

NIBL Sahabhagita Fund

Frequently Asked Questions (FAQs)

(For 'NIBL Sahabhagita Fund' -an Open Ended Mutual Fund Scheme)

1) What is Mutual Fund?

A Mutual Fund is a trust that pools the savings of a number of investors who share a common financial goal. The corpus of the fund is then deployed in investment alternatives (these could be equities, debentures / bonds or money market instruments, bank deposits etc.) that help to meet predefined investment objectives. The net incomes earned through these investments are shared by its unit holders in proportion to the number of units they own.

2) What is Open-Ended Mutual Fund?

Open Ended Mutual Funds, which are obliged to buy back their units from holders on a regular (usually “daily”) basis. These funds can issue and redeem units, allowing investors to invest in or divest from the fund. Net asset value (NAV) is the basis of the price at which investors buy or sell units. This means that investors do not have to search for a seller of a unit in a mutual fund in the market. Instead the investors can purchase the unit directly from the fund, usually through the fund management company. Conversely, the holder of a share in a mutual fund does not have to look for a buyer but can sell it directly to the mutual fund.

Fund size of this kind of mutual funds may change that when an investor purchases mutual fund units, the size of the fund increases, and when an investor redeems units, the size of the fund decreases.

3) What is 'NIBL Sahabhagita Fund'?

“NIBL Sahabhagita Fund” -an Open Ended Mutual Fund Scheme, has been designed under the NIBL Mutual Fund as the first ever Open Ended Mutual Fund Scheme after implementation of the Mutual Fund Regulations, 2067 and Mutual Fund Guidelines, 2069 issued by SEBON. The main objectives of the scheme are to encourage the conversion of savings into investments regularly and to provide steady returns to unit-holders over the long period of time.

4) What are the benefits of investing in 'NIBL Sahabhagita Fund'?

➤ **Professional Management:**

Your money is managed by experienced fund managers, who are experts in their field, after much solid research and in-depth study.

➤ **Regular Monitoring:**

Your investments are monitored on an ongoing basis for best returns.

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➤ **Research:**

A thorough study is made before investing. Market conditions, global trends, industry growth predictions, Company profile, financials, growth potential, technical analysis etc. are considered while mobilizing the fund.

➤ **Liquidity:**

'NIBL Sahabhagita Fund' is priced at applicable NAV on daily basis and is always willing to buy back units from investors. This means that investors can sell their investments anytime without worrying about finding a buyer at the right price.

➤ **Diversification:**

'NIBL Sahabhagita Fund' aims to minimize risk through diversification by investing in equities, debentures/bonds, money market instruments, bank deposits, other sectors prescribed by SEBON etc. and you can achieve diversification that would have otherwise not been possible.

➤ **Transparency:**

Price of 'NIBL Sahabhagita Fund' is declared and published daily and you have right to get every information about the scheme anytime from our website.

➤ **Regulated industry:**

'NIBL Sahabhagita Fund' is registered with SEBON and they regulate mutual fund industry under strict regulations designed to protect the interests of investors.

➤ **Tax Benefits:**

Tax benefits are being currently proposed to the Nepalese Government.

5) What are the investment options that 'NIBL Sahabhagita Fund' offers?

Investors have various investment needs and to meet these needs, 'NIBL Sahabhagita Fund' offers various investment plans like;

➤ **Systematic Investment Plan (SIP):**

Investors are given the option of giving post-dated cheques or debit instruction slip or bank deposit voucher or bank standing instruction in favour of the 'NIBL Sahabhagita Fund' amounting the pre-defined amount. The investor is allotted units on a pre-determined date specified the investors at the applicable NAV. No charges or penalties shall be borne for the cancellation or delay in payment of this plan.

➤ **Dividend Re-investment Plan (DReP):**

'NIBL Sahabhagita Fund' may declare the dividend annually and the unit-holders are given the option of re-investing the dividend in purchasing additional units of the scheme. Unit-holders are given the option of fully or partially re-investing their dividend in units.

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➤ **Systematic Withdrawal Plan (SWP):**

Investors are given the option to withdraw a pre-determined amount / units from their investment at a pre-defined time interval. The investor's units will be redeemed at the applicable NAV as on that day.

6) Is return from 'NIBL Sahabhagita Fund' guaranteed?

'NIBL Sahabhagita Fund' does not offer guaranteed returns to the investors but it may distribute distributable returns annually at the end of the fiscal year as declared by Fund Manager.

7) Are units of 'NIBL Sahabhagita Fund' listed in NEPSE?

The units of 'NIBL Sahabhagita Fund' are not listed in Nepal Stock Exchange (NEPSE) or any stock exchange; the trading is facilitated through various distribution outlets appointed by the fund manager.

8) From where the investors can trade the units of 'NIBL Sahabhagita Fund'?

The investors can trade (re-purchase/redeem) the units of NIBL Sahabhagita Fund from all distribution outlets appointed by Fund Manager. The units are not traded in stock exchange like other securities are traded in NEPSE.

9) What is the lock-in period for 'NIBL Sahabhagita Fund'?

There is a lock-in period of 3 months from the date of allotment of units purchased through New Fund Offerings (NFO), but no lock-in period will be applicable to units re-purchased from distribution outlets.

10) What are the charges that investors should pay to re-purchase/redeem of the units?

The following charges shall be applicable to the investors to re-purchase/redeem the units of 'NIBL Sahabhagita Fund';

Entry Load (Applicable for Re-purchase of Units): None.

Exit Load (Applicable for Redemption of Units):

- @ 1.5% of applicable NAV within 6 months of purchase

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- @ 1.25% of applicable NAV within 6-12 months of purchase
- @ 1% of applicable NAV within 12-18 months of purchase
- @ 0.75% of applicable NAV within 18-24 months of purchase
- No exit load to be levied after 2 years of purchase

DP Fee : Applicable charges as per CDS Bylaws.

SEBON Fee : Applicable fee as per Mutual Fund Regulations and Guidelines.

11) What is the Price of 'NIBL Sahabhagita Fund'?

Initially units are sold at par value of Rs. 10 per units through New Fund Offerings (NFO) and the scheme allows investors to re-purchase/redeem at applicable NAV determined by fund manager on daily basis.

12) From where the investors can obtain Price of 'NIBL Sahabhagita Fund'?

The investors can obtain the price of 'NIBL Sahabhagita Fund' (daily applicable NAV) from the fund manager's office, various distribution outlets, webpage of fund manager and different print media.

13) Is it required to open new Demat account to purchase the units of 'NIBL Sahabhagita Fund'?

No, it is not required for the investors to open new Demat account to purchase the units of 'NIBL Sahabhagita Fund'. They can buy/sell the units through their existing Demat account maintained at any DPs.

14) How much one investor can invest in 'NIBL Sahabhagita Fund'?

The minimum units' equivalents to Rs. 1,000 (Nepalese Rupees One Thousand) and maximum units' upto 250,000 units can be invested in NIBL Sahabhagita Fund by one investor.

15) What is the size of 'NIBL Sahabhagita Fund'?

The size of the scheme is not fixed. Size of the scheme may increase when investors purchase the units and decrease when investors redeem the units.

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16) Where the investors get their units of 'NIBL Sahabhagita Fund'?

The investors can get their units of NIBL Sahabhagita Fund in dematerialized form in their respective Demat account. The fund manager will arrange to debit or credit the units of 'NIBL Sahabhagita Fund' from the Demat account accordingly.

17) Right of Unit holders

The unit holders shall have rights as provided in the prevailing acts/regulations/rules. However, the voting rights on investment made by the fund will rest on the discretion of fund Manager.

Fund Manager:



Fund Sponsor:

