannagoda joined the firm in 2005, she counts over 17 years of experience in Investment research and Fund Management. Currently she works as the Senior Fund Manager.  She is responsible for the execution of trades in the implementation of investment policies



	<p>and trading strategies of the schemes. She also carries out the in-house research function for the Company.</p> <p>Prior to joining Ceybank Asset Management Limited she served in the Investment Division of Union Assurance Ltd as an Investment Executive.</p> <p>Ms. Karannagoda is an Associate Member of Chartered Institute of Management Accountants (CIMA-UK), and also a Chartered Global Management Accountant. She holds a Bachelor of Science in Business Administration (Finance) Special (Hons) degree from the University of Sri Jayewardenepura.</p>
Ms Kavindya Asoka	<p>Ms. Asoka has been working with CAML for over 10 years and currently works as the Assistant Fund Manager. She is responsible for assisting the Fund Manager in managing fund Cash flows and executing daily investments. She also carries out in-house research functions for the company.</p> <p>Prior to joining CAML she was employed at LOLC Securities as a Registered Investment Advisor (RIA) in analysing and advising on prospective equity investments for clients and at Bank of Ceylon as an Intern Finance.</p> <p>Ms. Asoka holds a Bachelor of Science in Management (Finance) special (Hons) degree with a Second-Class Upper division from University of Sri Jayewardenepura, Sri Lanka and is part Qualified in Chartered Institute of Management Accountants (CIMA)UK.</p>

### Investment Committee

Name	Principal Employment and Experience in the Investment Management
Mr. Ian Ferdinands	Mr. Ferdinands was appointed Chief Executive Officer/Executive Director with effect from 1st April 2021 by the Board of Directors. He is responsible for the entire operations of the company. Prior to

	<p>assuming duties as CEO/Executive Director he functioned as the head of investment division and involved in managing the Fixed Income Funds of the company and structuring new unit trust Funds and Investment Plans.</p> <p>Mr. Ferdinands joined the company in July 2008. Prior to joining CAML, he worked at National Asset Management Limited (NAMAL), managing Fixed Income Funds, the Primary dealer operations and Marketing functions, where he was instrumental in introducing new Funds, among them the first Money Market Fund and Shariah based unit trust Fund in Sri Lanka. He has also worked as a Foreign Exchange broker at Forbes Money Brokers prior to working at NAMAL.</p> <p>He is a Member of the Chartered Institute of Marketing (UK) and Certified Marketing Associate (USA). He holds an MBA (Finance) from the University of Southern Queensland, Australia.</p>
Ms Kanchana Karannagoda	<p>Ms. Karannagoda counts over 18 years of experience in Investment research and Fund Management. Currently she works as the Senior Fund Manager of CAML.</p> <p>She is responsible for the execution of trades in the implementation of investment policies and trading strategies of the schemes. She also carries out the in-house research function for the Company.</p> <p>Prior to joining CAML she served in the Investment Division of Union Assurance Ltd as an Investment Executive.</p> <p>Ms. Karannagoda is an Associate Member of Chartered Institute of Management Accountants (CIMA-UK), and also a Chartered Global Management Accountant. She holds a Bachelor of Science in Business Administration (Finance) Special (Hons) degree from the University of Sri Jayewardenepura.</p>
Ms Kavindya Asoka	<p>Ms. Asoka has been working with CAML for over 10 years and currently works as the</p>

	<p>Assistant Fund Manager. She is responsible for assisting the Fund Manager in managing fund Cash flows and executing daily investments. She also carries out in-house research functions for the company.</p> <p>Prior to joining CAML she was employed at LOLC Securities as a Registered Investment Advisor (RIA) in analysing and advising on prospective equity investments for clients and at Bank of Ceylon as an Intern Finance.</p> <p>Ms. Asoka holds a Bachelor of Science in Management (Finance) special (Hons) degree with a Second-Class Upper division from University of Sri Jayewardenepura, Sri Lanka and is part Qualified in Chartered Institute of Management Accountants (CIMA)UK.</p>
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The Investment Committee invites external experts who are independent to participate in its deliberations on a quarterly basis.

#### Compliance Officer

Name	Experience in Compliance and Qualifications
Ms. Eranga Manthrirathna	<p>Ms. Manthrirathna has been working with CAML since August 2023. Prior to that she worked at Securities and Exchange Commission of Sri Lanka for more than 10 years as Assistant Manager/Senior Assistant Manager in Supervision and Corporate Affairs division. As such she holds nearly 12 years of experience in Compliance relating to capital market in Sri Lanka.</p> <p>Ms. Manthrirathna is an Associate Member of Chartered Institute of Management Accountants (CIMA-UK), and also a Chartered Global Management Accountant. She has passed CFA (Chartered Financial Analyst) Level 01 in 2014.</p> <p>She holds a Bachelor of Business Administration (Finance special) degree with a Second-Class Upper division from University of Colombo.</p>

## 1.4 THE TRUSTEE

The Trustee for Ceybank Unit Trust Funds is **National Savings Bank (NSB)**. NSB is wholly owned by the Government of Sri Lanka and the largest Savings Bank in Sri Lanka ([www.nsb.lk](http://www.nsb.lk)).

NATIONAL SAVINGS BANK is a Licensed Specialized Bank incorporated under the National Savings Bank Act 30 of 1971 and its Amendments. NSB is the third largest Bank in Sri Lanka in terms of deposits which stand at over Rs 1,476 billion.

The Trustee shall carry out the instructions given by the Manager and take reasonable care to ensure the Scheme is managed in accordance with this KIID, the Trust Deed, the CIS Code and any directions which may be issued by the Commission from time to time.

As the Legal entity that holds the Scheme's assets in trust on behalf of the investors, the Trustee will sign and authorise documents required to make investments (such as Master Repurchase agreements, Account opening forms, Customer agreements among others) with counterparties of the Scheme, as and when required.

The Trustee shall appoint a Custodian to hold the deposited property on behalf of the Scheme in the event it does not act as the Custodian.

## 1.5 THE CUSTODIAN

Bank of Ceylon (BOC) will act as Custodian for the Ceybank Unit Trust Funds. ([www.boc.lk](http://www.boc.lk))

Bank of Ceylon is the largest State sector Commercial bank in Sri Lanka, recognized as Sri Lanka's number 1 brand by Brand Finance Lanka. With total assets at Rs 4.3 trillion, BOC serves more than 14 million customers. BOC's experience in the Trustee & Custodian business has expanded over the years. The BOC is currently the Trustee & Custodian for several other CISs as well.

## 1.6 INVESTMENT RISKS

Investors should be aware that the price of units of these Schemes and the dividend paid by the Schemes can go down as well as up according to fluctuations in the market. Investments in units differ from Bank deposits and there is no guarantee of any fixed returns.

The Schemes' investments are subject to normal market risks and the ability to achieve the investment objectives will depend to a great extent on the Movement of Equity Markets and individual stock prices, market interest rates monetary policy of the Central Bank of Sri Lanka, overall performance of the economy, and the contributory environmental factors. The Schemes are also subject to various degrees of regulatory, fiscal, liquidity, inflation, interest rate and re-investment risks.

The Schemes can be subject to the following risks depending on the assets owned by the specific Scheme.

- **Equity Market Risk:** The movement of the value of individual stocks the Scheme owns may go up or come down depending on the performance of the companies that issued them, general stock market, economic and political conditions.
- **Interest Rate Risk:** Prices of bonds move inversely to the interest rate movement. Therefore, when interest rates rise, the prices of bonds decrease and vice versa. The change in market values of the bonds would have a direct bearing on the movement in unit prices.
- **Liquidity Risk:** Liquidity risk is the ease with which an investment could be sold at or near its value without much risk of change in expected value. Wider the spread between bid and ask prices quoted in the market, higher the liquidity risk.
- **Re-investment Risk:** The maturity proceeds and coupon income from bonds will be subject to re-investment at the prevailing rates of interest at the time. The interim cash flows of the Scheme would hence be subject to the variability of interest rates.
- **Default Risk:** Default risk is the credit risk that arises due to the risk that the issuer of a corporate debt instrument may be unable to make timely principal and interest payments.
- **Inflation risk:** Inflation risk is the uncertainty that returns from this Scheme may not cover the loss of purchasing power caused by inflation or the uncertainty of having negative real returns from this Scheme.
- **Currency Risk:** The fluctuation in exchange rates could affect investors who have to convert returns of the Scheme and redemption proceeds from LKR to other currencies.

## 1.7 INVESTMENT LIMITATIONS

Investment limitations specific to a Scheme will be indicated in the Fact sheet of that respective Scheme found under clause 1.2

The Schemes will make investments within the investment parameters set out by the Commission, and changes made from time to time to the CIS code, the Trust Deeds and directives issued by the Commission from time to time. Investments in the securities of any one issuer at any given time should not exceed the percentage of the NAV of the scheme that may have been specified from time to time by the Commission.

A violation of any limit on investment through the appreciation in value of the investments of the Scheme due to market movements however would not amount to a breach of the Manager's obligations and such violation could be corrected within such time as maybe permitted by the Commission.

The Manager is also prohibited from entering into any underwriting or sub underwriting arrangement on behalf of the Scheme except with the prior written consent of the Trustee and the Commission.

## **1.8 LIQUIDITY**

The Schemes except Money Market Schemes shall maintain a level of liquidity as specified by the Commission from time to time of the deposited property in cash or near cash to assure ease of redemptions.

However, Money Market Schemes are required to maintain the following liquidity levels.

5% of its Net Asset Value maturing on an overnight basis

10% of its Net Asset Value maturing on a weekly basis

20% of its Net Asset Value maturing on a monthly basis

The expression "near cash" in this sub-clause shall mean investments such as Bank/ call deposits, repurchase agreements with maturities less than 3 months, commercial paper endorsed or guaranteed by a licensed commercial bank or licensed specialized bank with maturities less than 3 months and government securities including government bonds with maturities of less than 1 year which can be readily convertible into cash.

## **1.9 BORROWING POWERS**

An open-ended Schemes that is offered to the public shall not borrow by any method whatsoever except where the borrowing:

- (a) is temporary and is for a period not exceeding three (3) calendar months;
- (b) does not exceed the percentage of the NAV of the Scheme as may have been determined by the Commission by way of its directives; and
- (c) is not used to leverage investment returns.

Further, a Scheme shall not engage in any form of direct lending of any part of its assets and also a Scheme shall not assume, guarantee, endorse or otherwise become directly or indirectly liable for or in connection with any obligation or indebtedness of any third party.

## **1.10 FEE STRUCTURE**

The following fees are payable based on each respective Scheme and are common to all Schemes. Any other specific fee payable (if applicable) has been disclosed on each respective Schemes fact sheet found on pages 6 to 14 of this document.

### **Fees chargeable to the Scheme**

- Management Fee – applicable percentage for each scheme (as given in page 6) will be charged on Net Asset Value of each scheme and accrue daily.
- Trustee Fee – applicable percentage for each scheme (as given in page 6) will be charged on Net Asset Value of each scheme and accrue daily.

- Custodian Fee – applicable percentage for each scheme (as given in page 6) will be charged on Net Asset Value of each scheme with a minimum charge of Rs. 15,000/= per month and accrue daily.

Full details of other administrative and professional expenses payable by the Schemes and which are a charge on the deposited property, are set out below.

- a) Cost of dealing in the assets of the Scheme.
- b) Interest on borrowing permitted under the Scheme and charges incurred in effecting or varying the terms of such borrowings.
- c) Auditor's fees and expenses.
- d) All costs incurred in respect of distribution of income to investors.
- e) Cost incurred or to be incurred in the preparation and modification of the Trust Deed.
- f) Any expenses or disbursement of the custodian and trustee which are authorized by the trust deed of scheme to be paid out of the assets of the scheme.
- g) Fees payable to the Commission in respect of obtaining approval for a scheme.
- h) The cost reasonably incurred in respect of the publication of prices of units and publication and distribution of the scheme KIID or trust deed, annual and interim reports and accounts
- i) All taxes and other duties payable in the establishment, execution, management or termination of the Trust
- j) Legal expenses incurred in safeguarding assets of the Schemes
- k) Any change in Annual Charges of Managing Company
- l) Any other costs, incidental to its operation that may be charged to the scheme
- m) Any other fee approved by the Commission and specified in the trust deed.

## 1.11 DISTRIBUTION OF INCOME

The distribution of dividends is at the Manager's discretion. The dividend distribution policy may differ from one Scheme to another. Schemes may distribute all or part of the net income and realized capital gains to its Unit Holders.

During its last three (3) completed financial years preceding the date of this KIID, the Manager has not declared dividends for any of the funds.

## 2. ISSUE & REDEMPTION OF UNITS UNDER THIS KIID

### 2.1 WHO CAN INVEST?

Investment in the **Ceybank Unit Trust Funds** could be made by:

- a) Individuals jointly or severally
- b) Minors as the first holder when applied jointly with an adult.
- c) Any Company or body corporate which is authorized to make such investments.
- d) Foreign Nationals.
  - In the case of investments in the name of minors, dividends if any, as and when distributed by the Scheme will be cumulatively re-invested in Units until the minor attains majority. The minor when reaching 18 years of age, will be required to complete an updated application and submit required identification documents, which will define adult status.
  - **Foreign Nationals** are advised to make Investments through an Inward Investment Account (IIA) to be enabled to repatriate their investments.

Applications are subject to the terms of this Document and provisions of the Trust Deed of the respective Scheme. Copies of the Scheme Trust Deeds can be obtained from the Company Office situated at No. 85, York Street Colombo 1.

### 2.2 PURCHASING UNITS

Ceybank Unit Trust Funds are open for subscription for the issue of units on any dealing day, provided the Manager receives the duly completed application form together with the required documents and realised funds.

#### 2.2.1 Income Schemes

(Ceybank Savings Plus Money Market Fund, Ceybank High Yield Fund, Ceybank Gilt Edged Fund (A Series) and Ceybank Surakum Fund)

Units will be allotted at the Manager's Selling Price calculated based on closing NAV of the previous dealing day if the Manager receives valid order for subscription before 10.00 a.m. on a dealing day provided such funds received for creation have been invested on the same day.

The units allotted may include fraction of a unit rounded to the nearest tenth (1/10) of a unit equivalent in value to the amount invested.



## 2.2.2 Other Schemes

(Ceybank Century Growth Fund, Ceybank Unit Trust Fund)

Units will be allotted at the Manager's Selling Price calculated based on closing NAV of the dealing day if the Manager receives realised funds or fund transfer confirmation before 4.00 p.m. on the dealing day.

The units allotted may include fraction of a unit rounded to the nearest tenth (1/10) of a unit equivalent in value to the amount invested.

## 2.3 HOW TO INVEST

Copies of the KIID and Application forms can be obtained from Ceybank AML or any Sales agent appointed by Ceybank AML. Copies can also be downloaded from the Manager's website ([www.ceybank.com](http://www.ceybank.com)).

In order to invest in **Ceybank Unit Trust Funds** an applicant should complete the following process

- Submit a completed application form
- Provide proof of identity
- Submit a completed Know Your Client (KYC) form requiring information of the client as required by law.

In the case of a corporate Investor, the additional information and documents are required to be furnished.

- Proof of business registration
- Proof of identity of the company Directors & completed KYC forms
- Resolution from the Company permitting the investment

The documents should be returned to the Manager directly together with payment for the units.

Cash and cheques can be deposited directly favouring **Ceybank Asset Management Ltd, Account No 8223 at Bank of Ceylon, Metropolitan Branch** by using a Bank deposit slip at any branch of Bank of Ceylon.

The original Customer's Copy of the Bank Deposit Slip or an accepted proof of payment for a direct bank to bank remittance must be sent to the Manager together with the application for units, and KYC form.

### **CASH PAYMENTS SHOULD NOT BE MADE TO ANY INTERMEDIARY**

The minimum initial subscription for units of each Scheme could be different and is specified on the fact sheet of each Scheme.

## **Subsequent Investments**

Payment for subsequent investments can be made in the usual manner, by cash or cheque deposited to Account No 8223 at Bank of Ceylon, Metropolitan Branch or electronically to the same account. Payments need to be accompanied by a completed Investment slip stating Investors Name, NIC No., Mobile No., name of the Scheme selected and Amount invested.

## **Regular Investment Schemes**

Investors subscribing to the regular monthly investment Schemes can indicate their reference number on the deposit slip or on any other proof of payment if done electronically, along with the name of the relevant Scheme.

## **Online Investments ([www.ceybank.com](http://www.ceybank.com))**

Investors making Investments via the Internet can complete the Application Form/ Investment slip and submit it along with the payment and other required documents electronically. For first time investors, the original documents signed by the investor/s need to be submitted to the Manager subsequently.

## **2.4 EVIDENCE OF OWNERSHIP OF UNITS**

Evidence of ownership of Units will be in the form of a Transaction Receipt or a statement of the investment. The Units are held electronically in the computer system of the Manager. The Unit Holder will be issued a computer-generated receipt called a "Transaction Receipt" when Units are purchased by the Unit Holder from the Manager, indicating the

- (i) Name of Scheme
- (ii) Serial number
- (iii) Name and address of the Manager and the Trustee/Custodian
- (iv) Name and address of the Unit Holder as appearing in the Unit Holder register
- (v) Number of Units purchased and
- (vi) Date of the transaction

Alternately the Manager could issue a statement of investments inclusive of the above details of investment. The Unit Holder register maintained by the Manager shall be the conclusive evidence of the person entitled to the Units entered therein.

It is the responsibility of the Unit Holder to notify the Manager as soon as possible if there are any changes to the information such as forwarding Address, Contact numbers, email address and Bank account numbers, provided by the investor in the application form.

## 2.5 DISTRIBUTION OF INCOME

If any dividend distributions are made by the Scheme, Unit Holders have the option of receiving dividends of a value of Rs 1,000/- and above, in the form of a cash dividend, or in units by re-investing the dividends in any Ceybank Unit Trust Fund (subject to the conditions of that Scheme).

Cash dividend payments will be made only to the first holder, by way of a direct transfer to the bank account indicated in the initial application or by way of a crossed cheque. The payment will be made in Rupees and dispatched by ordinary post, after the declaration of the dividend. Investors also have the option of requesting dividend payments by direct transfers via systems accepted by Banks. This service will however attract a charge for the specific banking service, which could change from time to time depending on the bank tariff. The Manager does not assume liability, for the delays in the investor receiving value for the above payments.

Unit Holders may choose to reinvest the dividend declared, in any **Ceybank Unit Trust Fund** open for investments. The dividends of Unit Holders who request for automatic re-investment will be allotted units at the Manager's Selling Price prevailing on the first dealing day following the date of dividend declaration. The Unit Holder will be issued with a computer generated "Transaction Receipt" or a statement of Investment, indicating the units thus allotted.

**Dividends belonging to minors and dividends of a value below Rs 1,000/- will be automatically reinvested in units of the same Scheme.**

### Un-claimed Dividend policy

In the event any of the income distributed remains unclaimed by the Unit Holder for a period of six (6) months after the date of distribution, the Manager shall re-invest such funds (less any charges in processing the relevant transaction) in to units of the same Scheme, at the Managers Selling Price prevailing on the date, and the amount of Units lying to the credit of the Unit Holder will be increased.

## 2.6 REDEMPTION OF UNITS

Units may in general be redeemed on any dealing day at the Manager's Buying price prevalent on any dealing day, provided the Manager receives a Redemption request from the unit holder. The Redemption request signed by the client/s can be made at the office of the Manager or by Fax or through a prior registered email with the Manager.

Unit holders could redeem their units on any dealing day in whole or in part provided the minimum holding is not less than 100 units after such redemption is made. If the number of remaining units is less than 100 units, the Managers' reserve the right to redeem the remaining units and pay the proceeds to the investor.

Payment of redemption proceeds will be made in Sri Lanka Rupees to the first holder, by way of a direct transfer to the bank account indicated in the Application Form or by way of a crossed cheque, which will be dispatched by registered post within 10 business days after the date of receipt of a request for redemption. Investors also have the option of requesting redemption proceeds via an electronic

fund transfer system recognized by the Banking industry. This service will however attract a charge for the specific banking service, which could change from time to time depending on the bank tariff. The Manager does not assume liability, for the delays in receiving value by the investor for the above payments.

Where applicable redemption requests on any dealing day exceed ten per centum (10%) of the total number of units in issue redemption requests in excess of the ten per centum (10%) may be deferred to the next dealing day provided the Commission is notified in writing of such deferral. The redemption will be carried out at the Manager's Buying Price on the redemption date.

**All charges relating to Investments and Redemptions are specified in the Fund specific details, (refer page 6 to 14 of this document)**

#### **2.6.1 CUT OFF TIMES FOR REDEMPTION OF UNITS**

##### **(a) Income Schemes**

(Ceybank Savings Plus Money Market Fund, Ceybank High Yield Fund, Ceybank Gilt Edged Fund (A Series) and Ceybank Surakum Fund)

Redemption requests received before 10.00 am on a dealing day will be processed on the same day at the Manager's Buying Price calculated based on closing NAV of the previous dealing day. The funds will be paid to the client within 10 days. Those requests received after 10.00 am will be processed the following day.

##### **(b) Other Schemes**

(Ceybank Century Growth Fund, Ceybank Unit Trust Fund)

Redemption requests received before 4.00 pm will be processed on the next dealing day at the Manager's Buying Price calculated based on closing NAV of the dealing day. The funds will be paid to the client within 10 days. Those requests received after 4.00 pm will be processed on the day after following day.

## **2.7 SWITCHING BETWEEN SCHEMES**

Unit holders of **Ceybank Unit Trust Funds** have the option of switching their investments to any other Open Ended CIS managed by the Manager subject to requirements specified under redemption of units set out in Section 2.6 of this KIID and requirements and charges specified in purchase of units prescribed for the relevant Scheme in the KIID.

## **2.8 TRANSFER OF UNITS**

Unit Holders of **Ceybank Unit Trust Funds** may transfer some or all of their units in the Scheme to another party by forwarding a Transfer request to the Manager. The transfer request must be accompanied by an application form completed by the Transferee and relevant identification required. Each transfer request must be for at least one hundred (100) units. The Manager has the discretion to refuse or accept a transfer of a lesser number of units. A maximum of Rs 1,000/- could be charged as administrative expenses at the discretion of the Manager.

## 2.9 VALUATION OF UNITS

The prices at which investors may subscribe for or redeem units, are calculated on each business day, by reference to the Net Asset Value of the Scheme as at the close of business on the valuation date (as defined in the Trust Deed).

The **Manager's Selling Price** for subscriptions on an on-going basis as at any dealing day shall be determined by,

- (a) Ascertaining the value of the net assets of the Scheme on the valuation day.
- (b) Adding such sum that the Managers may consider as representing the appropriate provision for duties and charges.
- (c) Dividing the resulting sum by the number of units in issue

The **Manager's Buying Price** for redemptions as at any dealing day shall be determined by,

- (a) Ascertaining the value of the net assets of the Scheme on the valuation day.
- (b) Deducting there from, such sum that the Managers may consider as representing the appropriate duties and charges.
- (c) Dividing the resulting sum by the number of units in issue

### SUMMARY OF ASSET VALUATION BASES

Type of Asset	Valuation Method
Cash	At face value
Repurchase Agreements and Deposits with financial institutions.	Shall be valued at cost plus accrued interest basis.
Government Securities	On a marked to market basis using the daily yield curve published by the Central Bank of Sri Lanka until maturity.
Corporate Bonds traded on a recognised market	Shall be valued at the last traded price. Where there is no trade for thirty (30) calendar days, it shall be valued on a marked to market basis using the daily yield curve published by the Central Bank of Sri Lanka until maturity plus any risk premium attached to the instrument.
Unquoted fixed income securities as Commercial Papers, Trust Certificates	Maturities less than 397 days shall be valued on a cost plus accrued basis. Maturities more than 397 days shall be valued on a marked to market basis using the daily yield curve released by the Central Bank of Sri Lanka until maturity plus any risk premium attached to the instrument.
Risk premium	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.
Equity securities traded regularly on a recognised market	At the day's volume weighted average price or the market price available immediately prior to the valuation point.

## **2.10 DEALING INFORMATION**

The **Manager's Selling Price** and **Manager's Buying Price** of the Scheme will be published daily in at least one leading Sri Lankan daily newspaper or Ceybank AML website.

## **2.11 CURRENCY DENOMINATION**

The issue and redemption of units of the **Ceybank Unit Trust Funds** will be made only in Sri Lanka Rupees.

## **2.12 SUSPENSION OF DEALING & TERMINATION OF THE SCHEME**

### **A. SUSPENSION OF DEALING**

The Managing Company may suspend the issue of units in circumstances more fully stated in each trust deed under 'Issue of Units' section and CAML shall obtain the prior approval of the Trustee and the Commission and inform all Unit Holders once approval of the Trustee and the Commission have been obtained, explaining the reasons for such suspension.

The Managing Company may suspend redemption of Units in a Scheme where to do so is in the interests of investors of that Scheme provided the sale of Units in the Scheme are also suspended and CAML shall obtain the prior approval of the Trustee and the Commission to do so. The Commission may specify a period of time during which the suspension of dealings in the Schemes may be valid.

CAML shall inform all Unit Holders once approval of the Trustee and the Commission have been obtained and explaining the reasons for such suspension along with the proposed time period when redemptions and sales may resume.

### **B. TERMINATION OF THE SCHEME**

A Scheme can be terminated or wound up upon the occurrence of any of the following events more fully stated below and also stated in the 'Termination of Trust' section in the trust deed.

- a. The approval granted by the commission to operate Scheme, is cancelled
- b. the Unit Holders representing at least seventy-five per centum (75%) of the total Units in issue (excluding those held by the Managing Company) pass a special resolution to terminate or wind up the Scheme
- c. the Scheme has completed its tenure or circumstances exist that warrants the termination/winding up of a Scheme as specified in the trust deed /KIID.
- d. the Managing Company and the Trustee are of the view that the value of the assets of the Scheme has fallen below an operationally viable level.
- e. The Commission in consultation with the Trustee and the Managing Company has directed the Trustee to wind up the Scheme since the value of the deposited property has fallen below an operationally viable level.
- f. upon an order made by a competent court.

When a decision to terminate/windup has been made, the Managing Company shall:

- (a) cease all operational activities of the Scheme and cease the issuance, cancellation, sale redemption or the transfer of units;
- (b) prepare annual audited and interim unaudited accounts and reports up to the completion of the winding up process of the Scheme;
- (c) ensure that no changes are made to the register of Unit Holders without the agreement of the Trustee and Custodian or as directed by a competent court;
- (d) immediately notify all Unit Holders and the Commission of the commencement of proceedings to terminate/wind up the Scheme and the circumstances leading to such termination/winding up; and
- (e) publish a notice with the approval of the Trustee in three (3) daily newspapers in three (3) languages within (5) five days upon completion of such winding up and through the Trustee submit a report to the Commission setting out in detail the steps taken in such process.

When a decision to terminate/windup has been made, the Trustee shall:

- (a) liquidate all the assets of the Scheme remaining in its custody;
- (b) after paying all liabilities or retaining adequate amounts to meet such liabilities and the cost of winding up, distribute to Unit Holders the net cash proceeds available for the purpose of such distribution in proportion to the number of units held by the Unit Holders respectively;
- (c) arrange for the auditor of the Scheme to conduct a final review and audit of the Scheme accounts and shall submit a copy of such report and accounts to the Unit Holders and the Commission within one (1) week upon the Trustee receiving such report and accounts.
- (d) Any unclaimed net proceeds or other cash held by the Trustee after the expiration of (12) twelve months from the date on which the same becomes payable shall be paid by the Trustee to the Public Trustee subject to the right of the Trustee to retain there from any expenses incurred by the Trustee in making such payment.

### **3. GENERAL INFORMATION**

#### **3.1 RIGHTS AND LIABILITIES OF UNIT HOLDERS**

The Unit Holder shall have the right to

- i) Inspect the Trust Deed at the office of the Manager during office hours free of charge. Copies of the Trust Deed priced at Rs 1000/- can be purchased from the Managers, at their office on any working day, at 85, York Street, Colombo 1, Sri Lanka, from 9.00 a.m. to 3.00 p.m.
- ii) Redeem subject to the conditions of the Trust Deed all or some units registered in their name.
- iii) Receive periodical statements, Annual accounts and reports of the Auditors.
- iv) Transfer the units registered in the name of a Unit Holder.
- v) Participate in meetings of the Unit Holders subject to the provision of the Trust deed.

## **The Extent of any liability of Unit Holders**

The liability of the unit holders to make payments to the Scheme is limited to the NAV of the units held by such holders at the time when any debt falls due. Unit Holders are not required to make any further payment or assume any further liability.

A Unit Holder in a Scheme is not liable for acts or omissions of the Managing Company, Trustee or of the Custodian of that Scheme.

### **3.2 TAXATION**

Taxes payable by the Scheme & the Investor will be based on the prevailing Government tax policy. As per the current tax regulations applicable, Collective Investment Scheme itself would not be liable for income tax on any income passthrough to CIS.

**Prospective investors who are in doubt as to their tax position should consult their own professional advisors on the implications of making an investment or holding and disposing of units and the receipt of income.**

### **3.3 REPORTS AND ACCOUNTS**

The Managers will compile and make available to Unit Holders a report on the Annual accounts and the performance of the Scheme Annually. The report will be published on the website of Ceybank AML within four months of the year end, of each respective Scheme. The Managers will also make available to the Investors a half yearly report for the interim six-month period. The information will be published on the Manager's website ([www.ceybank.com](http://www.ceybank.com)).

### **3.4 RULES & REGULATIONS**

All the operations of the **Ceybank Unit Trust Funds** will be subject to the provisions of the Securities and Exchange Commission Act, CIS Code, Unit Trust Regulations and the general directives issued by the Securities and Exchange Commission from time to time.

### **3.5 CONSTITUTION OF THE TRUST DEED**

**Ceybank Unit Trust Funds** are constituted by separate Trust Deeds for each respective Scheme between Ceybank AML, as the Fund Manager and National Savings Bank, as the Trustee. The Trust Deeds are constituted under the laws of the Democratic Socialist Republic of Sri Lanka. In the event of any inconsistency between this KIID and the Trust Deed, the provisions of the Trust Deed shall prevail.

### **3.6 APPROVAL OF THE SECURITIES AND EXCHANGE COMMISSION**

The Securities and Exchange Commission has approved this Key Investor Information Document (KIID) as suitable for distribution among prospective investors of the **Ceybank Unit Trust Funds**.

### **3.7 DATE OF THIS KIID**

This KIID is dated 4<sup>th</sup> April 2024.



3.8 DECLARATION BY THE TRUSTEES AND THE MANAGEMENT COMPANY

Declarations by Management Company and the Trustees as per CIS Code are as follows;

CEYBANK ASSET MANAGEMENT LTD the Managers of Ceybank Unit Trust Funds hereby declare that;

This Key Investor Information Document has been seen and approved by the Board of Directors of the Managing Company 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 statement herein misleading.



Signed:

NAME: Ian Ferdinands  
Executive Director/ Chief Executive Officer  
Ceybank Asset Management Ltd

**IAN FERDINANDS**  
CEO/EXECUTIVE DIRECTOR  
CEYBANK ASSET MANAGEMENT LTD.  
No: 85, YORK STREET  
COLOMBO 01.

Date: 06<sup>th</sup> June 2024

NATIONAL SAVINGS BANK the Trustee of Ceybank Unit Trust Funds hereby declare that,

1. the transactions were and will be carried out at arms length basis and on terms which are best available for the Scheme, as well as act, at all times, in the best interest of the Scheme's Unit holders.
2. the requirements of the CIS code for Trustees and Management Companies of CIS set out by the Securities & Exchange Commission of Sri Lanka, have been complied with during the year.
3. The Trustee hereby further declares and certifies that it has read and agrees with the representation contained herein.

Signed:  
NAME  
Trustee

**NATIONAL SAVINGS BANK**  
**TRUSTEE**  
.....*G.V.A.D. Devika Silva*.....  
**AUTHORIZED SIGNATORIES**

National Savings Bank

Date 18 June 2024

## Glossary of Terms

“**Collective Investment Schemes Code of 2022**” (CIS code) means the Code framed by the Commission under the Securities and Exchange Commission of Sri Lanka Act No.19 of 2021 and any amendments made thereto

“**Commission**” means the Securities and Exchange Commission of Sri Lanka established by the Securities and Exchange Commission of Sri Lanka Act No. 36 of 1987.

“**Colombo Stock Exchange**” means the only stock exchange in Sri Lanka for secondary market trading in equity securities.

“**Custodian**” means a Commercial Bank licensed by the Central Bank of Sri Lanka to whom the property of the Scheme is entrusted for safekeeping.

“**Custodian fees**” means the only payment to be received by the Custodian out of the deposited property as remuneration for the services rendered.

“**Dealing Day**” means a day on which the banks/ financial markets are generally open for business in Sri Lanka whereby a Unit Holder could effect subscription for units and redemption of units.

“**Front-End Fee**” means the difference between the issue price and the portion of the proceeds from the sale of a Unit which is received by the Managing Company.

“**Fund**” means a Collective Investment Scheme constituted by a Trust Deed between the Manager and the Trustee, with the approval of the Commission. In this document, the word ‘fund’ is used interchangeably with ‘scheme’.

“**Gilt-Edged Scheme**” means a unit trust that invests only in several different types of government securities.

“**Growth Scheme**” means a unit trust whose aim is to achieve capital appreciation by investing primarily in equity securities.

“**Income & Growth Scheme**” means a unit trust that invests in a combination of equity and bonds with a view to provide both income and capital appreciation while avoiding excessive risk.

“**Income Scheme**” means a unit trust that invests only in fixed income securities.

“**Key Investor Information Document**” (KIID) means a written statement that discloses in detail the terms of the offering of a Scheme.

“**Manager**” or “**Fund Manager**” means a managing company licensed to operate a unit trust under the Securities and Exchange Commission of Sri Lanka Act No. 36 of 1987 as amended.

“**Managers Buying Price**” means the sum the Manager would require to pay the Unit Holder for redeeming one unit

“**Managers Selling Price**” means the sum the Manager would require the Unit Holder to pay for the issue of one unit.

**“Management Fee”** means the payment to be made to the Manager by the Trustee out of the deposited property as remuneration for the services rendered.

**“Money Market Scheme”** means an open-ended Scheme whose primary objective is to maintain the net asset value (NAV) of the Scheme either constant at par (net of earnings) or at the value of the Unit Holder’s initial capital plus earnings and which shall sell and redeem its Units every business day.

**“Money Market Instruments”** means instruments with a maturity or residual maturity of no more than 397 days, or regular yield adjustments consistent with such a maturity, and with a weighted average maturity of no more than 210 days; it may also invest with the same view on an ancillary basis in deposits with credit institutions.

**“Marked to Market”** is to value securities based on the prevailing market value of the security.

**“Net Asset Value”** or **“Deposited Property”** means the aggregate value of the assets of a Scheme as determined by the market value of its underlying securities holdings specified by this Code or the trust deed as the case may be including any cash in the portfolio less liabilities, computed at the close of the trading hours of the Exchange.

**“Net Asset Value per unit”** means the computed NAV on a per Unit basis. It is calculated by dividing a Scheme’s total net assets by its number of Units outstanding.

**“Open Ended Scheme”** is obliged to redeem Unit Holder's holdings upon their request at a price related to the NAV of the property of the Scheme at regular intervals as stated in the KIID of a Scheme, and in any case, not less than once a week.

**"Redemption"** means the purchase of units from a unit holder by the Manager as principal and "redeem" and "redemption price" shall be construed accordingly.

**“Scheme”** means a Collective Investment Scheme as defined in the SEC Act and established upon approval granted by the Commission as a trust and includes any Sub-Schemes and any Unit Trust that has been established in terms of the SEC Act, No. 36 of 1987 and is presently in operation.

**“Trust Deed”** is the deed/s between Ceybank AML as Manager and National Savings Bank as Trustee, that form of the unit trusts called “Ceybank unit Trust Funds”. Each unit trust Scheme is constituted by a separate Trust Deed.

**“Trustee”** means a person appointed as Trustee in the instrument creating such Scheme in accordance with the provisions of CIS Code.

**“Trustee Fee”** means the only payment to be received by the Trustee out of the deposited property as remuneration for the services rendered.

**“Unit”** means one of the equal proportionate participations into which the beneficial interests in the assets of a Scheme are divided and includes shares.

**“Unit Holder”** means any person who by reason of the holding of units or shares or by reason of having invested capital in a Scheme is entitled to a proportionate part of the property of the Scheme.

## **Corporate Directory**

### **FUND MANAGER AND REGISTRAR**

Ceybank Asset Management Ltd  
85 York Street  
Colombo 1, Sri Lanka  
Tel: 94-(11) 7602000-2 Fax: 94-(11) 2327203

### **TRUSTEE**

National Savings Bank  
255 Galle Road,  
Colombo 3, Sri Lanka  
Tel: 94-(11) 2467702, Fax: 94-(11) 2565219

### **CUSTODIAN**

Bank of Ceylon  
Ceybank Investment Centre  
11<sup>th</sup> Floor, BOC Headquarters  
4 Bank of Ceylon Mawatha  
Colombo 1  
Te: 94-(11) 2448348 Fax: 94-(11) 2346842

### **THE SHAREHOLDERS OF THE FUND MANAGER**

Bank of Ceylon  
Sri Lanka Insurance Corporation Ltd  
Carson Cumberbatch PLC  
Unit Trust of India

### **BOARD OF DIRECTORS OF THE FUND MANAGER**

Mr. A C Manilka Fernando - Chairman  
Mr Ian Ferdinands - Executive Director  
Mr G A Jayashantha - Director - Nominee, Bank of Ceylon  
Mr R M N Jeewantha - Director - Nominee, Bank of Ceylon  
Mr A Dayarathna Perera - Director - Nominee, Sri Lanka Insurance  
Ms W Sriyani Kulasinghe - Director - Nominee, Sri Lanka Insurance  
Ms Vasantha Govindan - Director - Nominee, Unit Trust of India

### **AUDIT & COMPLIANCE COMMITTEE OF THE FUND MANAGER**

Ms Sriyani Kulasinghe  
Mr G A Jayashantha  
Mr R M N Jeevantha

### **COMPANY SECRETARIES TO THE FUND MANAGER**

F J & G De SARAMS  
De Saram Place  
Colombo 10  
Sri Lanka

## **AUDITORS TO THE FUND MANAGER**

ERNST & YOUNG  
Chartered Accountants  
201 De Saram Place  
Colombo 10, Sri Lanka

## **AUDITORS TO THE FUNDS**

BDO Partners  
Chartered Accountants  
Charter House  
65/2, Sir Chittampalam A Gardiner Mawatha  
Colombo 2, Sri Lanka

Kreston MNS & Co  
Chartered Accountants  
1<sup>st</sup> and 2<sup>nd</sup> Floors  
Advantage Building  
No.74A, Dharmapala Mawatha,  
Colombo 07

## **TAXATION ADVISOR TO THE FUNDS**

ERNST & YOUNG  
Chartered Accountants  
201 De Saram Place  
Colombo 10, Sri Lanka

## **LAWYERS TO THE FUND MANAGER**

F. J. & G. DE SARAM  
Attorneys-at-Law  
216 De Saram Place  
Colombo 10, Sri Lanka

NITHYA PARTNERS  
Attorneys-at-Law  
97 A Galle Road  
Colombo 3, Sri Lanka

## **BANKERS**

Bank of Ceylon - Metropolitan Branch  
York Street  
Colombo 1, Sri Lanka

Bank of Ceylon - Corporate Branch  
1, Bank of Ceylon Mawatha  
Colombo 1, Sri Lanka

## CAML -CORPORATE PROFILE

The Corporate profile of Ceybank Asset Management Ltd can be found on the company website ([www.ceybank.com](http://www.ceybank.com))

## BENEFITS OF INVESTING IN UNIT TRUSTS

### Diversification

A CIS invests in a variety of investments depending on the Scheme's particular objective. This broad exposure helps spread and reduce the risks. Investments in an Equity Scheme, for example, are often diversified into the shares of twenty to thirty companies. An individual's personal share portfolio would generally consist of shares in perhaps three or four companies. In the case of a Bond Scheme, the investment portfolio usually consists of bonds issued by twenty different issuers, whereas an individual may by himself be able to invest only in just one single bond issue. Investing in CIS would, therefore, be one way of giving life to the adage "Dont put all your eggs in one basket".

### Professional Management

An experienced fund management team ensures that a Unit Trust Fund's investment strategies remain consistent with that Scheme's objectives. For example, if the Scheme's objective is to provide regular income, the Scheme's investments would be in instruments which are likely to fulfil that aim.

Fund Managers have better access to research material and independent market analyses which are normally not readily available to the general public. An individual investor on his own may not be able to make a fully informed decision if he is investing directly into the capital market himself.

### Liquidity

As a unit holder, you can sell your units at any time by simply sending a written redemption request to the Fund manager by fax or by some other convenient means. Unlike direct investment in stocks, bonds or properties where you have to find an interested buyer, the Manager is obliged to repurchase your units upon requested by you, at the prevailing price.

### Convenience

Transactions may be executed on any working day before a specific cut off time. Additionally, there is generally a ready supply of units from the approved size available. Units of CISs are more readily available. On the other hand, the buying and selling of stocks and bonds by an individual depend very much on the supply and demand factors which control the capital markets.

### Low & Affordable Capital outlay

Yet another distinct benefit of investing in CISs is the low capital outlay required. Generally, a small initial capital of Rs 1,000 can be invested in a portfolio of many securities held by a CISs as compared to a usually higher sum needed by an individual for investing directly into the capital markets.