

**ABL INCOME FUND**  
**(An Open-Ended Income Scheme)**

<b>Category of CIS</b>	<b>Risk Profile</b>	<b>Risk of Principal Erosion</b>
Income Scheme	Medium	Principal at medium risk

**OFFERING DOCUMENT**

**Last Updated till January 28, 2025  
through SOD-10**

**Managed by**

**ABL Asset Management Company Limited**

SOD Reference /Number	Effective Date of SOD	Brief Detail of Objective of SOD	Approval date of SECP (in cases where SECP Approval is mandatory)	Launch/Re-Launch of the Plans		
				Launch/tentative launch date	Maturity date	Current status
1	1-Nov-10	Amendments in Trust Deed of Fund.	1-Nov-10	N/A	N/A	N/A
2	20-Sep-11	Change in investment objective, 2.3.1 H (Addition of Investment in MTS 0%-40%), New clause 3.12.1-open separate Bank Account(s) titled <b>CDC -Trustee ABLAMC Funds</b> ” at various locations for collection of funds 4.4.2 – Change in account opening procedure. 3.4.2 xvii- Addition of provisioning policy 9.5.7 – Addition of fund as CDS Eligible security 14.11 – change in Business Day definition	20-Sep- 11	N/A	N/A	N/A
3	20-Dec-11	Change in Management Company Remuneration of ABL Income Fund	20-Dec- 11	N/A	N/A	N/A
4	5-Aug – 13	Change in Front end load of ABL Income Fund	30-July- 13	N/A	N/A	N/A
5	3-Mar-21	Change in Management fee of ABL Income Fund	N/A	N/A	N/A	N/A
6	24-Jun-21	Change in Determination of Distributable Income- - The amount available for distribution shall be the sum total of:  (b) Whole or part of the realized and/or unrealized appreciation of Investment Assets, at the option of the Management Company.	N/A	N/A	N/A	N/A
6	1-Nov-21	Change in Management fee of ABL Income Fund	N/A	N/A	N/A	N/A
7	12-May-23	Change in Management fee of ABL Income Fund	N/A	N/A	N/A	N/A
8	09- Nov-23	Change in Management fee of ABL Income Fund	09-Oct-2023	N/A	N/A	N/A
9	09- Nov-23	Change in Authorized Investment Table	08-Oct-2024	N/A	N/A	N/A
10	28- Jan -25	Benchmark update as per SECP Direction 24 of 2024	N/A	N/A	N/A	N/A

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## **OFFERING DOCUMENT**

### **ABL INCOME FUND (ABL-IF)**

#### **MANAGED BY**

#### **ABL Asset Management Company Limited**

An asset management company registered under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the Rules)

**Date of Publication of this Offering Document September 10, 2008**

**Initial Offering Period September 17, 2008 to September 19, 2008 (both days inclusive)**

**“The investors are advised in their own interest to carefully read the contents of the Offering Document, in particular the Risk Disclosure in Clause 2.7, Disclaimer in Clause 2.8 and Warning in Clause 10 before making any investment decision”**

ABL Income Fund (the Fund/the Scheme/the Trust/the Unit Trust/ABL-IF) has been established as an open-end fund under the Non-Banking Finance Companies and Notified Entities Regulations, 2007 (“Regulations”) vide a registered Trust Deed (the Trust Deed) dated June 16, 2008, entered into and between ABL Asset Management Company Limited, the Management Company, and Central Depository Company of Pakistan Limited, the Trustee.

### **REGULATORY APPROVALS AND CONSENTS**

#### **Approval of the Securities and Exchange Commission of Pakistan**

The Securities and Exchange Commission of Pakistan (the Commission) has registered ABL-IF under Regulation 61 of the Regulations and has approved this Offering Document authorizing the offer of Units of ABL-IF under Regulation 63 of the Regulations.

It must be clearly understood that in granting the aforementioned approval, the Commission does not take any responsibility for the financial soundness of the Fund nor for the accuracy of any statement made or any opinion expressed in this Offering Document.

The provisions of the Trust Deed, the Rules and the Regulations govern this Offering Document. It sets forth information about the Fund that a prospective investor should know before investing in the Fund. Prospective investors should consult one or more from amongst their legal adviser, stock broker, bank manager or other financial adviser.

Investors must recognize that all investments involve varying levels of risk. The portfolio of the Fund would primarily consist of investments listed as well as unlisted, that are subject to market fluctuations and risks inherent in all such investments. Neither the value of the Units of the Fund, nor the dividends declared by the Fund, is or can be assured. Investors are requested to read the Risk Disclosure in Clause 2.7, Disclaimer in Clause 2.8 and Warning in Clause 10 contained in this Offering Document.

## **Filing of the Offering Document**

The Management Company has filed a copy of this Offering Document signed by the Chief Executive along with the Trust Deed with the Commission. Copies of the following documents can be inspected at the registered office of the Management Company or the place of business of the Trustee:

- i. Trust Deed of ABL-IF dated June 16, 2008 between ABL Asset Management Company Limited (ABL AMC) as the establisher and the Management Company and Central Depository Company of Pakistan Limited (CDC), as the Trustee.
- ii. Licence No. NBFC/II/39/AAMCL/AMS /12/2007/ dated December 07, 2007 granted by the Commission to ABL AMC to carry out Asset Management Services;
- iii. The Commission's letter No. NBFC-II/VS/ABL/312/2008 dated May 02, 2008, approving the appointment of CDC as the Trustee to ABL-IF.
- iv. The Commission's letter No. NBFC/MF-RS/JD-VS/ABL-IF/511/2008 dated July 08, 2008, registering ABL-IF as a notified entity under Regulation 61 of the Regulations.
- v. The Commission's letter No. NBFC/MF-RS/JD-VS/ABL-IF/628/2008 dated August 13, 2008, approving this Offering Document and authorizing ABL-IF under Regulation 63(1) of the Non Banking Finance Companies and Notified Entities Regulations 2007.
- vi. Letter from Messrs. A.F. Fergusons & Co., Chartered Accountants consenting to act as Auditors of ABL-IF.
- vii. Letter from Messrs. Bawaney & Partners, consenting to act as Legal Advisers of ABL-IF.

## 1. CONSTITUTION OF THE SCHEME

### 1.1 Constitution

The Fund is an open-end scheme, constituted by a Trust Deed entered into at Karachi on June 16, 2008 between:

**ABL Asset Management Company Limited (ABL AMC)**, a Non-Banking Finance Company incorporated under the Companies Ordinance 1984, and licensed by the Commission to undertake asset management services with its registered office at 11-B, Lalazar, M.T. Khan Road, Karachi, as the establisher of the Fund and the Management Company; and

**Central Depository Company of Pakistan Limited (CDC)**, a company incorporated under the Companies Ordinance 1984, with its registered office at CDC House, 99-B, Block 'B', S.M.C.H.S., Main Shakra-e-Faisal, Karachi, Pakistan, as the Trustee.

<sup>1</sup>[\[The Trust Deed has been amended vide a First Supplemental Trust Deed dated October 01, 2010.\]](#)

### 1.2 Registered Address, Place and Date of Creation

1.2.1<sup>2</sup> [The registered address of the ABL Asset Management Company Limited is 11-B, Lalazar, M.T. Khan Road, Karachi. The registered address of the Scheme is also 11-B, Lalazar, M.T. Khan Road, Karachi. The Trust Deed was executed on June 16, 2008 and the First Supplemental Trust Deed was executed on September 30, 2010. The official web site address of ABL Asset Management Company Limited is [www.ablamc.com](http://www.ablamc.com).

1.2.2 The duration of the Scheme is perpetual, subject to revocation mentioned in Clause 12 hereafter.]

### 1.3 <sup>3</sup>Governing Law

1.3.1 The Trust Deed is subject to and governed by the Rules, Regulations, 2008, the Securities and Exchange Ordinance, 1969, the Companies Ordinance, 1984 and all other applicable laws and regulations. The terms and conditions in the Deed, the First Supplemental Trust Deed and any further supplemental deed(s) shall be binding on each Unit Holder. In the event of any conflict between the Trust Deed (as amended) and the Rules/ Regulations, 2008, the latter shall supersede and prevail over the provisions contained in the Trust Deed.

1.3.2 The investments made in offshore countries and Bank Accounts and custodial services accounts that may be opened by the Trustee for the Scheme in offshore countries on the

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<sup>1</sup> Inserted vide 1<sup>st</sup> Supplemental Offering Document dated November 01, 2010.

<sup>2</sup> Substituted vide 1<sup>st</sup> Supplemental Offering Document dated November 01, 2010. The substituted clause (Clause 1.2) read as follows;

*“The registered address of the ABL Asset Management Company Limited is 11-B, Lalazar, M.T. Khan Road, Karachi. The Trust Deed was executed on June 16, 2008. The official web site address of ABL Asset Management Company Limited is [www.ablamc.com](http://www.ablamc.com).”*

<sup>3</sup> Substituted vide 1<sup>st</sup> Supplemental Offering Document dated November 01, 2010. The substituted clause (Clause 1.3) read as follows;

**“Trust Deed**

*The Trust Deed is subject to and governed by the Rules, the Regulations, the Securities and Exchange Ordinance, 1969, the Companies Ordinance, 1984 and all other applicable laws and regulations. The terms and conditions in the Deed and any supplemental deed(s) shall be binding on each Unit Holder. In the event of any conflict between the Trust Deed and the Rules/ the Regulations, the latter shall supersede and prevail over the provisions contained in the Trust Deed.”*



instructions of the Management Company may become subject to the laws of such countries. Such investments shall be subject to the prior approval of State Bank of Pakistan ("SBP") and the Commission.

- 1.3.3 Subject to the Arbitration Clause 36 of the Trust Deed applicable between the Management Company and the Trustee inter se, each party, including the Unit Holder(s) irrevocably submit to the exclusive jurisdiction of the Courts at Karachi.]

#### **1.4 Modification of Trust Deed**

<sup>4</sup>[The Trustee and the Management Company acting together with the approval of the Commission, shall be entitled by further supplemental deed(s) to modify, alter or add to the provisions of the Trust Deed on any of the following grounds:

- i. To such extent as may be required to ensure compliance with any applicable laws, the Rules and Regulations, 2008 or any amendment or substitutions thereof and other such laws, rules and regulations or to ensure compliance with any fiscal or statutory requirement.
- ii. To enable the provisions of the Trust Deed to be more conveniently and efficiently managed.
- iii. To enable the Units to be dealt in or quoted on a Stock Exchange.
- iv. Or otherwise for the benefit of the Unit Holders.

Provided that in case of (ii), (iii) and (iv) above, such alteration or addition shall not prejudice the interest of the Unit Holders; and that, in any event, it shall not release the Trustee or the Management Company of their responsibilities.

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<sup>4</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Clause 1.4) read as follows;

*"The Trustee and the Management Company acting together with the approval of the Commission, shall be entitled by supplemental deed(s) to modify, alter or add to the provisions of the Trust Deed on any of the following grounds:*

- i. To such extent as may be required to ensure compliance with any applicable laws, Rules and Regulations or any amendment of such laws, Rules and Regulations or to ensure compliance with any fiscal or statutory requirement.*
- ii. To enable the provisions of the Trust Deed to be more conveniently and efficiently managed.*
- iii. To enable the Units to be dealt in or quoted on a Stock Exchange.*
- iv. Or otherwise for the benefit of the Unit Holders.*

*Provided that in case of (ii), (iii) and (iv) above, such alteration or addition shall not prejudice the interest of the Unit Holders; and that, in any event, it shall not release the Trustee or the Management Company of their responsibilities.*

*Where the Trust Deed has been altered or supplemented, the Management Company shall notify the Unit Holder(s) immediately either through mail, advertising in the paper or by posting on its website regarding such alteration/amendments.*

*However, if the Commission modifies the Rules or the Regulations for all the open-end funds, these will deemed to have been included in the Trust Deed without requiring any modification as such."*

Where the Trust Deed has been further altered or supplemented, the Management Company shall notify the Unit Holder(s) immediately either through mail, advertising in the paper or by posting on its website regarding such alteration/amendments.]

However, if the Commission modifies or replaces the Rules or Regulations, 2008 for all the open-end funds or issues notifications and circulars from time to time, all these will deemed to have been included in the Trust Deed and this First Supplemental Offering Document, without requiring any modification as such.

### **1.5 Modification of Offering Document:**

<sup>5</sup>[The Management Company with the approval of the Commission, shall be entitled by further supplemental offering document(s) to modify, alter or add to the provisions of the Offering Document for introducing additional or supplemental plans or altering the clauses of the Offering Document.

Provided that such alterations or additions shall not prejudice the interest of the Unit Holders; and that, in any event, it shall not release the Trustee or the Management Company of their responsibilities.

Where the Offering Document has been further altered or supplemented, the Management Company shall notify the Unit Holder(s) immediately either through mail, advertising in the paper or by posting on its website regarding such alteration/amendments.]

### **1.6 Duration**

<sup>6</sup>[The duration of the Fund is perpetual. However, the Commission or the Management Company may, on the occurrence of certain events, wind it up as stated in Clause 12 of this First Supplemental Offering Document under the heading “Termination of the Scheme”.]

### **1.7 Units**

#### **1.7.1 Initial Price**

<sup>7</sup> [The Fund is divided into Units having an Initial Price of Rs.10/- (Rupees Ten Only), also being the

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<sup>5</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Clause 1.5) read as follows;

*“The Management Company with the approval of the Commission, shall be entitled by supplemental offering document(s) to modify, alter or add to the provisions of the Offering Document for introducing additional or supplemental plans or altering the clauses of this Offering Document*

*Provided that such alterations or additions shall not prejudice the interest of the Unit Holders; and that, in any event, it shall not release the Trustee or the Management Company of their responsibilities.*

*Where the Offering Document has been altered or supplemented, the Management Company shall notify the Unit Holder(s) immediately either through mail, advertising in the paper or by posting on its website regarding such alteration/amendments.”*

<sup>6</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Clause 1.6) read as follows;

*“The duration of the Fund is perpetual. However, the Commission or the Management Company may, on the occurrence of certain events, wind it up as stated in Clause 12 of this Offering Document under the heading “Termination of the Scheme”.”*

Par Value. This price is applicable to such Units that are issued before or during the Initial Period as mentioned above. Thereafter, the Units shall be issued and redeemed on the basis of the Net Asset Value (NAV) of ABL-IF, which shall form the basis for determining the Offer and Redemption Prices.

All Units and fractions thereof represent an undivided share in the Fund and rank pari passu as to their rights in the Net Assets, earnings, and the receipt of the dividends and distributions, subject to the Classes and Types of Units mentioned in Clause 4.2 hereafter. Each Unit Holder has a beneficial interest in ABL-IF proportionate to the Units held by such Unit Holder. For the convenience of investors, the Management Company may issue Units of different Classes and Types with different options as chosen by the investors. Consequently, Units of different Classes and Types may have differing applicable quantum of the Front-end Load added to the NAV for determining the Offering Price thereof and differing applicable quantum of Back-end Load deducted from the NAV for determining the Redemption Price.]

### 1.7.2 **Classes and Types of Units**

<sup>8</sup> [The Management Company has and shall issue the Units of different Classes and Types, as mentioned Clause 4.2 hereafter.]

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<sup>7</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 1.7.1) read as follows;

*“The Fund is divided into Units having an Initial Price of Rs.10/- (Rupees Ten Only), also being the Par Value. This price is applicable to such Units that are issued before or during the Initial Period as mentioned above. Thereafter, the Units shall be issued and redeemed on the basis of the Net Asset Value (NAV) of ABL-IF, which shall form the basis for determining the Offer and Redemption Prices.*

*All Units and fractions thereof represent an undivided share in the Fund and rank pari passu as to their rights in the Net Assets, earnings, and the receipt of the dividends and distributions, subject to the Classes and Types of Units mentioned in Clause 4.2 hereafter. Each Unit Holder has a beneficial interest in ABL-IF proportionate to the Units held by such Unit Holder. For the convenience of investors, the Management Company may issue Units of different Classes and Types with different options as chosen by the investors. Consequently, Units of different Classes and Types may have differing applicable quantum of the Front-end Load added to the NAV for determining the Offering Price thereof and differing applicable quantum of Back-end Load and/or Contingent Load deducted from the NAV for determining the Redemption Price.”*

<sup>8</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 1.7.2) read as follows;

*“The Management Company shall issue the Units of different Classes and Types, as mentioned Clause 4.2 hereafter.”*

### 1.7.2.1 <sup>9</sup>Classes of Units

- i. [Class “A” (Restricted/Core Units) were issued to the Core Investors with no Front-end and Back-end Load. These Units cannot be redeemed for a period of two (2) years from the date of subscription. However, such Units are transferable.
- ii. Class “B” Units were offered and issued during the Private Placement and Pre-IPO with no Front-end and Back-end Load.
- iii. Class “C” Units, which are being offered and issued after the Pre-IPO with no Front-end Load.
- iv. Class “D” Units, which are being offered and issued after the Pre-IPO where a Front-end Load is charged.

The Management Company may revise Front-end and/or Back-end Load from time to time within the prescribed limits of the Rules and the Regulations, 2008.]

### 1.7.2.2 <sup>10</sup>Types of Units

- i. Growth Units:
  - a) Growth Units with dividend distribution in cash
  - b) Growth Units with dividend distribution in the form of bonus units
- ii. Income Units:

Unit Holders will be distributed Dividends, in the form of Bonus Units only.

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<sup>9</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 1.7.2.1) read as follows;

- i. Class “A” (Restricted/Core Units) issued to the Core Investors with no Sales Load. These Units cannot be redeemed for a period of two (2) years from the date of subscription. However, such Units are transferable.*
- ii. Class “B” Units being offered and issued during the Private Placement and Pre-IPO with no Sales Load.*
- iii. Class “C” Units, which shall be offered and issued after the Pre-IPO with no Sales Load.*
- iv. Class “D” Units, which may be offered and issued after the Pre-IPO where a Front-end Load will be charged.*

*The Management Company may revise Sales Load from time to time within the prescribed limits of the Rules and the Regulations.”*

<sup>10</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 1.7.2.2) read as follows;

- i. Growth Units:*
  - a) Growth Units with dividend distribution in cash*
  - b) Growth Units with dividend distribution in the form of bonus units*
- ii. Income Units:*

*Unit Holders will be distributed Dividends, in the form of Bonus Units only.*

*Further information available in Clause 4.2 of this Offering Document.”*

Further information available in Clause 4.2 of this Offering Document.]

### 1.7.3 **Core Units**

<sup>11</sup>[Class “A” (Restricted/Core Units)]

Core Units were subscribed by the Core Investors for an aggregate amount of Rs.250,000,000/- (Rupees Two Hundred and Fifty Million only) as prescribed in Regulation 61(2)(e)(i) of the Regulations [now Regulation 44(3)(e)(i) of Regulations 2008] which were issued at the Initial Price and shall not be redeemable for a period of two years from the date of subscription.]

### 1.8 **Open-end Fund**

<sup>12</sup>[ABL-IF shall offer and redeem Units on a continuing basis subject to terms contained herein and to the Rules and Regulations, 2008. There is no upper limit set on the Units to be issued to a single Unit Holder or on the total number of Units to be issued to the public. However, the Management Company may impose, from time to time, certain amounts of minimum monetary investment limits to facilitate economical and efficient management of investors’ accounts. Fractional Units will be issued to enhance economical and efficient handling. Units are also transferable. Units will be issued in registered, un-certificated form and will be confirmed to investors by means of account statements issued by the Registrar/Transfer Agent. Certificates representing Units will be issued only if so requested by the Unit Holder at the time of application or at any later stage and upon payment of a fee not exceeding Rs.50 per certificate, subject to revision of this fee from time to time by the Management Company. The proceeds of such fee shall accrue to the Management Company.]

### 1.9 **Initial Offer**

<sup>13</sup>[Initial Offer was made during the Initial Period mentioned above, which was 3 Business Days and had commenced at the start of the banking hours on September 17, 2008 and had ended at the close of

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<sup>11</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 1.7.3) read as follow;

*“Class “A” (Restricted/Core Units)*

*Core Units shall be subscribed by the Core Investors for an aggregate amount of Rs. 250,000,000/- (Rupees Two Hundred and Fifty Million only) as prescribed in Regulation 61(2)(e)(i) of the Regulations which shall be issued at the Initial Price and shall not be redeemable for a period of two years from the date of subscription.”*

<sup>12</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 1.8) read as follows;

*“ABL-IF shall offer and redeem Units on a continuing basis subject to terms contained herein and to the Rules and Regulations. There is no upper limit set on the Units to be issued to a single Unit Holder or on the total number of Units to be issued to the public. However, the Management Company may impose, from time to time, certain amounts of minimum monetary investment limits to facilitate economical and efficient management of investors’ accounts. Fractional Units will be issued to enhance economical and efficient handling. Units are also transferable. Units will be issued in registered, un-certificated form and will be confirmed to investors by means of account statements issued by the Registrar/Transfer Agent. Certificates representing Units will be issued only if so requested by the Unit Holder at the time of application or at any later stage and upon payment of a fee not exceeding Rs.50 per certificate, subject to revision of this fee from time to time by the Management Company. The proceeds of such fee shall accrue to the Management Company.”*

<sup>13</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 1.9) read as follows;

the banking hours on September 19, 2008. The Initial Price was applicable to such Units that were issued before any of the assets of the Scheme were invested other than deposits, whether or not earning mark-up/profit. During the Initial Period, Units were offered at the Initial Price of Rs.10/- per Unit. During the Initial Period Units were not redeemable and did not include any Front-end Load and Back-end Load.]

#### **1.10 Transaction in Units after Initial Period**

<sup>14</sup>[Subsequent to the Initial Offer, the public sale of Units at Initial Price were discontinued and the Units were and can be purchased at their respective Offer Price and redeemed at their respective Redemption Price. The Management Company will fix the Offer (Purchase) and Redemption (Repurchase) Prices daily on the basis of the Net Asset Value (NAV) of the Units after the close of each Business Day of local Stock Exchange(s)/ Financial Market(s). The NAV based price per Unit shall be fixed after adjusting for the Front-end Load or the Back-end Load as the case may be and any Transaction Costs that may be applicable save under circumstances elaborated in Clause 4.8 mentioned herein.]

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*“Initial Offer is made during the Initial Period mentioned above, which will be 3 Business Days and commence at the start of the banking hours on September 17, 2008 and shall end at the close of the banking hours on September 19, 2008. The Initial Price is applicable to such Units that are issued before any of the assets of the Scheme are invested other than deposits, whether or not earning mark-up/profit. During the Initial Period, Units will be offered at the Initial Price of Rs.10/- per Unit. During the Initial Period Units will not be redeemed and will not include any Sales Load.”*

<sup>14</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 1.10) read as follows;

*“Subsequent to the Initial Offer, the public sale of Units at Initial Price will be discontinued and the Units can be purchased at their respective Offer Price and redeemed at their respective Redemption Price. The Management Company will fix the Offer (Purchase) and Redemption (Repurchase) Prices daily on the basis of the Net Asset Value (NAV) of the Units after the close of the Stock Exchange(s)/Financial Market(s) Business Day. In the event there are closed days, for any reason, following that Business Day, the NAV so determined shall be adjusted for the accrual of income or losses if any for such closed day(s), the NAV based price per Unit shall be fixed after adjusting for the Front-end Load or the Back-end Load as the case may be and any Transaction Costs that may be applicable save under circumstances elaborated in Clause 4.8 mentioned herein.”*

## **2. INVESTMENT OBJECTIVES, INVESTMENT POLICY, RESTRICTIONS, RISK DISCLOSURE AND DISCLAIMER**

### **2.1 Investment Objective**

<sup>15</sup>[The objective of ABL Income Fund is to earn competitive risk adjusted rate of return by investing in a blend of short, medium, and long-term fixed income and debt instruments, both within and outside Pakistan.]

### **2.2 Investment Policy**

<sup>16</sup><sup>17</sup>ABL Income Fund (ABL-IF) in line with its Investment Objectives will be investing in government securities, cash in bank account, money market placements, deposits, certificate of deposits (COD), certificate of musharakas (COM), TDRs, commercial paper, reverse repo, TFC/Sukuk, MTS or any other related products, spread transactions.]

Allocation among various asset classes will be based on analysis of macro and micro variables such as interest rates, economic growth rates, political climate, corporate earnings, etc. Fundamental and technical models will be employed and qualitative and quantitative analysis will be conducted to decide asset class allocation and to identify undervalued securities.

The Fund may invest in any of the Authorised Investments as allowed by this Trust Deed. However, investments shall be made within the maximum limits laid down in the Regulations for any of the Authorised Investments.

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<sup>15</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 2.1) read as follows;

*“The objective of ABL Income Fund is to earn superior risk adjusted rate of return by investing in a blend of short, medium, and long-term instruments, both within and outside Pakistan.”*

<sup>16</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 2.2) read as follows;

*“ABL Income Fund (ABL-IF) in line with its Investment Objectives will be investing primarily in money and debt markets, CFS and any other product, COI’s, clean placements, spread transactions, derivatives and other absolute return instruments/approved products.*

*Allocation among various asset classes will be based on analysis of macro and micro variables such as interest rates, economic growth rates, political climate, corporate earnings, etc. Fundamental and technical models will be employed and qualitative and quantitative analysis will be conducted to decide asset class allocation and to identify undervalued securities.*

*Subject to applicable laws and necessary regulatory approvals, the Fund may also include in the portfolio, Pakistan origin investments issued, listed or traded outside Pakistan.*

*The Fund may seek to invest in foreign debt or fixed income securities issued, listed or otherwise traded outside Pakistan on such terms, guidelines and directions as may be issued by the Commission and/or SBP from time to time.*

*All Investments shall be made within the limits prescribed in the Regulations or otherwise as may be specified by the Commission. For investments in offshore countries, investments shall be made within the limits prescribed by the State Bank of Pakistan.”*

<sup>17</sup> Substituted vide 2<sup>nd</sup> Supplemental Offering Document dated September 20, 2011. The substituted para read as follows; *“ABL Income Fund (ABL-IF) in line with its Investment Objectives will be investing in government securities, cash in bank account, money market placements, deposits, certificate of deposits (COD), certificate of musharakas (COM), TDRs, commercial paper, reverse repo, TFC/Sukuk, CFS, spread transactions.”*

Subject to applicable laws and necessary regulatory approvals, the Fund may also include in the portfolio, Pakistan origin investments issued, listed or traded outside Pakistan.

The Fund may seek to invest in foreign debt or fixed income securities issued, listed or otherwise traded outside Pakistan on such terms, guidelines and directions as may be issued by Commission and/or State Bank of Pakistan from time to time. The Investments outside Pakistan may be made subject to the approval of the Commission /SBP and upto the limits that may be imposed by the Commission or the SBP from time to time, subject to any relaxation of such limits that may be granted by the Commission/SBP. The Management Company may expand this limit after seeking permission from the Commission and the State Bank of Pakistan and under intimation to the Trustee, if the Fund registers a success in terms of the growth of its size and the returns paid to the investors.

The limit to international investments will apply at the time of investment and it will not be necessary for the Management Company to cause the Trustee to sell any investment merely because, owing to appreciation or depreciation of any investment, change in foreign exchange parities, disposal of any investment or such other reasons, the limit is exceeded. In case, due to the relative movement of the value of foreign Investment and/or change in the limit, the value of foreign investment exceeds the above limit, the Management Company will have three months to bring the Fund into compliance

All Investments shall be made within the limits prescribed in the Regulations or otherwise as may be specified by the Commission and for investments in offshore countries, Investments shall be made within the limits prescribed by the State Bank of Pakistan.]

## 2.3 Authorized Investments

### 2.3.1 Asset Allocation

<sup>18</sup>[ABL-IF is an income fund and will seek to make investments in the “Authorized Investments”, as provided in the Trust Deed.

<sup>18</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 2.3.1) read as follows;

“ABL-IF is an income fund and will seek to make investments in the “Authorized Investments”, as provided in the Trust Deed.

*These will be all investments transacted, issued, traded, listed and unlisted investments, inside or outside Pakistan and may include any of the following:”*

Sr. No.	Description	Entity and Instrument Rating		Statutory Limits (% of NAV)
1.	Government of Pakistan Investment Bonds, Federal Investment Bonds, Treasury Bills and other Government Securities	N/A	N/A	100%
2.	Modaraba and Musharika Certificates	A-	N/A	50%
3.	Sukuks	BBB+	A-	50%
4.	Global Depository Receipts and Credit Linked Notes	A-	A-	25%
5.	Long, Medium, Short Term and other such Deposits with Banks or Financial Institutions	BBB+	N/A	100%
6.	Debentures	A-	A-	50%
7.	Fixed Income Debt Securities	BBB+	A-	100%
8.	Secured and listed debt securities issued by local governments, government agencies.	A-	A-	80%
9.	Secured and un-listed debt securities issued by local governments, government agencies	A-	A-	75%
10.	Secured and listed debt securities issued by private sector entities and/or financial institutions.	BBB+	A-	75%



11.	Secured and un-listed debt securities issued by private sector entities and/or financial institutions.	BBB+	A-	70%
12.	Secured and listed debt securities issued by public sector entities and/or financial institutions.	BBB+	A-	80%
13.	Secured and un-listed debt securities issued by public sector entities and/or financial institutions.	BBB+	A-	75%
14.	Un-secured and listed debt securities issued by local governments, government agencies.	A-	A-	50%
15.	Un-secured and un-listed debt securities issued by local governments and government agencies.	A-	A-	40%
16.	Un-secured and listed debt securities issued by private sector entities and/or financial institutions.	A-	A-	50%
17.	Un-secured and un-listed debt securities issued by private sector entities and/or financial institutions.	A-	A-	30%
18.	Un-secured and listed debt securities issued by public sector entities and/or financial institutions.	A-	A-	50%
19.	Un-secured and un-listed debt securities issued by public sector entities and/or financial institutions.	A-	A-	40%
20.	Convertible debt securities issued by corporate/financial institutions. As per Regulation 64 (5) to be regularised within three months from the date of conversion.	A-	A-	30%
21.	Convertible and Non-Convertible preferred shares. As per Regulation 64 (5) to be regularised within three months from the date of conversion.	N/A	N/A	25%
22.	Certificates of Investment / Deposits, Letter of Placements issued by financial institutions.	A-	N/A	50%
23.	Asset Backed or Mortgage Backed Debt Securities	A-	A-	50%
24.	Reverse REPOs transactions against Government securities and debt securities of rating not less than otherwise sought for direct investments.	BBB+	A-	50%
25.	Commercial Papers	A-	N/A	50%
26.	Continuous Funding System (CFS).	N/A	N/A	50% with not more than 20% of CFS amount in any one scrip
27.	Spread Transactions	N/A	N/A	50%
28.	Any other money market/ fixed income security and/or instrument that may be allowed by the Commission, the Rules and Regulations from time to time	Investment Grade	Investment Grade	50%
29.	Warrants, Options and other such derivatives subject to the prior approval of the Commission. Investment in this asset class would be for hedging purposes only and subject to such terms and conditions as approved by the Commission from time to time	N/A	N/A	50%
30.	Subject to the Commission or other regulatory approvals, the Scheme may seek to invest in foreign fixed income securities issued, listed or otherwise and traded outside Pakistan on such terms, guidelines and direction as may be issued by the Commission and the State Bank of Pakistan from time to time	Investment Grade	Investment Grade	30% or (subject to a cap of US\$ 15 million)
31.	Any investment, which is an Authorised Investment under the Trust Deed or which is authorized by the Commission.	Investment Grade	Investment Grade	50%

Where ratings are mentioned for both entity and instrument:

- either the entity or the instrument should be rated to qualify for investment
- either the entity or the instrument should have investment grade rating to qualify for investment

The rating requirement shall not apply for any such instrument that is backed by an irrevocable and unconditional Government guarantee.

The investment in asset classes mentioned above will be subject to such Exposure limits and minimum ratings as specified herein and/or otherwise as specified in the Regulations.

The Fund's Investment Process will be based on fundamental analysis of securities and will consider the following key parameters:

- a) *Sponsor of the issue: Investments will be made keeping in mind the market reputation and past track record of the issuing entity and its main sponsors.*
- b) *Strength of financials and ability to repay: The strength and stability of the issuing company's earnings will be taken into consideration and special focus will be made on its cash flows and the resultant ability to repay the debt.*

These will be all investments transacted, issued, traded, listed and unlisted investments, inside or outside Pakistan and may include any of the following:

<sup>333</sup> Investment Avenues	Entity rating	Instrument Rating	Exposure Limit (% of NAV)	Maximum Maturity
a. Government securities	N/A	N/A	0-100%	10 years
b. Cash and near cash instruments which include cash in bank account (excluding TDRs), treasury bills not exceeding 90 days' maturity	Investment Grade	N/A	25%-100% (However, income schemes which invest at least 70% of their net assets in government securities, shall maintain at least 10% of the net assets in cash and near cash instruments which include cash in bank account (excluding TDR) and treasury bills not exceeding 90 days maturity)	90 days in case of Treasury Bills
c. Term Deposit Receipts and certificate of deposits (COD)	Investment Grade	N/A	0-75%	6 months
d. Term Finance Certificates/Sukuks	Investment Grade	Investment Grade	0-75%	10 years (subject to fulfilment of WATM of 4 years)
e. Non-traded securities including reverse repos, bank deposits, certificates of investments (COI), certificate of musharakas (COM) and anything over 6 months' maturity which is not a marketable security. The exposure limit of 15% is on cumulative basis as percentage of the overall net	Investment Grade	Investment Grade (for long term)  A3 (for short term)	0-15%	

c) *Expected rate of return: Attempt will be made to invest in those securities that offer competitive expected returns vis-à-vis other similar investments in the market.*

d) *Industry fundamentals and future outlook: Industry outlook and its future potential will also be looked into at the time of investing in any company's income instruments."*

<sup>333</sup> Substituted vide 9<sup>th</sup> Supplemental Offering Document dated November 09, 2024

	assets and not for each type of non-traded instrument.				
f.	Reverse Repo Transactions against Government Securities	N/A	N/A	0-50%	
g.	Short Term Debt Securities including Corporate Sukuk / Commercial Papers (Time to maturity not exceeding six months)	N/A	A3 (A Three)	0-50%	
h.	<sup>19</sup> [[ Margin Trading System (MTS) and spread transactions	N/A	N/A	0-40%	
i.	The Management Company shall not invest assets of the Fund/Investment Plan abroad unless it has obtained prior written approval of State Bank of Pakistan (SBP) and the Commission in this regard; where such investment shall be in line with the overall framework of authorized investment as prescribed for this category of Collective Investment Scheme (CIS).	AA	Investment Grade (for long term)  A3 (for Short term)	30% or (subject to a cap of US\$ 15 million)	
j.	Any other investment which may be authorized by the Commission from time to time	AA	Investment Grade (for long term)  A3 (for Short term)	As Specified by SECP in the Approval	

Note:

Weighted average time to maturity of the net assets shall not exceed 4 years and this condition shall not apply to securities issued by the Federal Government. The cap on the WATM of an Income Fund of 4 years would not include securities issued by the Federal Government. However, for the purpose of disclosure (FMR or other public marketing materials), actual WATM of the portfolio should be calculated to disclose the factual portfolio position.

No restriction regarding:

- (a) Time to maturity of any single asset in the portfolio.
- (b) Duration of a single security in the portfolio.]

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<sup>19</sup> Substituted vide 2<sup>nd</sup> Supplemental Offering Document dated September 20, 2011. The substituted point (point h) read as follows;

<i>h.</i>	<i>CFS and Spread Transactions</i>	<i>N/A</i>	<i>N/A</i>	<i>0-40%</i>
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The investment in asset classes mentioned above will be subject to such Exposure limits and minimum ratings as specified herein and/or otherwise as specified in the Regulations.

The Fund's Investment Process will be based on fundamental analysis of securities and will consider the following key parameters:

- a) Sponsor of the issue: Investments will be made keeping in mind the market reputation and past track record of the issuing entity and its main sponsors.
- b) Strength of financials and ability to repay: The strength and stability of the issuing company's earnings will be taken into consideration and special focus will be made on its cash flows and the resultant ability to repay the debt.
- c) Expected rate of return: Attempt will be made to invest in those securities that offer competitive expected returns vis-à-vis other similar investments in the market.
- d) Industry fundamentals and future outlook: Industry outlook and its future potential will also be looked into at the time of investing in any company's income instruments.]

### 2.3.2 **Risk Control in the Investment Process**

<sup>20</sup>[Investment process requires disciplined risk management. ABL AMC would incorporate adequate safeguards for controlling risks in the portfolio construction process. The investment restrictions defined in section 2.7 will reduce risk and result in portfolio diversification.

ABL AMC's investment team aims to identify securities after proper credit evaluation of the securities proposed to be invested in. In addition to its in-house research, ABL AMC will be guided by external research as well as the ratings of recognized credit rating agencies.]

### 2.4 **Changes in Investment Policy**

<sup>21</sup>[The Investment Policy will be governed by the Rules and Regulations, 2008 (subject to any exemptions provided to the Fund specifically by the Commission). Any change in the Investment Policy will be implemented only after obtaining prior approval from the Commission and giving proper notice to the Unit Holders to the satisfaction of the Trustee.]

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<sup>20</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 2.3.2) read as follows;

*"Investment process requires disciplined risk management. ABL AMC would incorporate adequate safeguards for controlling risks in the portfolio construction process. The investment restrictions defined in section 2.6 will reduce risk and result in portfolio diversification.*

*ABL AMC's investment team aims to identify securities after proper credit evaluation of the securities proposed to be invested in. In addition to its in-house research, ABL AMC will be guided by external research as well as the ratings of recognized credit rating agencies."*

<sup>21</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 2.4) read as follows;

*"The Investment Policy will be governed by the Rules and the Regulations (subject to any exemptions provided to the Fund specifically by the Commission). Any change in the Investment Policy will be implemented only after obtaining prior approval from the Commission and giving proper notice to the Unit Holders to the satisfaction of the Trustee."*

## 2.5 Management Company can alter Investment Mix

<sup>22</sup>[The Management Company can from time to time alter the weightages, subject to the specified limits as per clause 2.3.1 above, between the various types of investments if it is of the view that market conditions so warrant. The funds not invested in the foregoing avenues shall be placed as deposits with banks or financial institutions.]

## 2.6 <sup>334</sup><sup>23</sup>Benchmark

The performance of the scheme will be compared against the benchmark of **75% six (6) months KIBOR +25% six (6) months average of the highest rates on savings account of three (3) AA rated scheduled Banks as selected by MUFAP.**

## 2.7 <sup>24</sup>Investment Restrictions and Exposure Limits

<sup>25</sup>[The Fund shall follow the investment restrictions and exposure limits imposed by Regulations 37(7) and 58(1) of Regulations, 2008. In the event of any changes in the investment restrictions in

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<sup>22</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 2.5) read as follows;

*“The Management Company can from time to time alter the weightages, subject to the specified limits as per clause 2.3.1 above, between the various types of investments if it is of the view that market conditions so warrant. The funds not invested in the foregoing avenues shall be placed as deposits with banks or financial institutions.”*

<sup>334</sup> Substituted vide 10<sup>th</sup> Supplemental Offering Document dated January 28, 2025.

<sup>23</sup> Inserted vide 1st Supplemental Offering Document dated November 01, 2010.

<sup>24</sup> Renumbered vide 1st Supplemental Offering Document dated November 01, 2010.

<sup>25</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (existing clause 2.6), now renumbered as Sub-Clause 2.7) read as follows;

*“The Fund shall follow the investment restrictions and exposure limits imposed by Regulations 45(5) and 67(1). In the event of any changes in the investment restrictions in the Regulations, restrictions applicable to ABL-IF shall automatically be applied. The present exposure limits and restrictions are given hereunder:*

i. *The Management Company in relation to the Scheme shall not:*

- *Effect a short sale in a security whether listed or unlisted;*
- *Purchase any security in a forward contract;*
- *Purchase any security on margin;*
- *Apply any part of its assets to real estate, commodities or commodity contracts;*
- *Acquire any security of which another asset management company managing a collective investment scheme is the issuer;*
- *Issue at any time, without the prior approval of the Commission in writing, a senior security which is either stock or represents indebtedness;*
- *Apply for de-listing from stock exchange, unless it has obtained prior approval of the commission in writing to the scheme of de-listing;*
- *Invest in any security of a company if any director or officer of the investment advisor owns more than five percent of the total amount of securities issued, or the directors and officers of the investment advisor own more than ten percent of those securities collectively;*
- *Lend, assume, guarantee, endorse or otherwise become directly or contingently liable for or in connection with any obligation or indebtedness of any person;*
- *Borrow, except with the approval of the trustee, for meeting redemption requests and such borrowing shall not exceed fifteen percent of the total net asset value of an open end scheme at the time of borrowing and shall be repayable within a period of ninety days.*

Regulations, 2008 or by any circulars or directives issued by the Commission from time to time, such restrictions applicable to ABL-IF shall automatically be applied. The present exposure limits and restrictions are given hereunder:

- i. The Management Company in relation to the Scheme shall not:
  - Effect a short sale in a security whether listed or unlisted;
  - Purchase any security in a forward contract;
  - Purchase any security on margin;
  - Apply any part of its assets to real estate, commodities or commodity contracts;
  - Acquire any security of which another asset management company managing a collective investment scheme is the issuer;
  - Issue at any time, without the prior approval of the Commission in writing, a senior security which is either stock or represents indebtedness;
  - Apply for de-listing from stock exchange, unless it has obtained prior approval of the commission in writing to the scheme of de-listing;
  - Invest in any security of a company if any director or officer of the investment advisor owns more than five percent of the total amount of securities issued, or the directors and officers of the investment advisor own more than ten percent of those securities collectively;
  - Lend, assume, guarantee, endorse or otherwise become directly or contingently liable for or in connection with any obligation or indebtedness of any person;
  - Borrow, except with the approval of the trustee, for meeting redemption requests and such borrowing shall not exceed fifteen percent of the total net asset value of an open end scheme at the time of borrowing and shall be repayable within a period of ninety days.
  - Pledge any of its securities held or beneficially owned by the collective investment scheme except as allowed under Regulations, 2008;

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- *Pledge any of its securities held or beneficially owned by the collective investment scheme except as allowed under these regulations;*
  - *Make a loan or advance money to any person from the assets of the collective investment scheme*
  - *Invest in anything other than Authorized Investments as defined herein;*
  - *Participate in a joint account with others in any transaction on behalf of the Collective Investment Scheme;*
  - *Make any investment of the collective investment scheme with the purpose of having the effect of vesting the management, or control over the affairs, of investee company by the NBFC or its group*
  - *Enter into transaction with any Broker, which exceed ten per cent of the commission paid by Scheme in any one accounting year; subject; however that such Broker shall not have a common director, officer or employee with the Management Company.*
- ii. *As per Regulation 64(8), the Scheme shall not invest more than twenty five (25) percent of its Net Asset value of the Scheme in securities of any one sector as per classification of the stock exchange(s).*
  - iii. *As per Regulation 64(5), the exposure of the Scheme to any person shall not, at any time, exceed an amount equal to ten per cent of total net assets of the Scheme or ten per cent of issued capital of that person, whichever is lower.*
  - iv. *The Management Company shall not take exposure of more than, - (a) thirty five per cent (35%) of Net Assets of the Scheme in any single group; and (b) ten per cent (10%) of Net Assets of Scheme at the time of taking exposure in listed group companies of the NBFC holding license of asset management services and such exposure shall only be made through the secondary market.*
  - v. *In the event, where exposure of the Scheme exceeds the limits laid down in clauses 2.6 above of this Offering Document due to corporate actions including taking up rights or bonus issue, and due to market price increase or decrease in net assets due to redemptions, the excess exposure shall be regularized within three months of the breach of limits.”*

- Make loan or advance money to any person from the assets of the Scheme
  - Invest in anything other than Authorized Investments as defined herein;
  - Participate in a joint account with others in any transaction on behalf of the Scheme, except for common collection account of the collective investment schemes managed by the Management Company;
  - Make any investment of the Scheme with the purpose of having the effect of vesting the management, or control over the affairs, of investee company by the NBFC or its group;
  - Invest more than twenty five (25) percent of the total Net Assets Value of the Scheme in securities of any one sector as per classification of the Stock Exchange(s) and the exposure of the Scheme to any single entity shall not exceed an amount equal to ten percent of the total Net Assets of the Scheme provided exposure to any debt issue of a company shall not exceed 10% of that issue. Provided however, in case the limitations and thresholds are altered by the Commission, then such alterations shall be deemed to have been incorporated in this Clause without the need to amend this First Supplemental Offering Document.
  - Enter into transactions with any Broker on behalf of the Scheme which exceeds thirty percent of the commission paid by the Scheme in any one accounting year; subject however, that such Broker shall not have a common director, officer or employee with the Management Company. Provided the limit of thirty percent of the commission shall not apply to money market instruments and debt instruments;
  - Open or close or arrange to open or close any saving/current accounts with banks, operated through cheques (checking accounts) Broker or depository for the Scheme without the approval of its Board of Directors; provided where the Management Company has obtained approval of its Board of Directors for opening/arranging Bank Accounts with any particular Bank as mentioned above, it may open Bank Accounts with any branch of such Bank and shall obtain approval of its Board of Directors in the subsequent meetings, however placement of funds with Banks/NBFCs/DFIs by way of Term Deposit Receipts (TDRS), Certificates of Investment (COI) and Certificate of Deposit (COD) shall not require approval of the Board of Directors.
  - Acquire the management of another scheme, unless it has obtained the prior written approval of the Commission;
  - Accept deposits from the Scheme;
  - Make any investment from the Scheme, which will vest with the Management Company or its group the management or control of the affairs of the investee company;
  - Undertake brokerage services on stock exchanges or in the money market;
  - Maintain its own equity portfolio except for investments made by the Management Company into the schemes or pension funds managed by it or its subsidiary NBFCs as allowed under the Rules.
- ii. In the event, where exposure of the Scheme exceeds the limits laid down in clauses 2.7 above of this Offering Document due to corporate actions including taking up rights or bonus issue, and due to market price increase or decrease in net assets due to redemptions, the excess exposure shall be regularized within three months of the breach of limits.
- iii. The purchase or sale of any Investment in listed securities for the account of the Trust shall be made on the Stock Exchange, through a Broker(s) who must be a member of the Stock Exchange, unless the Management Company is satisfied that it is possible and permissible under the rules and regulations to make such purchase or sale more advantageously in some other manner. The Broker(s) will be appointed from time to time by the Management Company under intimation to Trustee. The Management Company shall specify criteria for providing a diverse panel of Brokers at the time of the offering of the Scheme and avoid undue concentration with a single Broker following the limitations specified in Regulations, 2008 from time to time]

## 2.7.1 <sup>26</sup>Transactions with Connected Persons

- i. The Trust Property shall not be invested in any security of a company if any director or officer of the Management Company individually owns more than five percent of the total nominal amount of the securities issued or collectively own more than ten percent of those securities, except as may otherwise be permissible under Regulations, 2008.
- ii. The Management Company on behalf of the Scheme shall not without the approval of its Board of Directors in writing and with the consent of trustee purchase from or sell any securities to any Connected Person or employee of the Management Company. Provided that, the above shall not apply to the issue, sale or redemption of units or shares or certificates issued by the Scheme.
- iii. Cash forming part of the Trust Property of the Scheme may be placed as deposits by the Trustee with an institution licensed to accept deposits. In case cash forming part of the Scheme's assets is deposited with an institution, which is a banking company or an NBFC, return shall be paid on the deposit at a rate that is not lower than the rate offered by the said banking company or NBFC to its other depositors on deposits of similar amount and maturity.
- iv. All transaction carried out by or on behalf of the Scheme with Connected Person(s) shall be made as provided in the Constitutive Documents, and shall be disclosed in the Scheme's annual reports.]

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<sup>26</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (existing clause 2.6.1, now renumbered as Sub-Clause 2.7.1) read as follows;

### **“Restriction of Transactions with Connected Persons**

- i. *The Trust Property shall not be invested in any security of a company if any director or officer of the Management Company owns more than five (5) percent of the total nominal amount of the securities issued or collectively the directors and officers of the Management Company own more than ten (10) percent of those securities.*
- ii. *The Management Company on account of the Fund shall not, without the prior approval of the Commission in writing, purchase from, or sell any security to the Management Company or the Trustee or to any director, officer or employee of the Management Company or Trustee or to any person who beneficially owns ten (10) percent or more of the equity of the Management Company or the Trustee, save in the case of such party acting as an intermediary.*
- iii. *For the purpose of sub-paragraphs (i) and (ii) above the term director, officer and employee shall include spouse, lineal ascendants and descendants, brothers and sisters.*
- iv. *Direct transactions (other than those carried out on the trading system of the Stock Exchange) between the Scheme and other collective investment schemes of the Management Company, shall be disclosed in quarterly and annual accounts of the Scheme.*
- v. *All transactions carried out by or on behalf of the Scheme with Connected Person(s) shall be made as provided in the Constitutive Documents, and shall be disclosed in the Scheme's annual reports.*
- vi. *In case cash forming part of the Scheme's assets is deposited with the Trustee or the Custodian, which is a banking company or an NBFC, the return shall be paid on the deposit by the Trustee or Custodian at a rate that is not lower than the rate offered by the said banking company or NBFC to its other depositors on deposits of similar amount and maturity.*
- vii. *Money can be borrowed from the Trustee or any other institution provided that the charges are not higher than normal bank charges;*
- viii. *Any transaction between the Scheme and the Management Company or any of their Connected Persons as principal may only be made with the prior written consent of the Trustee.*
- ix. *The Fund shall not buy or sell such options in excess of ten (10) percent of the Net Asset Value that result in an Exposure beyond the number of underlying securities held in the portfolio of the Scheme;”*



## 2.7.2 **Restrictions on Investments in any offshore countries:**

<sup>27</sup>[Investments outside Pakistan will enable the Fund to diversify risk as well as avail opportunities for higher returns in international markets, subject to the Commission and other regulatory approvals and in accordance with such limits, terms, guidelines and directions as may be issued by the Commission and the State Bank of Pakistan (SBP) from time to time.]

The investments made in offshore countries and Bank Accounts and custodial services accounts that may be opened by the Trustee for the Scheme in offshore countries on the instructions of the Management Company may become subject to the laws of such countries. In case the Management Company intends to seek relaxation of any condition under the Rules and/or Regulations, 2008 applicable to the Scheme, then it shall obtain prior specific written approval from the Commission for such relaxation.]

## 2.7.3 **<sup>28</sup>Borrowing Restrictions**

<sup>27</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (existing clause 2.6.2), now renumbered as Sub-Clause 2.7.2) read as follows;

*“Investments outside Pakistan will enable the Fund to diversify risk as well as avail opportunities for higher returns in international markets, subject to the Commission and other regulatory approvals and in accordance with such terms, guidelines and directions as may be issued by the Commission and the State Bank of Pakistan (SBP) from time to time. Foreign investment by the Fund is currently subject to the following limits:*

- *30% of the Net Assets of the Fund.*
- *The above percentage is subject to a cap of US\$ 15 million or such cap as maybe defined in the Rules and Regulations from time to time.*

*Not more than 50% of the allowable limit of international investment will be placed in any one country. Provided that where an investment is made in a mutual fund which makes investments in the different regions or countries of the world, the allowable limit of 50% would be applicable in relation to the country in which investment is made by such Fund and not in relation to the country of registration or incorporation of such fund or of its management company/ investment adviser or of its trustee.”*

<sup>28</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (existing clause 2.6.3), now renumbered as Sub-Clause 2.7.3) read as follows;

- “i. Subject to any statutory requirements for the time being in force and to the terms and conditions herein contained the Management Company may arrange finance, with the approval of the Trustee, with Banks or other Financial Institutions for the account of the Scheme.*
- ii. The charges payable to any bank or financial institution against financing on account of the Scheme as permissible under Clause 2.6.3i above shall not be higher than the normal prevailing bank charges or normal market rates.*
- iii. The Management Company in relation to the Scheme shall not borrow, except with the approval of Trustee for meeting redemption request and such borrowing shall not exceed fifteen per cent (15%) of the total Net Asset of the Scheme at the time of borrowing and shall be repayable within a period of ninety (90) days or such other limit as may be provided in the Regulations.*
- iv. The financing documents shall be executed by the Trustee and securities shall also be given by the Trustee on behalf of the Fund on the assets of the Scheme. If subsequent to such borrowing, the Net Assets are reduced as a result of depreciation in the market value of the Trust Property or redemption of Units, the Management Company shall not be under any obligation to reduce such borrowing.*

- i. [Subject to any statutory requirements for the time being in force and to the terms and conditions herein contained the Management Company may arrange finance, with the approval of the Trustee, with Banks or other Financial Institutions for the account of the Scheme.
- ii. The charges payable to any bank or financial institution against financing on account of the Scheme as permissible under Clause 2.7.3(i) above shall not be higher than the normal prevailing bank charges or normal market rates.
- iii. The Management Company in relation to the Scheme shall not borrow, except with the approval of Trustee for meeting redemption request and such borrowing shall not exceed fifteen per cent (15%) of the total Net Asset of the Scheme at the time of borrowing and shall be repayable within a period of ninety (90) days or such other limit as may be provided in Regulations, 2008.
- iv. The financing documents shall be executed by the Trustee and securities shall also be given by the Trustee on behalf of the Fund on the assets of the Scheme. If subsequent to such borrowing, the Net Assets are reduced as a result of depreciation in the market value of the Trust Property or redemption of Units, the Management Company shall not be under any obligation to reduce such borrowing.
- v. Neither the Trustee, nor the Management Company shall be required to issue any guarantee or provide security over their own assets for securing such financings from banks and financial institutions. The Trustee or the Management Company shall not in any manner be liable in their personal capacities for repayment of such borrowings.
- vi. For the purposes of securing any such borrowing the Trustee may on the instruction of the Management Company mortgage, charge or pledge in any manner all or any part of the Trust Property provided that the aggregate amount secured by such mortgage, charge or pledge shall not exceed the limits provided under the Rules and Regulations and/or any law for the time being in force.
- vii. Neither the Trustee nor the Management Company shall incur any liability by reason of any loss to the Trust or any loss that a Unit Holder(s) may suffer by reason of any depletion in the Net Asset Value that may result from any financing arrangement made hereunder in good faith.]

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- v. *Neither the Trustee, nor the Management Company shall be required to issue any guarantee or provide security over their own assets for securing such financings from banks and financial institutions. The Trustee or the Management Company shall not in any manner be liable in their personal capacities for repayment of such borrowings.*
  - vi. *For the purposes of securing any such borrowing the Trustee may on the instruction of the Management Company mortgage, charge or pledge in any manner all or any part of the Trust Property provided that the aggregate amount secured by such mortgage, charge or pledge shall not exceed the limits provided under the Rules and Regulations and/or any law for the time being in force.*
  - vii. *Neither the Trustee nor the Management Company shall incur any liability by reason of any loss to the Trust or any loss that a Unit Holder(s) may suffer by reason of any depletion in the Net Asset Value that may result from any financing arrangement made hereunder in good faith."*

## 2.8 Risk Disclosure

<sup>29</sup>[Investors are advised that all investments in mutual funds and securities are subject to market risks. Thus a targeted return / dividend range cannot be guaranteed and therefore it should be understood

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<sup>29</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (existing clause 2.7), now renumbered as Sub-Clause 2.8) read as follows;

*Investors are advised that all investments in mutual funds and securities are subject to market risks. Thus a targeted return / dividend range cannot be guaranteed and therefore it should be understood that the portfolio of ABL-IF is susceptible to market fluctuations and other risks inherent in all such investments. The risk emanates from various factors that include, but are not limited to:*

- i. **Credit Risk** - Credit risk is comprised of default risk, credit spread risk and downgrade risk. Each can have a negative impact on the value of a fixed-income security including money market instruments.
  - a) Default risk is the risk that the issuer of the security will not be able to pay the obligation, either on time or at all.
  - b) Credit spread risk is the risk that there will be an increase in the difference between the return/mark-up rate of an issuer's bond and the return/mark-up rate of a bond that is considered to have little associated risk (such as a government guaranteed bond or treasury bill). The difference between this return/mark-up rates is called a "credit spread". Credit spreads are based on macroeconomic events in the domestic or global financial markets. An increase in credit spread will decrease the value of fixed income securities including money market instruments.
  - c) Downgrade risk is the risk that a credit rating agency such as JCR-VIS, PACRA or any other reputed Credit Rating Agency, will reduce the credit rating of an issuer and/or instrument. Downgrades in credit rating will decrease the value of the Issuer's securities including any money market or other fixed income instruments.
- ii. **Derivative Risk** - Derivatives may be used to limit or hedge potential losses associated with investments. This process is called "hedging". The hedging strategy may not be effective and there is no guarantee that a market will exist when a Fund wants to buy or sell the derivative contract. There is also no guarantee that an acceptable counterpart will be willing to enter into the derivative contract. The counter-party to the derivative contract may not be able to meet its obligations or the Exchanges on which the derivative contracts are traded may set daily trading limits, preventing a Fund from closing out a particular contract. If an Exchange halts trading in any particular derivative contract, a Fund may not be able to close out its position in that contract. The price of a derivative may not accurately reflect the value of the underlying security or index.
- iii. **Currency Risk** - The Fund may be affected favorably or unfavorably by changes in currencies and exchange control regulations. The income earned by the Fund may also be affected by the fluctuations in foreign exchange rates.
- iv. **Return / Markup Rate Risk** - Fixed income securities including money market instruments generally pay a fixed rate of return/mark-up. The value of the fund, due to its holdings in these securities including money market instruments, will rise and fall as interest rates change. For example, when interest rates fall, the value of an existing bond will rise because the coupon rate on that bond is greater than prevailing return/mark-up rates and vice versa.
- v. **Government Regulation Risk** - Government policies or regulations are more prevalent in some sectors than in others. Funds that invest in these sectors may be affected due to change in these regulations or policies, which directly or indirectly affect the earnings and/or the cash flows and/or any governmental or court orders restraining payment of capital, principal or income.
- vi. **Voluminous Purchase/Redemption of Fund Units Risk** - Any significant transaction made by any investor could significantly impact a Fund's cash flow. If the third party buys large amounts of Units of a Fund, the Fund could temporarily have a high cash balance. Conversely, if the third party redeems large amounts of Units of a Fund, the Fund may be required to fund the redemption by selling securities at an inopportune time. This unexpected sale may have a negative impact on the performance of the investment.

that the portfolio of ABL-IF is susceptible to market fluctuations and other risks inherent in all such investments. The risk emanates from various factors that include, but are not limited to:

- i. **Credit Risk** - Credit risk is comprised of default risk, credit spread risk and downgrade risk. Each can have a negative impact on the value of a fixed-income security including money market instruments.
    - a) **Default risk** is the risk that the issuer of the security will not be able to pay the obligation, either on time or at all.
    - b) **Credit spread risk** is the risk that there will be an increase in the difference between the return/mark-up rate of an issuer's bond and the return/mark-up rate of a bond that is considered to have little associated risk (such as a government guaranteed bond or treasury bill). The difference between this return/mark-up rates is called a "credit spread". Credit spreads are based on macroeconomic events in the domestic or global financial markets. An increase in credit spread will decrease the value of fixed income securities including money market instruments.
    - c) **Downgrade risk** is the risk that a credit rating agency such as JCR-VIS, PACRA or any other reputed Credit Rating Agency, will reduce the credit rating of an issuer and/or instrument. Downgrades in credit rating will decrease the value of the Issuer's securities including any money market or other fixed income instruments.
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- vii. **Issuer Risk** - Companies issue debt securities to help finance their operations. A company's performance outlook, market activity and the larger economic picture influences the price of that security in the secondary market. However, the ability for the issuer to fulfill obligations on the debt security shall depend on the issuer's financial performance.
  - viii. **Counterparty Risk** - The risks with Repo / Reverse Repo / Money Market placement transactions are that the other party may not be able to fulfill its obligations. In a reverse repurchase transaction, the Fund may be left holding the security and may not be able to sell it at the same price it paid for it, plus return/mark-up, if the market value of the security has dropped.
  - ix. **Liquidity Risk** - Some securities have limited market floats and hence are not actively traded in the secondary market or they may generally have a relatively small issue size. Investments in securities issued by such companies may be difficult to trade, which may cause the value of the Fund to rise or fall substantially as any buying or selling of such companies' securities may impact its prices.
  - x. **Market Risk** - This risk involves volatility in the secondary market prices of securities resulting from their dependence on market sentiment, speculative activity, supply and demand for the securities and liquidity in the market. The volatility in securities prices results in volatility in the NAV based price of the Unit of the Fund.
  - xi. **Other Risks Involved** – Mismanagement of the investee company, third party liability whether through class action or otherwise or occurrence of other events such as strikes, fraud etc., in the company in which the investment is made or a breakdown of law and order, war, terrorist activity, natural disasters, etc, senior rights of creditors over the shareholders in the case of winding up, break-down of communication systems of the issuers, stock exchanges or general disruptions of satellite system.

*Prices of Units of the Fund and income from them may go up or down.*

*Under exceptional (extraordinary) circumstances, the Management Company may declare suspension of redemptions, invoke a queue system or announce winding-up in such events the investor will probably have to wait for payment beyond the normal period and the redemption amount so determined may be lower than the price at the time the redemption request is lodged. Investors are advised to read the relevant clauses of the Fund's Trust Deed for more detailed information regarding this clause."*

- ii. **Derivative Risk** - Derivatives may be used to limit or hedge potential losses associated with investments. This process is called “hedging”. The hedging strategy may not be effective and there is no guarantee that a market will exist when a Fund wants to buy or sell the derivative contract. There is also no guarantee that an acceptable counterpart will be willing to enter into the derivative contract. The counter-party to the derivative contract may not be able to meet its obligations or the Exchanges on which the derivative contracts are traded may set daily trading limits, preventing a Fund from closing out a particular contract. If an Exchange halts trading in any particular derivative contract, a Fund may not be able to close out its position in that contract. The price of a derivative may not accurately reflect the value of the underlying security or index.
- iii. **Currency Risk** - The Fund may be affected favorably or unfavorably by changes in currencies and exchange control regulations. The income earned by the Fund may also be affected by the fluctuations in foreign exchange rates.
- iv. **Return / Markup Rate Risk** - Fixed income securities including money market instruments generally pay a fixed rate of return/mark-up. The value of the fund, due to its holdings in these securities including money market instruments, will rise and fall as interest rates change. For example, when interest rates fall, the value of an existing bond will rise because the coupon rate on that bond is greater than prevailing return/mark-up rates and vice versa.
- v. **Government Regulation Risk** - Government policies or regulations are more prevalent in some sectors than in others. Funds that invest in these sectors may be affected due to change in these regulations or policies, which directly or indirectly affect the earnings and/or the cash flows and/or any governmental or court orders restraining payment of capital, principal or income.
- vi. **Voluminous Purchase/Redemption of Fund Units Risk** - Any significant transaction made by any investor could significantly impact a Fund’s cash flow. If the third party buys large amounts of Units of a Fund, the Fund could temporarily have a high cash balance. Conversely, if the third party redeems large amounts of Units of a Fund, the Fund may be required to fund the redemption by selling securities at an inopportune time. This unexpected sale may have a negative impact on the performance of the investment.
- vii. **Issuer Risk** - Companies issue debt securities to help finance their operations. A company's performance outlook, market activity and the larger economic picture influences the price of that security in the secondary market. However, the ability for the issuer to fulfill obligations on the debt security shall depend on the issuer's financial performance.
- viii. **Counterparty Risk** - The risks with Repo / Reverse Repo / Money Market placement transactions are that the other party may not be able to fulfill its obligations. In a reverse repurchase transaction, the Fund may be left holding the security and may not be able to sell it at the same price it paid for it, plus return/mark-up, if the market value of the security has dropped.
- ix. **Liquidity Risk** - Some securities have limited market floats and hence are not actively traded in the secondary market or they may generally have a relatively small issue size. Investments in securities issued by such companies may be difficult to trade, which may cause the value of the Fund to rise or fall substantially as any buying or selling of such companies’ securities may impact its prices.
- x. **Market Risk** - This risk involves volatility in the secondary market prices of securities resulting from their dependence on market sentiment, speculative activity, supply and

demand for the securities and liquidity in the market. The volatility in securities prices results in volatility in the NAV based price of the Unit of the Fund.

- xi. **Other Risks Involved** – Mismanagement of the investee company, third party liability whether through class action or otherwise or occurrence of other events such as strikes, fraud etc., in the company in which the investment is made or a breakdown of law and order, war, terrorist activity, natural disasters, etc, senior rights of creditors over the shareholders in the case of winding up, break-down of communication systems of the issuers, stock exchanges or general disruptions of satellite system.

Prices of Units of the Fund and income from them may go up or down.

Under exceptional (extraordinary) circumstances, the Management Company may declare suspension of redemptions, invoke a queue system or announce winding-up in such events the investor will probably have to wait for payment beyond the normal period and the redemption amount so determined may be lower than the price at the time the redemption request is lodged. Investors are advised to read the relevant clauses of the Fund’s Trust Deed for more detailed information regarding this clause.]

## 2.9 **Disclaimer**

**The Units of the Trust are not bank deposits and are neither issued by, insured by, obligations of, nor otherwise supported by the Commission, any Government agency, the Trustee (except to the extent specifically stated in this Offering Document and the Trust Deed) or any of the shareholders of the Management Company or any of the Core Investors or any other bank or financial institution.**

## 3. **OPERATORS AND PRINCIPALS**

### 3.1 **Management Company**

#### **Organization**

<sup>30</sup>[ABL Asset Management Company Limited (ABL AMC) is a Non-Banking Finance Company licensed to undertake Asset Management Services as per the NBFC Rules and Regulations. ABL

<sup>30</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 3.1) read as follows;

*“ABL Asset Management Company Limited (ABL AMC) is a Non-Banking Finance Company licensed to undertake Asset Management Services as per the NBFC Rules and Regulations. ABL AMC is a wholly owned subsidiary of Allied Bank Limited, one of the leading commercial banks of Pakistan.*

*The paid-up capital of ABL AMC is Rs. 500 million held by the following:*

<i>Name</i>	<i>Number of Shares</i>	<i>Amount (Rupees)</i>
<i>Allied Bank Limited</i>	<i>49,999,993</i>	<i>499,999,930</i>
<i>Sheikh Mukhtar Ahmed</i>	<i>1</i>	<i>10</i>
<i>Mr. Mohammad Aftab Manzoor</i>	<i>1</i>	<i>10</i>
<i>Mr. Muhammad Yaseen</i>	<i>1</i>	<i>10</i>
<i>Mr. M. Jawaid Iqbal, CFA</i>	<i>1</i>	<i>10</i>
<i>Mr. M. Shakeb Murad</i>	<i>1</i>	<i>10</i>
<i>Mr. Samad Dawood</i>	<i>1</i>	<i>10</i>
<i>Mr. Anis ur Rahman, CFA</i>	<i>1</i>	<i>10</i>
<b>Total</b>	<b>50,000,000</b>	<b>500,000,000</b>

*ABL Income Fund (ABL-IF) is the first Fund being launched from ABL AMC’s platform. ABL AMC further intends to launch open-ended funds in the future as well as manage discretionary funds. It has already acquired the requisite resources, facilities and systems. ABL AMC comprises of a dedicated team of professionals having relevant experience.”*

AMC is a wholly owned subsidiary of Allied Bank Limited, one of the leading commercial banks of Pakistan.

The paid-up capital of ABL AMC is Rs. 500 million held by the following:

Name	Number of Shares	Amount (Rupees)
Allied Bank Limited	49,999,994	499,999,940
Sheikh Mukhtar Ahmed	1	10
Mr. Mohammad Aftab Manzoor	1	10
Mr. Muhammad Yaseen	1	10
Mr. M. Jawaid Iqbal, CFA	1	10
Mr. M. Shakeb Murad	1	10
Mr. Kamran Nishat	1	10
<b>Total</b>	<b>50,000,000</b>	<b>500,000,000</b>

ABL Income Fund (ABL-IF) is the first Fund being launched from ABL AMC's platform. ABL AMC further intends to launch open-ended funds in the future as well as manage discretionary funds. It has already acquired the requisite resources, facilities and systems. ABL AMC comprises of a dedicated team of professionals having relevant experience.]

### 3.2 Holding Company

<sup>31</sup> [Allied Bank is part of the Ibrahim Group, one of the largest industrial conglomerates in Pakistan with business in textile, trading, polyester fibers, energy and financial services sectors. ABL was incorporated in Lahore before independence in 1942 as Australasia Bank and was renamed as Allied Bank of Pakistan Limited in 1974 and Allied Bank Limited in 2005.

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<sup>31</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 3.2) read as follows;

*“Allied Bank is part of the Ibrahim Group, one of the largest industrial conglomerates in Pakistan with business in textile, trading, polyester fibres, energy and financial services sectors. ABL was incorporated in Lahore before independence in 1942 as Australasia Bank and was renamed as Allied Bank of Pakistan Limited in 1974 and Allied Bank Limited in 2005.*

*Following the takeover of its management control by the Group in 2004 through the privatization process of GoP and subsequent merger of Ibrahim Leasing into Allied Bank in 2005, the board formulated comprehensive strategic priorities to address the needs to run a world class financial institution.*

*Today the Bank stands on a solid foundation of over 65 years of its existence having a strong equity, assets and deposits base offering universal banking services with higher focus on retail banking. Allied Bank's equity amounted to Rs. 18.4 billion, deposits in excess of Rs. 263 billion and total assets equaling Rs. 320 billion as at December 31st, 2007. Allied Bank is one of the largest banks in Pakistan, offering various technology based products and services including real-time online banking to its diversified clientele through its network of more than 750 branches in over 300 cities and towns. The bank leads the way by having the largest network of 450 ATMs in more than 145 cities and towns across Pakistan. ABL's turnaround in such a short span has been achieved on account of the*

*Board's and the management's commitment to professionalism, adaption to changes, environmental challenges and urge for growth.*

*Based on its consolidated financial performance and significant improvement in areas of risk management and corporate governance, the Pakistan Credit Rating Agency (PACRA) assigned the long term rating of Allied Bank to AA (double A) and short-term rating to A1+ (A one plus). JCR-VIS has also assigned a long term rating of ABL to AA- (double A minus) and short term rating to A1+ (A one plus) and a Corporate Governance Rating of 8 denoting high level of corporate governance.”*

Following the takeover of its management control by the Group in 2004 through the privatization process of GoP and subsequent merger of Ibrahim Leasing into Allied Bank in 2005, the board formulated comprehensive strategic priorities to address the needs to run a world class financial institution.

Today the Bank stands on a solid foundation of over 65 years of its existence having a strong equity, assets and deposits base offering universal banking services with higher focus on retail banking. Allied Bank's equity amounted to Rs. 30 billion, deposits in excess of Rs. 328 billion and total assets equaling Rs. 418 billion as at December 31st, 2009. Allied Bank is one of the largest banks in Pakistan, offering various technology based products and services including real-time online banking to its diversified clientele through its network of 779 branches and more than 500 ATMs across Pakistan. ABL's turnaround in such a short span has been achieved on account of the Board's and the management's commitment to professionalism, adaption to changes, environmental challenges and urge for growth .

Based on its consolidated financial performance and significant improvement in areas of risk management and corporate governance, the Pakistan Credit Rating Agency (PACRA) assigned the long term rating of Allied Bank to AA (double A) and short-term rating to A1+ (A one plus).]



### 3.3 <sup>32</sup>Board of Directors of the Management Company

Name	CNIC #	Occupation	Address	Position	Other Directorships
Sheikh Mukhtar Ahmed	33100-0613331-9	Industrialist	3, Race course road, Civil line Faisalabad.	Chairman	1) Ibrahim Fibers Limited. 2) Ibrahim Agencies (Pvt.) Ltd. 3) Allied Bank Limited.
Mr. Mohammad Aftab Manzoor	42301-2798594-5	CEO & President ABL	House # 74/II Street 16, off Khayaban-e-Sehar Phase VI DHA, Karachi	Director	1) Habib Allied International Bank. 2) First Women Bank Limited. 3) Competitiveness Support Fund. 4) National Management Foundation (LUMS).

<sup>32</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted table in Sub-Clause 3.3 read as follows;

<i>Name</i>	<i>Position</i>	<i>Other Directorships</i>
<i>Sheikh Mukhtar Ahmed Industrialist Address: 3, Race Course Road, Civil line Faisalabad.</i>	<i>Chairman</i>	<ul style="list-style-type: none"> <li>▪ <i>Ibrahim Fibres Limited.</i></li> <li>▪ <i>Ibrahim Agencies (Pvt.) Ltd</i></li> <li>▪ <i>Allied Bank Limited.</i></li> </ul>
<i>Mr. Mohammad Aftab Manzoor Banker Address: House # 74/II Street 16, off Khayaban-e-Sehar Phase VI DHA, Karachi</i>	<i>Director</i>	<ul style="list-style-type: none"> <li>▪ <i>Habib Allied International Bank.</i></li> <li>▪ <i>First Women Bank Limited.</i></li> <li>▪ <i>Allied Bank Limited</i></li> <li>▪ <i>Pakistan Banks' Association</i></li> </ul>
<i>Mr. Muhammad Yaseen Treasurer Address : A-306 Nara Heights, Business Recorder Road, Karachi.</i>	<i>Director</i>	<i>None</i>
<i>Mr. M. Jawaid Iqbal, CFA Banker Address: Navel Housing Scheme, House # D/377, Zamzama Link Road, Clifton, Karachi.</i>	<i>Director</i>	<ul style="list-style-type: none"> <li>▪ <i>CFA Association of Pakistan.</i></li> </ul>
<i>Mr. M. Shakeb Murad Treasurer Address: House # 110-1, Khayaban-e-Badar Off Commercial Avenue, Phase VI, DHA, Karachi.</i>	<i>Director</i>	<i>None</i>
<i>Mr. Samad Dawood Entrepreneur Address : House # F/6, Dawood Colony, National Stadium Road, Karachi</i>	<i>Director</i>	<ul style="list-style-type: none"> <li>▪ <i>Central Insurance Co. Limited</i></li> <li>▪ <i>Dawood Hercules Chemicals Limited.</i></li> <li>▪ <i>Sui Northern Gas Pipeline Limited (SNGPL)</i></li> </ul>
<i>Mr. Anis ur Rahman, CFA Fund Manager Address: House # 16B, 7<sup>th</sup> Central Street, Phase-II DHA, Karachi.</i>	<i>Chief Executive Officer</i>	<i>None</i>

Mr. Muhammad Yaseen	42201-0494282-9	SEVP and Treasurer ABL	C-47, Dawood Cooperative Housing Society KDA Scheme No.7, Off. Stadium Road, Karachi.	Director	
Mr. M. Jawaid Iqbal	42301-2617835-5	SEVP & Group Head CIBG ABL	Navel Housing Scheme, House # D/377, Zamzama Link Road, Clifton, Karachi.	Director	1) CFA Association of Pakistan. 2) The Hub Power Company Limited.
Mr. M. Shakeb Murad	42201-4550064-1	Head of Treasury Orix Leasing Pakistan Ltd	House # 110-1, Khayaban-e-Badar Off Commercial Avenue, Phase VI, DHA, Karachi.	Independent Nominee Director	
Mr. Kamran Nishat	42301-3817237-5	Managing Director & CEO. Muller & Phipps (Pakistan) Pvt. Ltd.	B-8, Clifton Courts, Ch. Khaliq uz Zaman Road, Clifton Karachi.	Independent Nominee Director	1) Member Information Technology Committee (South) of the Institute of Chartered Accountants of Pakistan. 2) Karachi Chapter, Information Systems Audit and Control Association
Mr. Farid Ahmed Khan	42201-8134436-5	CEO-ABL AMCL	153 Khayaban-e-Hilal, Phase-6, DHA, Karachi.	CEO/ Director	

### 3.3.1 Profile of Directors

<sup>33</sup>[**Sheikh Mukhtar Ahmed** has a diversified experience of over 43 years in the trade and finance industry and is a well renowned industrialist of the Country. He has served on the Board of various financial and manufacturing companies. Besides being the CEO and Chairman of M/s Ibrahim Agencies (Pvt.) Limited he is the Chairman on the Board of M/s Ibrahim Fibres Limited and a Director on the Board of Allied Bank Limited.

**Mohammad Aftab Manzoor** is the Chief Executive Officer and President of Allied Bank Limited. He is a Master of Business Administration (MBA) in Finance from Quaid-e-Azam University, Islamabad, 1977 and has attended many training courses conducted by world renowned institutions. He has over 26 years of banking experience in Citibank N.A and MCB Bank Ltd., including over 7 years as CEO / President of MCB Bank Ltd.

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<sup>33</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted table in Sub-Clause 3.3.1 read as follows;

*“**Sheikh Mukhtar Ahmed** has a diversified experience of over 43 years in the trade and finance industry and is a well renowned industrialist of the Country. He has served on the Board of various financial and manufacturing companies. Besides being the CEO and Chairman of M/s Ibrahim Agencies (Pvt.) Limited he is the Chairman on the Board of M/s Ibrahim Fibres Limited and a Director on the Board of Allied Bank Limited.*

***Mohammad Aftab Manzoor** is the Chief Executive Officer and President of Allied Bank Limited. He is a Master of Business Administration (MBA) in Finance from Quaid-e-Azam University, Islamabad, 1977 and has attended many training courses conducted by world renowned institutions. He has over 26 years of banking experience in Citibank N.A and MCB Bank Ltd., including over 7 years as CEO / President of MCB Bank Ltd.*

***Muhammad Yaseen** is the Treasurer of Allied Bank Limited. He is a Bachelor of Commerce (B.com) from the University of Sindh Hyderabad, 1971. He has attended various training courses during his entire service; Foreign Exchange & Money Market Training at Citibank London in 1983, Asset & liability Management conducted by ABN AMRO academy in Amsterdam, Pricing of Treasury Products conducted by ABN AMRO academy in Amsterdam and Dealing in Derivatives, directed by ABN AMRO academy in Singapore.*

***Muhammad Jawaaid Iqbal**, CFA is the Head of Corporate and Investment Banking Group at Allied Bank Limited and is the Chairman of the CFA Association of Pakistan. He holds a Master of Business Administration (MBA) degree, Associateship Diplomas of The Chartered Institute of Bankers, UK, and CFA Charter from CFA Institute, USA. Before Joining ABL, he served for National Bank of Pakistan and Emirates Bank International at senior positions.*

***M. Shakeb Murad** is the General Manager & Treasurer of ORIX Leasing Pakistan Limited, he is Master of Business Administration (MBA) form University of Santa Tomas (UST), Philippines in 1990. He has completed various professional courses some of which were conducted by the Investment Banking Academy from The Asian Bankers, Managerial Grid from Institute of Bankers of Pakistan and Specialized Treasury Products from ORIX Corporation, Japan.*

***Samad Dawood** is the Director of The Dawood Group. He is a Bachelor of Science in Economics from University College London, 2003. He holds directorship of Dawood Hercules Chemicals Limited, Sui Nothern Gas Pipeline Limited and Central Insurance Co. Limited. He is also a certified director of Corporate Governance from Pakistan Institute of Corporate Governance.*

***Anis ur Rahman**, CFA, is the Chief Executive Officer of ABL Asset Management Company Limited. He has over 18 years of experience in Management, Research, Asset Management and Corporate Finance from renowned financial institutions including SG Securities (Singapore), Merrill Lynch (Hong Kong), Smith New Court (Hong Kong), Rana Investment Company (Saudi Arabia), Elixir Securities and KASB Securities. He has been Head of Research for Pakistan, Sri Lanka and Bangladesh markets as well as Regional Telecoms, Media and Conglomerates analyst for Asia. He is a MBA from the Institute of Business Administration and is also a CFA Charter holder from CFA Institute, USA. Previously he has served as CEO of Elixir Securities and Mashriq Securities.”*

**Muhammad Yaseen** is the Treasurer of Allied Bank Limited. He is a Bachelor of Commerce (B.com) from the University of Sindh Hyderabad, 1971. He has attended various training courses during his entire service; Foreign Exchange & Money Market Training at Citibank London in 1983, Asset & liability Management conducted by ABN AMRO academy in Amsterdam, Pricing of Treasury Products conducted by ABN AMRO academy in Amsterdam and Dealing in Derivatives, directed by ABN AMRO academy in Singapore.

**Muhammad Jawaid Iqbal, CFA** is the Head of Corporate and Investment Banking Group at Allied Bank Limited and is the Chairman of the CFA Association of Pakistan. He holds a Master of Business Administration (MBA) degree, Associateship Diplomas of The Chartered Institute of Bankers, UK, and CFA Charter from CFA Institute, USA. Before Joining ABL, he served for National Bank of Pakistan and Emirates Bank International at senior positions.

**M. Shakeb Murad** is the General Manager & Treasurer of ORIX Leasing Pakistan Limited, he is Master of Business Administration (MBA) from University of Santa Tomas (UST), Philippines in 1990. He has completed various professional courses some of which were conducted by the Investment Banking Academy from The Asian Bankers, Managerial Grid from Institute of Bankers of Pakistan and Specialized Treasury Products from ORIX Corporation, Japan.

**Kamran Nishat** is the Managing Director and CEO of Muller & Phipps (Pakistan) Pvt. Ltd., and has over twenty eight years of diversified experience with leading organizations in Automotives, Textiles, Leather, Distribution and consulting sectors etc. He has represented organizations at the highest level in various industry forums and engagements with various bodies including Governmental Officials and has proven skills of crisis management and turning around difficult situations through a keen sense of strategy, tactics and perseverance. Mr. Kamran is a fellow member of the Institute of Chartered Accountants of Pakistan and also served as the member of the Accounting and Auditing Standards Committee (South) and Information Technology Committee (South) of the Institute of Chartered Accountants of Pakistan. Mr. Kamran is also the director of Karachi Chapter, Information systems Audit and Control Association, USA.

**Farid Ahmed Khan** has been involved with capital markets for over 16 years and has a broad-based, global experience with bulge bracket firms in Asset Management, Investment Banking, Investment Research and Sales, Business Development & International Project Finance. He joined ABL AMC from Credit Suisse, where he was the Country Manager of Credit Suisse Pakistan and a member of Credit Suisse' Asia Pacific Management Committee. Prior to that, he worked for MCB, initially as Head of Investment Banking Group and later as the CEO of MCB Asset Management, where he was instrumental in successfully launching this new business for MCB Bank. Farid has extensive experience outside Pakistan, having worked at Morgan Stanley, ING Barings Securities and CLSA Emerging Markets in Kuala Lumpur, London and Istanbul in a variety of senior positions. He holds an MBA in Finance from IBA, Karachi and got his CFA qualification in 1998.]

### 3.3.2 <sup>34</sup>Profile of Management

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<sup>34</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 3.3.2) read as follows;

**“Mr. Anis ur Rahman, CFA**

**Chief Executive Officer**

*Anis is the Chief Executive Officer of ABL Asset Management Company Limited. He has over 18 years of experience in Management, Research, Asset Management and Corporate Finance from renowned financial institutions including SG Securities (Singapore), Merrill Lynch (Hong Kong), Smith New Court (Hong Kong), Rana Investment Company (Saudi Arabia), Elixir Securities and KASB Securities. He has been Head of Research for Pakistan, Sri Lanka and Bangladesh markets as well as Regional Telecoms, Media and Conglomerates analyst for Asia. He is a MBA from the Institute of Business Administration and is also a CFA Charter holder from CFA Institute, USA. Previously he has served as CEO of Elixir Securities and Mashriq Securities.*

**Mr. Sulaiman Sadruddin Mehdi, ACIS**

**Chief Operating Officer & Company Secretary**

*Sulaiman has over seven years of experience in marketing, management, administration, operations and asset management. Previously he has served as the Chief Operating Officer and Company Secretary of one of the largest Asset Management Company's of Pakistan, namely PICIC Asset Management Company Ltd. Sulaiman holds a MPA degree from University of Karachi. He is also an Associate member of the Institute of Corporate Secretaries of Pakistan (ACISP).*

**Mr. Faisal Nadeem Mangroria, ACA, CMA (UK)**

**Head of Internal Audit & Compliance**

*Faisal is a Chartered Accountant (CA) and an associate member of the Institute of Chartered Accountant Pakistan (ICAP). He has also passed his Chartered Management Accountancy exams from the Chartered Institute of Management Accountants, UK, and has completed his article ship from Ford, Rhodes, Robson, Morrow, a member of Ernst & Young International (EYI). He has professional experience at the executive cadre in Pakistan Industrial Credit and Investment Corporation (PICIC) where he managed the risk of institutional and retail portfolios of the company. He also served at First Credit & Investment Bank Limited (formerly known as First Credit & Discount Corporation Limited) an investment bank owned by National Bank of Pakistan (NBP) where he was involved in the areas of core finance, risk management and internal audit. Before joining ABL AMC he served as the Chief Financial Officer at Khoja's Capital Management (Pvt.) Ltd.*

**Mr. Abdul Rasheed, CFA**

**Head of Research**

*Abdul Rasheed has over five years' experience of 'Sell' side research with some of the leading names in the market, including two years experience as Head of Research at Foundation Securities (Pvt.) Limited. During his career, he has done research on most of the leading sectors primarily, Exploration & Production, Oil & Gas Marketing, Refineries, Cement, Fertilizer, etc. Abdul Rasheed holds a BBA and MBA degree from the Institute of Business Administration, Karachi. He is also CFA Charter holder from CFA Institute, USA.*

**Mr. Saqib Matin, ACA, APA**

**Chief Financial Officer**

*Saqib is a Chartered Accountant (CA) and an Associate Member of the Institute of Chartered Accountants of Pakistan as well as an Associate Member of Pakistan Institute of Public Finance Accountants. He joined ABL Asset Management Company Limited in January 2008 as Chief Financial Officer. He brings with him more than 10 years of diversified experience in the fields of accountancy, taxation, corporate and audit. Previously, he was associated with Atlas Asset Management Limited as Manager Fund Accounting & Financial Reporting. He also served in SME Bank Limited and Sapphire Textile Mills Limited as Manager Accounts. He commenced his professional career from Hameed Chaudhri & Co., Chartered Accountants.*

**Mr. Farid Ahmed Khan, CFA**  
**Chief Executive Officer**

Please refer to as explained above in Profile of Directors.

**Mr. Sulaiman Sadruddin Mehdi, ACIS**  
**Chief Operating Officer & Company Secretary**

Sulaiman has over nine years experience of working with leading Financial Services Groups in senior positions in the area of operations, investments, marketing and legal/corporate affairs. He joined Allied Bank Limited-Corporate and Investment Banking Group as Senior Vice President (SVP) in June 2007 and served till December 31, 2008, and was primarily responsible for the formation of ABL Asset Management Company Limited. Before joining ABL, Sulaiman served as the Chief Operating Officer (COO) and Company Secretary (CS) of PICIC Asset Management Company Ltd. - one of the leading Asset Management Company of Pakistan from July 2004 to June 2007. Sulaiman holds a Master's degree and is also an Associate member of the Institute of Corporate Secretaries of Pakistan (ACISP).

**Syed Khalid Husain**  
**Head of Business Development**

Khalid brings with him 25 years of rich experience of Banking both in Corporate and Retail sectors. His last position was Head of Karachi City Region of Allied Bank, which is the largest region of Pakistan for ABL in terms of business. He was also looking after the Corporate Deposits of Sind and Baluchistan Province's. He has participated in Seminars and Training Programs within Pakistan and abroad. He has represented Allied Bank in the International Banking course organized by State Bank Of Pakistan in which 20 Countries Participated. He has also worked as Chief Manager in the "Top Business Branches" of Karachi and under his supervision these branches won the "Best Branch of Pakistan", "Best Branch of Sind", awards.

**Mr. Faisal Nadeem Mangroria, ACA, CMA (UK)**  
**Head of Internal Audit & Compliance**

Faisal is a Chartered Accountant (CA) and an associate member of the Institute of Chartered Accountant Pakistan (ICAP). He has also passed his Chartered Management Accountancy exams from the Chartered Institute of Management Accountants, UK, and has completed his article ship from Ford, Rhodes, Robson, Morrow, a member of Ernst & Young International (EYI). He has professional experience at the executive cadre in Pakistan Industrial Credit and Investment

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**Syed Hassan Mehdi**  
**Head of Registrar Services & Manager Operations**

*Hassan is a MBA with a Major in Finance. He was associated with Union Leasing Limited (Presently Standard Chartered Leasing Limited). He previously served as Manager Operations with National Fullerton Asset Management Limited (NAFA). Hassan has extensive experience of the financial sector, which spans over fourteen years.*

**Mr. Hammad Ali Abbas**  
**Fund Manager**

*Hammad brings with him knowledge and experience pertaining to the mutual fund industry as well as corporate and treasury markets. His expertise lies in the launch and management of Mutual Funds. He has served with institutions such as NAFA where he held the position of an Assistant Fund Manager, a Senior Executive, Corporate and Investment Banking at ORIX Investment Bank Ltd. and a Corporate Dealer at Pak Oman Investment Company Ltd. dealing primarily in equity, debt and money market instruments. He is a Bachelor (Hons) in Business and IT from Birmingham City University, UK and Master in Business and IT from The University of Manchester, UK."*

Corporation (PICIC) where he managed the risk of institutional and retail portfolios of the company. He also served at First Credit & Investment Bank Limited (formerly known as First Credit & Discount Corporation Limited) an investment bank owned by National Bank of Pakistan (NBP) where he was involved in the areas of core finance, risk management and internal audit. Before joining ABL AMC he served as the Chief Financial Officer at Khoja's Capital Management (Pvt.) Ltd.

**Mr. Saqib Matin, ACA, APA**  
**Chief Financial Officer**

Saqib is a Chartered Accountant (CA) and an Associate Member of the Institute of Chartered Accountants of Pakistan as well as an Associate Member of Pakistan Institute of Public Finance Accountants. He joined ABL Asset Management Company Limited in January 2008 as Chief Financial Officer. He brings with him more than 10 years of diversified experience in the fields of accountancy, taxation, corporate and audit. Previously, he was associated with Atlas Asset Management Limited as Manager Fund Accounting & Financial Reporting. He also served in SME Bank Limited and Sapphire Textile Mills Limited as Manager Accounts. He commenced his professional career from Hameed Chaudhri & Co., Chartered Accountants.

**Syed Hassan Mehdi**  
**Head of Registrar Services & Manager Operations**

Hassan is a MBA with a Major in Finance. He was associated with Union Leasing Limited (Presently Standard Chartered Leasing Limited). He previously served as Manager Operations with National Fullerton Asset Management Limited (NAFA). Hassan has extensive experience of the financial sector, which spans over fourteen years.

**Mr. Hammad Ali Abbas**  
**Fund Manager**

Hammad holds a Masters Degree from The University of Manchester, UK and a Bachelor (Hons) Degree from Birmingham City University, UK in Business & IT. He brings with him more than six years working experience in the areas of Asset Management, Corporate Finance, Investment Banking and Treasury Markets. He has been part of ABL AMC Management for over two years where he launched ABL Income Fund, one of the best performing funds in its respective category. As Fund Manager of ABL Income Fund he applied prudent fund management techniques acquired by his Treasury and Investment Banking experience heavily contributing towards the success of ABL Income Fund. Prior to joining ABL AMC Hammad served with various financial institutions such as NAFA where he launched and managed mutual funds, ORIX Investment Bank Ltd. involved in the structuring and distribution of TFCs, Syndications, and Pak Oman Investment Company Ltd. dealing primarily in PIBs, T-bills, TFCs and Money Market instruments.

**Kamran Aziz,**  
**Head of Research / Fund Manager**

Kamran Aziz graduated from IBA in 2008 and joined ABL AMC as a Research Analyst covering Fertilizer and Banking sector of Pakistan. He recently cleared CFA Level 2 examination and is a registered CFA Level 3 candidate for June 2010. Currently he is working as a Head of Research and Fund Manager for ABL Stock Fund. He strongly believes in 'value investing' and is involved in advocating the same at various forums. Prior to joining the industry he ran his own web-based B2B company, which catered to websites in US and Europe.

Kamran Aziz is an avid learner and takes keen interest in voluntary activities. He's been an active (voluntary) member of CFA Association of Pakistan for past one and a half years. He has also been a speaker at various seminars and in-house discussions on stock market. Currently he is heading the Newsletter Committee of CFA Association of Pakistan.]

### **3.4 Duties and Responsibilities of the Management Company**

<sup>35</sup>[The Management Company shall manage, operate and administer the Scheme in accordance with Regulations, 2008, the Trust Deed and this First Supplemental Offering Document and the conditions that may be imposed by the Commission from time to time].

#### **3.4.1 Primary Functions of the Management Company:**

i. Fund Management

<sup>36</sup> [The Management Company has the responsibility to make all investment and disinvestment decisions within the framework of Regulations, 2008, the Trust Deed and this Offering Document, including Supplemental Trust Deeds and Supplemental Offering Documents if any.]

ii. Fund Manager and Investment Committee

<sup>37</sup>[ The Management Company shall appoint a qualified individual as fund manager who shall be responsible for management of not more than three collective investment schemes of the Management Company at a time or such lesser number as may be specified by the Commission. The Management Company shall also constitute an investment committee in accordance with the provisions of Regulations, 2008 to assist the Management Company in investing and managing the assets of the Fund. The investment committee shall meet with all criteria, qualification and requirements prescribed under Regulations, 2008 All investment and disinvestment decisions shall be made through the investment committee within the framework of Regulations, 2008, the Trust Deed and this First Supplemental Offering Document.]

iii. Investor Services

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<sup>35</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 3.4) read as follows;

*“The Management Company shall manage, operate and administer the Scheme in accordance with the Regulations, the Trust Deed and this Offering Document and the conditions that may be imposed by the Commission from time to time.”*

<sup>36</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.4.1 (i)} read as follows;

*“The Management Company has the responsibility to make all investment and disinvestment decisions within the framework of the Regulations, the Trust Deed and this Offering Document, including Supplemental Trust Deeds and Supplemental Offering Documents if any.”*

<sup>37</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.4.1 (ii)} read as follows;

*“The Management Company shall appoint a qualified fund manager and constitute an investment committee in accordance with the provisions of the Regulations to assist the Management Company in investing and managing the assets of the Fund. All investment and disinvestment decisions shall be made through the investment committee within the framework of the Regulations, the Trust Deed and this Offering Document.”*



<sup>38</sup>[ The Management Company has the responsibility to facilitate investments and disinvestments by investors in the Scheme and to make adequate arrangements for receiving and processing applications in this regard.]

iv. Investor Records

<sup>39</sup>[ The Management Company has the responsibility to maintain investors' records and for this purpose, shall perform Registrar's functions or appoint a Registrar/Transfer Agent who is responsible for performing Registrar Functions.]

v. Registrar Services

<sup>40</sup> [The Management Company shall carry out the responsibility of maintaining investors' records, issuing statements of accounts, issuing Certificates representing Units, processing redemption requests, processing dividend payments and all other related and incidental activities. The Management Company shall not remove the records or documents pertaining to the Scheme from its principal office to another place without the prior written permission of the Commission and the Trustee. The Management Company shall perform the function of Registrar/Transfer Agent. However, at its discretion the Management Company may outsource the Registrar Function to a third party.]

vi. Distribution

<sup>41</sup>[ The Management Company shall, from time to time appoint, remove or replace one or more suitable persons, entities or parties as Distributor(s) under intimation to the Trustee for carrying on Distribution Function(s) at one or more location(s) on the terms and conditions to be incorporated in distribution agreement(s) to be entered into between the Distributor(s) and the Management Company, which shall clearly state the conditions for avoidance of frauds and sales

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<sup>38</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.4.1 (iii)} read as follows;

*"The Management Company has the responsibility to facilitate investments and disinvestments by investors in the Scheme and to make adequate arrangements for receiving and processing applications in this regard."*

<sup>39</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.4.1 (iv)} read as follows;

*"The Management Company has the responsibility to maintain investors' records and for this purpose, shall perform Registrar's functions or appoint a Registrar/Transfer Agent who is responsible for performing Registrar Functions."*

<sup>40</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.4.1 (v)} read as follows;

*"The Management Company shall carry out the responsibility of maintaining investors' records, issuing statements of accounts, issuing Certificates representing Units, processing redemption requests, processing dividend payments and all other related and incidental activities. The Management Company shall not remove the records or Documents pertaining to the Scheme from Pakistan to a place outside Pakistan without the prior written permission of the Commission and the Trustee. The Management Company shall perform the function of Registrar/Transfer Agent. However, at its discretion the Management Company may outsource the Registrar Function to a third party."*

<sup>41</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.4.1 (vi)} read as follows;

*"The Management Company shall, from time to time, appoint, remove or replace one or more suitable persons, entities or parties as Distributor(s) under intimation to Trustee for carrying on Distribution Function(s) at one or more location(s) on terms and conditions to be incorporated in the Distribution Agreement(s) to be entered into between the Distributor and the Management Company. The Distributors shall be remunerated by the Management Company out of the Sales Load or out of its own resources. Provided that the Management Company may also itself act as a Distributor for carrying on Distribution Function(s). The Distributor(s) shall act as the interface between the investors, the Management Company, the Registrar/Transfer Agent and the Trustee and perform the Distribution Function(s), as defined in Clause 14.23 hereafter."*

based upon misleading statements. Such Distributor(s) shall be associate members of the association constituted in consultation with the Commission and shall abide by the code of conduct prescribed by such association. Each Distributor or at least two or twenty percent of the total number of its employees shall have obtained Institute of Capital Markets (ICM) certification latest by June 30, 2011 or such other date as may be specified by the Commission. The Distributors shall be remunerated by the Management Company out of the Sales Load or out of its own resources. Provided that the Management Company may also itself act as a Distributor for carrying on Distribution Function(s). The Distributor(s) shall act as the interface between the investors, the Management Company, the Registrar/Transfer Agent and the Trustee and perform the Distribution Function(s), as defined in Clause 14.24 hereafter.]

vii. <sup>42</sup>[Investment Facilitators/Sales Agents

[The Management Company may, at its own responsibility, from time to time appoint Investment Facilitators or Sales Agents by whatever name called (through Direct Marketing, Co-Branding or any other marketing means) to assist it in promoting sales of Units. Each Investment Facilitator/Sales Agent shall have obtained Institute of Capital Markets (ICM) certification latest by June 30, 2011 or such other date as may be specified by the Commission. The Investment Facilitators/Sales Agents shall be remunerated by the Management Company out of the Sales Load or out of its own resources.]

viii. Record Keeping

<sup>43</sup>[The Management Company has the primary responsibility for all record keeping, regular determination and announcements of prices and for producing and issuing financial reports from time to time. However, the Trustee has the responsibility to ensure timely delivery to the Management Company of statements of accounts and transaction advices for banking and custodial accounts in the name and under the control of the Trustee. The Management Company shall provide the Trustee unhindered access to all records relating to the Scheme.]

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<sup>42</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.4.1 (vii)} read as follows;

***“Investment Facilitators***

*The Management Company may, at its own responsibility, from time to time appoint Investment Facilitators (through Direct Marketing, Co-Branding or any other marketing means) to assist it in promoting sales of Units. The Investment Facilitators shall be remunerated by the Management Company out of the Sales Load or out of its own resources.”*

<sup>43</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.4.1 (viii)} read as follows;

*“The Management Company has the primary responsibility for all record keeping, regular determination and announcements of prices and for producing and issuing financial reports from time to time. However, the Trustee has the responsibility to ensure timely delivery to the Management Company of statements of accounts and transaction advices for banking and custodial accounts in the name and under the control of the Trustee. The Management Company shall provide the Trustee unhindered access to all records relating to the Scheme.”*

### 3.4.2 Other Functions and Responsibilities of the Management Company:

- i. <sup>44</sup> [The Management Company shall manage the Scheme and the Fund in the best interest of the Unit Holder(s), in good faith and to the best of its ability and without gaining any undue advantage for itself or any of its related parties including connected persons and group companies or its officers, and subject to the restrictions and limitations as provided in the Trust Deed, and Regulations, 2008 and subject to any special exemptions granted by Commission. Any purchase or sale of investments made under any of the provisions of the Trust Deed shall be made by the Trustee according to the instructions of the Management Company in this respect, unless such instructions are in conflict with the provisions of the Trust Deed or Regulations, 2008. The Management Company shall not be liable for any loss caused to the Scheme or to the value of the Trust Property due to any elements or circumstances beyond its reasonable control.]
- ii. <sup>45</sup> [ The Management Company shall comply with the provisions of Regulations, 2008 and the Trust Deed for any act or matter to be done by it in the performance of its duties and such acts or matters may also be performed on behalf of the Management Company by any officer(s) or responsible official(s) of the Management Company or by any nominee or agent appointed by the Management Company and any act or matter so performed shall be deemed for all the purposes of the Trust Deed to be the act of the Management Company. The Management Company shall be responsible for the acts and omissions of all persons to whom it may delegate any of its functions as manager as if these were its own acts and omissions and shall account to the Trustee for any loss in value of the Trust Property where such loss has been caused by its gross negligence or reckless or willful act and/or omission of its officers, officials or agents.]
- iii. <sup>46</sup> [The Management Company may from time to time appoint, remove or replace the Registrar/Transfer agent under intimation to the Trustee.]

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<sup>44</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.4.2 (i)} read as follows;

*“The Management Company shall manage the Scheme and the Fund in the best interest of the Unit Holder(s), in good faith and to the best of its ability and without gaining any undue advantage for itself or any of its related parties including connected persons and group companies or its officers, and subject to the restrictions and limitations as provided in the Trust Deed, and the Regulations and subject to any special exemptions granted by Commission. Any purchase or sale of investments made under any of the provisions of the Trust Deed shall be made by the Trustee according to the instructions of the Management Company in this respect, unless such instructions are in conflict with the provisions of the Trust Deed or the Regulations. The Management Company shall not be liable for any loss caused to the Scheme or to the value of the Trust Property due to any elements or circumstances beyond its reasonable control.”*

<sup>45</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.4.2 (ii)} read as follows;

*“The Management Company shall comply with the provisions of Regulations, 2008 and the Trust Deed for any act or matter to be done by it in the performance of its duties and such acts or matters may also be performed on behalf of the Management Company by any officer(s) or responsible official(s) of the Management Company or by any nominee or agent appointed by the Management Company and any act or matter so performed shall be deemed for all the purposes of the Trust Deed to be the act of the Management Company. The Management Company shall be responsible for the acts and omissions of all persons to whom it may delegate any of its functions as manager as if these were its own acts and omissions and shall account to the Trustee for any loss in value of the Trust Property where such loss has been caused by its gross negligence or reckless or willful act and/or omission of its officers, officials or agents.”*

<sup>46</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.4.2 (iii)} read as follows;

*“The Management Company may from time to time appoint, remove or replace the Registrar/Transfer agent under intimation to the Trustee.”*

- iv. <sup>47</sup> [The Management Company shall make available or ensure that there is made available to the Trustee such information as the Trustee may reasonably require in respect of any matter relating to the Scheme.]
- v. <sup>48</sup>[The Management Company shall not be under any liability except such liability as may be expressly assumed by it under Regulations, 2008 and the Constitutive Documents, nor shall the Management Company (save as herein otherwise provided) be liable for any act or omission of the Trustee, nor for anything except for its own gross negligence or willful breach of duty. If for any reason it becomes impossible or impracticable to carry out the provisions of the Constitutive Documents, the Management Company shall not be under any liability thereof or thereby and it shall not incur any liability by reason of any error of law or any matter or thing done or suffered or omitted to be done in good faith hereunder.]
- vi. <sup>49</sup>[The Management Company shall maintain at its principal office, proper accounts and records to enable a complete and accurate view to be formed of the assets and liabilities and the income and expenditure of the Scheme, all transactions for the account of the Scheme, the amounts received by the Scheme in respect of issues of Units, amounts paid out by the Scheme on redemption of Units and the distributions made by the Scheme by way of dividends, bonus Units, payout on the termination of the Scheme, etc. The Management Company shall not remove the records or documents pertaining to the Scheme from its principal place to another place without the prior written permission of the Commission and the Trustee. Such accounts and records shall be maintained for a period of ten years or as prescribed under the provisions of the Rules, Regulations, 2008 or any other law for the time being in force.]
- vii. <sup>50</sup> [The Management Company shall prepare and transmit within four month of the closing of the Accounting Period of the Scheme to the Unit Holders, the Trustee, the Commission and the Stock

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<sup>47</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.4.2 (iv)} read as follows;

*“The Management Company shall make available or ensure that there is made available to the Trustee such information as the Trustee may reasonably require in respect of any matter relating to the Scheme.”*

<sup>48</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.4.2 (v)} read as follows;

*“The Management Company shall not be under any liability except such liability as may be expressly assumed by it under the Regulations and the Constitutive Documents, nor shall the Management Company (save as herein otherwise provided) be liable for any act or omission of the Trustee nor for anything except for its own gross negligence or willful breach of duty. If for any reason it becomes impossible or impracticable to carry out the provisions of the Constitutive Documents, the Management Company shall not be under any liability thereof or thereby and it shall not incur any liability by reason of any error of law or any matter or thing done or suffered or omitted to be done in good faith hereunder.”*

<sup>49</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.4.2 (vi)} read as follows;

*“The Management Company shall maintain at its principal office, proper accounts and records to enable a complete and accurate view to be formed of the assets and liabilities and the income and expenditure of the Scheme, all transactions for the account of the Scheme, the amounts received by the Scheme in respect of issues of Units, amounts paid out by the Scheme on redemption of Units and the distributions made by the Scheme by way of dividends, bonus Units, etc. The Management Company shall not remove the records or documents pertaining to the Scheme from its principal place to another place without the prior written permission of the Commission and the Trustee.”*

<sup>50</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.4.2 (vii)} read as follows;

*“The Management Company shall within one month of the closing of the first and the third quarter and two months of the closing of the second quarter of each accounting period of the Fund, or as prescribed in the Regulations, prepare and transmit (physically or through electronic means or on the web, subject to the Commission’s approval) to the Unit Holder(s), the Commission, the Trustee, the Stock Exchanges, on which the Units of the Scheme are listed, copies of balance sheet, profit and loss account statement, cash flow statement and a statement of changes in equity for that*

Exchanges on which the Units are listed, an annual report as per the requirement set out in Schedule V of Regulations, 2008, including (i) copy of the balance sheet and income statement, (ii) cash flow statement, (iii) statement of movement in the Unit Holders fund or the Net Assets or reserves and (iv) the Auditor's report of the Scheme.]

- viii. <sup>51</sup> [The Management Company shall prepare and transmit within one (1) month of the closing of the first quarter (3 months) and third quarter (9 months) and within two (2) months of the closing of the second quarter (6 months) to the Unit Holders, the Trustee, the Commission and the Stock Exchanges on which the Units of the Scheme are listed, (i) balance sheet as at the end of that quarter, (ii) income statement (iii) cash flow statement, (iv) statement of movement in Unit Holder's fund and (v) statement showing the securities owned at the beginning of the relevant period, securities purchased or sold during such period and the securities held at the end of such period, together with value (at carrying and at market) and the percentage in relation to its own assets and the issued capital of person whose securities are owned for that quarter, whether audited or otherwise. Provided that the Commission, subject to any conditions, may allow the Management Company to transmit the said quarterly accounts to the Unit Holders by placing them on the Management Company's website and the Management Company shall make the printed copy of the said accounts available to any Unit Holder, free of cost, as and when requested.]
- ix. <sup>52</sup> [The Management Company shall with the consent of the Trustee, appoint at the establishment of the Scheme and upon any vacancy an Auditor, from the approved list of auditors circulated by the Commission from time to time who shall be chartered accountant and independent of the auditor of the Management Company and of the Trustee and such Auditor shall not be appointed for more than five (5) consecutive years. The contents of the Auditors report shall be in accordance with the applicable provisions of Schedule V of Regulations, 2008.]

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*quarter, whether audited or otherwise, in accordance with the Regulations. Where a quarterly report mentioned above, is placed on the Management Company's website or is transmitted electronically, printed copies thereof shall be provided to the Unit Holders as and when requested but only once without any charge. The contents, format and regularity of financial reports and information should be as per the provisions of the Regulations."*

<sup>51</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.4.2 (viii)} read as follows;

*"The Management Company shall prepare and transmit (physically or through electronic means or on the web subject to Commission approval) an annual report, together with a copy of the balance sheet, income and expenditure account and statement of movements of cash and investments in the funds, statement of changes in equity, Net Assets and reserves, alongwith the Trustee's Report and the Auditor's report of the Scheme to the Trustee, the Commission and Stock Exchanges, on which the Units of the scheme are listed, and the Unit Holder(s) within three months of the closing of the Accounting Date and balance sheet and income and expenditure accounts shall comply with the requirements set out in the Regulations, including Schedule-IV thereof and disclosing in the annual report in the following information:*

- a) Total number of Unit Holder(s); and*
- b) Particulars of the pertinent personnel (executive, research and other) of the Management Company"*

<sup>52</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.4.2 (ix)} read as follows;

*"The Management Company shall with the consent of the Trustee, appoint at the establishment of the Trust and upon any vacancy an auditor, from the approved list of auditors circulated by the Commission from time to time, who shall be chartered accountants and independent of the auditor of the Management Company, as the case may be, and such auditor shall be appointed for a period as prescribed in the Regulations and the contents of the Auditor's report shall also be in accordance with the provisions of the Regulations."*

- x. <sup>53</sup>[The Management Company shall maintain a Register of Unit Holder(s) of the Trust (either in physical or electronic form) through Registrar/Transfer Agent or itself and inform the Trustee and the Commission of the address where the Register is kept.]
- xi. <sup>54</sup> [The Management Company shall be obliged to obtain a rating of the Scheme, once the Scheme becomes eligible for ratings as per the rating criteria of the rating agency. Such rating shall be updated at least once every Accounting Period and also published in the annual and quarterly reports of the Scheme. For the purpose of the Scheme, the term "rating" shall mean "Fund stability rating" .]
- xii. <sup>55</sup> [The Management Company shall, from time to time, advise the Trustee of the settlement instructions relating to any investment/disinvestment transactions entered into by it on behalf of the Trust. The Trustee shall carry out the settlements in accordance with the dictates of the specific transactions unless they are not in conflict with the Trust Deed and Regulations, 2008. The Management Company shall ensure the settlement instructions are given promptly after entering into the transaction so as to facilitate timely settlement and the Trustee, on its side, shall ensure that the settlement is handled in a timely manner in accordance with dictates of the transaction, subject to Regulations, 2008.]
- xiii. <sup>56</sup> [The Management Company shall provide the Trustee with regular reports indicating dividends, other forms of income or inflows, and any rights or warrants relating to the investments that are due to be received. The Trustee shall report back to the Management Company any such amounts or warrants that are received on such accounts from time to time.]
- xiv. <sup>57</sup> [Subject to Clause 3.4.2 (xv) hereafter, the Management Company may appoint advisors to assist in investing and managing the assets of the Fund at its own cost and discretion, provided that the Management Company will be responsible for all acts of such investment advisors.]

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<sup>53</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.4.2 (x)} read as follows;  
*"The Management Company shall maintain a Register of Unit Holder(s) of the Trust (either in physical or electronic form) through Registrar/Transfer Agent or itself and inform the Trustee and the Commission of the address where the Register is kept."*

<sup>54</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.4.2 (xi)} read as follows;  
*"The Management Company shall be obliged to obtain a rating of the Scheme, once the Scheme becomes eligible for ratings as per the rating criteria of the rating agency. Such rating shall be updated at least once every Accounting Period and also published in the annual and quarterly reports of the Scheme."*

<sup>55</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.4.2 (xii)} read as follows;  
*"The Management Company shall, from time to time, advise the Trustee of the settlement instructions relating to any investment/disinvestment transactions entered into by it on behalf of the Trust. The Trustee shall carry out the settlements in accordance with the dictates of the specific transactions unless they are not in conflict with the Trust Deed and the Regulations. The Management Company shall ensure the settlement instructions are given promptly after entering into the transaction so as to facilitate timely settlement and the Trustee, on its side, shall ensure that the settlement is handled in a timely manner in accordance with dictates of the transaction, subject to the Regulations."*

<sup>56</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.4.2 (xiii)} read as follows;  
*"The Management Company shall provide the Trustee with regular reports indicating dividends, other forms of income or inflows, and any rights or warrants relating to the investments that are due to be received. The Trustee shall report back to the Management Company any such amounts or warrants that are received on such accounts from time to time."*

<sup>57</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.4.2 (xiv)} read as follows;

- xv. <sup>58</sup> [The Management Company may in consultation with the Trustee further appoint advisors and professionals in offshore countries for making investments in offshore countries and/or for issuing Units to the investors in the offshore countries to determine the legal and regulatory requirements to be fulfilled by the Fund, the Management Company and the Trustee and their respective obligations in relation thereto. The fees of such advisors and professionals shall not be charged to the Fund.]
- xvi. <sup>59</sup>[The Management Company shall develop criteria for appointing a diverse panel of Brokers and monitoring compliance thereof to avoid undue concentration of business with any single Broker]
- xvii. <sup>60</sup>[**The Management Company shall make provision in the accounts in line with the provisioning policy approved by the Board of Directors. To ensure compliance of disclosure, the provisioning policy is reproduced here.**]

#### **ELIGIBILITY CRITERIA FOR DEBT SECURITY AND OTHER EXPOSURE FOR MAKING PROVISION**

To be eligible for making provision, a security shall be classified as follows:

**Debt security** means any securities issued by a company or a body corporate for the purpose of raising funds in the form of redeemable capital and includes the following:

- TFC (Including Privately Placed TFC);
- Bonds;
- Debentures;
- Sukuks (Including Privately Placed Sukuks); and
- Commercial Papers.

**Other exposure** includes the following:

- Certificate of Investment / Certificate of Islamic Investments;
- Certificate of Deposit;
- Certificate of Musharakas;
- Letter of Placements;
- Other Money Market Placements.

#### **CRITERIA FOR CLASSIFICATION AS NON - PERFORMING DEBT SECURITIES / OTHER EXPOSURES**

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*“Subject to Clause 3.4.2 (xv) hereafter, the Management Company may appoint investment advisors to assist in investing and managing the assets of the Fund or to invest and manage part or whole of the assets of the Fund at its own cost and discretion, provided that the Management Company will be responsible for all acts of such investment advisors.”*

<sup>58</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.4.2 (xv)} read as follows;

*“The Management Company may in consultation with the Trustee further appoint advisors and professionals in offshore countries for making investments in offshore countries and/or for issuing Units to the investors in the offshore countries to determine the legal and regulatory requirements to be fulfilled by the Fund, the Management Company and the Trustee and their respective obligations in relation thereto. The fees of such advisors and professionals shall not be charged to the Fund.”*

<sup>59</sup> Inserted vide 1st Supplemental Offering Document dated November 01, 2010.

<sup>60</sup> Inserted vide 2<sup>nd</sup> Supplemental Offering Document dated September 20, 2011.

A debt security or other exposures shall be classified as a non-performing, if the interest and/or principal amount is past or overdue by 15 calendar days from the due date.

**CRITERIA FOR SUSPENSION AND REVERSAL OF INTEREST / PROFIT**

- a) The accrual of interest/profit shall be suspended from the first day the interest/profit payment falls due and is not received.
- b) All interest/profit accrued and recognized in the books of Collective Investment Scheme shall be reversed immediately once a debt security or other exposure is classified as nonperforming.

**MINIMUM PROVISIONING AGAINST THE PRINCIPAL AMOUNT**

All non-performing debt securities/other exposures whether secured or unsecured shall be provided for in accordance with the following criteria from the day of classification as nonperforming:

<b>Effective Day for Provisioning*</b>	<b>Minimum Provision as % of book value (outstanding principal amount)</b>	<b>Cumulative Provision</b>
90 <sup>th</sup> day	20%	20%
180 <sup>th</sup> day	10%	30%
270 <sup>th</sup> day	15%	45%
365 <sup>th</sup> day	15%	60%
455 <sup>th</sup> day	Balance	100%

\*In the process of arriving at minimum provisioning against non-performing debt securities as above, ABL AMCL may create the requisite provision by spreading it over the number of days on pro rata basis.

In addition to the minimum provision prescribed above, any installment of principal amount in arrears during the period of non-performance shall also be fully provided.

**ADDITIONAL PROVISIONING/PROVISION AGAINST NON-PERFORMING DEBT SECURITIES / OTHER EXPOSURES**

- a) In addition to the time-based criteria as prescribed above, subjective evaluation of nonperforming debt securities/other exposures shall be made for risk assessment and, where considered necessary, any debt security/other exposure will be classified, and the category of classification determined on the basis of time based criteria shall be further downgraded. Such evaluation shall be carried out on the basis of credit worthiness of the borrower, its cash flow and financial position.
- b) The Management Investment Committee of the respective Fund shall evaluate the rationale for additional provision over and above the minimum criteria against non-performing debt securities/other exposures, based on subjective evaluation, as recommended by Fund Manager before submission to the Board Directors for their review and approval. Simultaneously same procedure to be followed for reversal of the subjective provisioning.



## **CRITERIA FOR RECLASSIFICATION OF NON PERFORMING DEBT SECURITIES/OTHER EXPOSURES**

- a) In case a CIS/Fund has received all the arrears of interest, the interest amount reversed shall be written back to the extent it is received.
- b) In case a CIS/Fund has received all arrears of interest and the debt security/other exposures have not been reclassified as performing, the suspension of interest shall continue.
- c) The other exposures shall only be reclassified as performing once all the arrears (interest as well as principal) have been received in cash.
- d) In case a debt security earlier classified as non-performing subsequently performs as per the original repayment terms and all the arrears of interest and principal are duly received shall immediately be re-classified as performing and the provision made against such security shall be written back.
- e) A restructured debt security shall only be reclassified as performing once all the arrears have been received in cash and the security is regular on all payments (interest as well as principal) for the next two installments. The provision made for the principal amount shall be written back in the following manner:
  - Where provision of principal was made due to the interest defaults only, 100% of the debt security provided for in the books shall be written back upon reclassification of the security as performing.
  - Where both installments and interest were in default, 50% of the provision made in the books shall be written back at the receipt of the first payment (interest/principal) and 50% at the receipt of second payment and the asset shall be reclassified as performing.

## **PROVISIONING AGAINST PERFORMING DEBT SECURITY**

ABL AMCL shall not provide for against a performing debt security. However Mutual Funds Association of Pakistan (MUFAP) shall have the discretion to apply maximum mark-up of upto 500bps to the calculated yield of any specific debt security after taking in account the potential credit risk of any particular performing debt security or considering any unusual factor/event associated with the issuer or issue in order to ensure consistent and transparent valuations for entire mutual fund industry. Such factors/events may include following:

- Issuer of the performing debt security has defaulted on its other financial obligations.
- Rating of performing security has been significantly downgraded in a short time span.
- Breach of covenants relating to the performing debt security.
- Deteriorating operating, financial and cash flow position of the issuer.

## **REQUIREMENTS FOR DISCLOSURE OF THE PROVISIONING POLICY TO UNIT HOLDERS AND PROSPECTIVE INVESTORS**

The provisioning policy for non-performing debt securities/other exposures as approved by the Board of Directors of ABL AMCL shall be immediately disclosed/ disseminated by ABL AMCL to the existing unit holders, prospective investors, the Trustee of the CIS/Fund and the Commission. The same shall also be disseminated by ABL AMCL on its website. The

provisioning made in light of the Provisioning Policy shall be disclosed by the AMC in the quarterly, half yearly and annual accounts of the CIS/Funds.]

### **3.5 Trustee**

<sup>61</sup> [Central Depository Company of Pakistan Limited (CDC), a company incorporated under the Companies Ordinance 1984, with its registered office at CDC House, 99-B, Block 'B', S.M.C.H.S., Main Shahra-e-Faisal, Karachi, Pakistan has been appointed as the Trustee for the Fund. The Trustee has considerable amount of experience of trusteeship of open-end schemes which are successfully functioning in the country.]

#### **3.5.1 Basic Role of the Trustee**

- i. <sup>62</sup> [The Trustee shall take into its custody or control and invest, hold and/or maintain the Trust Property from time to time at the direction of the Management Company strictly in terms of the provisions contained and the conditions stipulated in the Trust Deed, this Offering Document, Regulations, 2008 and the conditions (if any) which may be imposed by the Commission from time to time. All registerable assets shall be registered in the name of or to the order of the Trustee. The Trustee shall invest the Trust Property from time to time at the direction of the Management Company strictly in terms of the provisions contained and the conditions stipulated in the Trust Deed, this Offering Document, Regulations, 2008 and the conditions (if any) which may be imposed by the Commission from time to time.]
- ii. <sup>63</sup>[The Trustee has the responsibility for being the nominal owner and for the safe custody of the assets of the Unit Trust on behalf of the beneficial owners (the Unit Holder(s)), within the framework of the Regulations, 2008, the Trust Deed establishing the Unit Trust and this Offering Document issued for the Unit Trust.]
- iii. <sup>64</sup>[The Trustee shall have all the obligations entrusted to it under the Regulations, 2008, the Trusts Act 1882, the Trust Deed and this Offering Document.]

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<sup>61</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 3.5) read as follows;

*“Central Depository Company of Pakistan Limited (CDC), a company incorporated under the Companies Ordinance 1984, with its registered office at CDC House, 99-B, Block 'B', S.M.C.H.S., Main Shahra-e-Faisal, Karachi, Pakistan has been appointed as the Trustee for the Fund. The Trustee has considerable amount of experience of trusteeship of open-end schemes which are successfully functioning in the country.”*

<sup>62</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.5.1(i)} read as follows;

*“The Trustee shall take into its custody or control and invest, hold and/or maintain the Trust Property from time to time at the direction of the Management Company strictly in terms of the provisions contained and the conditions stipulated in the Trust Deed, this Offering Document, the Regulations and the conditions (if any) which may be imposed by the Commission from time to time. All registerable assets shall be registered in the name of or to the order of the Trustee. The Trustee shall invest the Trust Property from time to time at the direction of the Management Company strictly in terms of the provisions contained and the conditions stipulated in the Trust Deed, this Offering Document, the Regulations and the conditions (if any) which may be imposed by the Commission from time to time.”*

<sup>63</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.5.1(ii)} read as follows;

*“The Trustee has the responsibility for being the nominal owner and for the safe custody of the assets of the Unit Trust on behalf of the beneficial owners (the Unit Holder(s)), within the framework of the Regulations, the Trust Deed establishing the Unit Trust and this Offering Document issued for the Unit Trust.”*

<sup>64</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.5.1(iii)} read as follows;

- iv. <sup>65</sup>[The Trustee shall nominate one or more of its officers to act as attorney(s) for performing the Trustee’s functions and for interacting with the Management Company.]
- v. <sup>66</sup>[The Trustee may in consultation with the Management Company appoint and also remove and replace from time to time one or more bank(s) and/or other depository company, to act as the Custodian(s) for holding and protecting the Trust Property and every part thereof and for generally performing the custodial services at one or more locations and on such terms, as the Trustee and the Management Company may mutually agree and to be incorporated in custodial services agreement(s) to be executed between the Trustee and the Custodian(s). Provided however, the Trustee may also itself provide custodial services for the Trust with the approval of the Management Company at competitive terms as part of its normal line of business.]
- vi. <sup>67</sup>[The Trustee shall comply with the provisions of the Trust Deed for any act or matter to be done by it in the performance of its duties and such acts or matters may also be performed on behalf of the Trustee by any officer or responsible official of the Trustee or by any nominee or agent appointed by the Trustee with the consultation of the Management Company. Provided that the Trustee shall be responsible for the acts and omissions of all persons to whom it may delegate any of its duties, as if these were its own acts and omissions and shall account to the Trust for any loss in value of the Trust Property where such loss has been caused by gross negligence or any reckless act and/or omission of the Trustee or any of its directors, officers, nominees or agents.]
- vii. <sup>68</sup>[The Trustee shall exercise all due diligence and vigilance in carrying out its duties and in protecting the interests of the Unit Holder(s). The Trustee shall not be under any liability on account of anything

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*“The Trustee shall have all the obligations entrusted to it under the Regulations, the Trusts Act 1882, the Trust Deed and this Offering Document.”*

<sup>65</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.5.1(iv)} read as follows;

*“The Trustee shall nominate one or more of its officers to act as attorney(s) for performing the Trustee’s functions and for interacting with the Management Company.”*

<sup>66</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.5.1(v)} read as follows;

*“The Trustee may in consultation with the Management Company appoint and also remove and replace from time to time one or more bank(s) and/or other depository company, to act as the Custodian(s) for holding and protecting the Trust Property and every part thereof and for generally performing the custodial services at one or more locations and on such terms, as the Trustee and the Management Company may mutually agree and to be incorporated in custodial services agreement(s) to be executed between the Trustee and the Custodian(s). Provided however, the Trustee may also itself provide custodial services for the Trust with the approval of the Management Company at competitive terms as part of its normal line of business.”*

<sup>67</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.5.1(vi)} read as follows;

*“The Trustee shall comply with the provisions of the Trust Deed for any act or matter to be done by it in the performance of its duties and such acts or matters may also be performed on behalf of the Trustee by any officer or responsible official of the Trustee or by any nominee or agent appointed by the Trustee with the consultation of the Management Company. Provided that the Trustee shall be responsible for the acts and omissions of all persons to whom it may delegate any of its duties, as if these were its own acts and omissions and shall account to the Trust for any loss in value of the Trust Property where such loss has been caused by gross negligence or any reckless act and/or omission of the Trustee or any of its directors, officers, nominees or agents.”*

<sup>68</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.5.1(vii)} read as follows;

*“The Trustee shall exercise all due diligence and vigilance in carrying out its duties and in protecting the interests of the Unit Holder(s). The Trustee shall not be under any liability on account of anything done or suffered by the Trust, if the Trustee had acted in good faith in accordance with or in pursuance of any request of the Management Company provided they are not in conflict with the provisions of the Trust Deed and the Regulations. Whenever pursuant to any*

done or suffered by the Trust, if the Trustee had acted in good faith in accordance with or in pursuance of any request of the Management Company provided they are not in conflict with the provisions of the Trust Deed and the Regulations, 2008. Whenever pursuant to any provision of the Trust Deed, any certificate, notice, direction, instruction or other communication is to be given by the Management Company to the Trustee, the Trustee may accept as sufficient evidence thereof:

- a) a document signed or purporting to be signed on behalf of the Management Company by any person(s) whose signature the Trustee is for the time being authorised in writing by the Management Company to accept;
  - b) any instruction received online through the software solution adopted by the Management Company in consultation with the Trustee for managing and keeping records of the funds managed by the Management Company and to the satisfaction of the Trustee.
  - c) instructions given electronically to the Trustee based on distinctive users IDs and passwords allocated to authorized person(s) of the Management Company through a computerized system for which both the parties i.e. the Management Company and the Trustee have agreed in writing. In case of any error or omission occurring in electronic system due to system malfunction or any instruction(s) based on such system contain any error or omission due to the above malfunction, the Trustee and the Management Company not knowing the fact will act in the best interests of the Fund and the unit holders; or
  - d) third party evidence where required such as broker contract, bills etc in relation to (a) and (b) the above.]
- viii. <sup>69</sup>[The Trustee shall not be liable for any loss caused to the Fund or to the value of the Trust Property due to any elements or circumstances beyond its reasonable control.]
- ix. <sup>70</sup>[The Trustee shall be liable for any loss caused due to its acts or omissions or that of its agents in relation to any custody of assets or investment forming part of the property of the Scheme.]

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*provision of the Trust Deed, any certificate, notice, direction, instruction or other communication is to be given by the Management Company to the Trustee, the Trustee may accept as sufficient evidence thereof:*

- a) a document signed or purporting to be signed on behalf of the Management Company by any person(s) whose signature the Trustee is for the time being authorised in writing by the Management Company to accept;*
- b) any instruction received online through the software solution adopted by the Management Company in consultation with the Trustee for managing and keeping records of the funds managed by the Management Company and to the satisfaction of the Trustee.*
- c) instructions given electronically to the Trustee based on distinctive users IDs and passwords allocated to authorized person(s) of the Management Company through a computerized system for which both the parties i.e. the Management Company and the Trustee have agreed in writing. In case of any error or omission occurring in electronic system due to system malfunction or any instruction(s) based on such system contain any error or omission due to the above malfunction, the Trustee and the Management Company not knowing the fact will act in the best interests of the Fund and the unit holders; or*
- d) third party evidence where required such as broker contract, bills etc in relation to (a) and (b) the above.”*

<sup>69</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.5.1(viii)} read as follows:  
“The Trustee shall not be liable for any loss caused to the Fund or to the value of the Trust Property due to any elements or circumstances beyond its reasonable control.”

- x. <sup>71</sup>[The Trustee shall ensure that the Management Company has specified criteria in writing to provide for a diverse panel of Brokers at the time of offering of a Scheme and shall also ensure that the Management Company has been diligent in appointing Brokers to avoid undue concentration of business with any Broker.]
- xi. <sup>72</sup>[The Trustee shall carry out the instructions of the Management Company in all matters including investment and disposition of the Trust Property unless such instructions are in conflict with the provisions of the Trust Deed and/or this Offering Document or the Regulations, 2008 and/or any other applicable law provided, however if for any reasons, it becomes impractical or not possible to carry out any instructions or fulfill or effectuate any of the provisions of the Trust Deed, the Trustee shall not be responsible thereof and it shall neither incur any liability for anything done or omitted to be done in good faith, provided it has attempted to employ its best efforts and all available means to comply with the instructions. In such situation, the Trustee shall forthwith notify the Management Company in writing, highlighting such reasons.]
- xii. <sup>73</sup>[The Trustee shall make available or ensure that there is made available to the Management Company such information as the Management Company may reasonably require from time to time in respect of the Trust Property and all other matters relating to the Trust.]
- xiii. <sup>74</sup>[The Trustee shall issue a report to the Unit Holder(s) included in the annual and second quarterly reports whether in its opinion, the Management Company has in all material respects managed the Trust Property in accordance with the provisions of the Regulations, 2008, the Offering Document

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<sup>70</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.5.1(ix)} read as follows;

*“The Trustee shall be liable for any loss caused due to its acts or omissions or that of its agents in relation to any custody of assets or investment forming part of the property of the Scheme.”*

<sup>71</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.5.1(x)} read as follows;

*“The Trustee shall ensure that the Management Company has specified criteria in writing to provide for a diverse panel of Brokers at the time of offering of a Scheme and shall also ensure that the Management Company has been diligent in appointing Brokers to avoid undue concentration of business with any Broker.”*

<sup>72</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.5.1(xi)} read as follows;

*“The Trustee shall carry out the instructions of the Management Company in all matters including investment and disposition of the Trust Property unless such instructions are in conflict with the provisions of the Trust Deed and/or this Offering Document or the Regulations and/or any other applicable law provided, however if for any reasons, it becomes impractical or not possible to carry out any instructions or fulfill or effectuate any of the provisions of the Trust Deed, the Trustee shall not be responsible thereof and it shall neither incur any liability for anything done or omitted to be done in good faith, provided it has attempted to employ its best efforts and all available means to comply with the instructions. In such situation, the Trustee shall forthwith notify the Management Company in writing, highlighting such reasons.”*

<sup>73</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.5.1(xii)} read as follows;

*“The Trustee shall make available or ensure that there is made available to the Management Company such information as the Management Company may reasonably require from time to time in respect of the Trust Property and all other matters relating to the Trust.”*

<sup>74</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.5.1(xiii)} read as follows;

*“The Trustee shall issue a report to the Unit Holder(s) included in the annual and second quarterly reports whether in its opinion, the Management Company has in all material respects managed the Trust Property in accordance with the provisions of the Regulations, the Offering Document and the Trust Deed and if the Management Company has not done so, the respect in which it has not done so and the steps the Trustee has taken in respect thereof.”*

and the Trust Deed and if the Management Company has not done so, the respect in which it has not done so and the steps the Trustee has taken in respect thereof.]

- xiv. <sup>75</sup>[The Trustee shall ensure that (a) the sale, purchase, issue, re-purchase, transfer, redemption and cancellation of Units are carried out in accordance with the provisions of the Trust Deed, the Offering Document and the Regulations, 2008; and (b) the methodology and procedures adopted by the Management Company in calculating the value of the Units are adequate and the pricing and valuation for sale, issue, repurchase, redemption and cancellation of Units are carried out in accordance with the provisions of the Trust Deed, the Offering Document and the Regulations, 2008. In order to comply with this obligation, the Trustee shall have an unhindered access to the records and information maintained or available with the Management Company or its agents.]
- xv. <sup>76</sup>[The Trustee shall ensure that the investment and borrowing limitations set out in the Trust Deed and the Regulations, 2008 and the conditions under which the Scheme was authorized are complied with.]
- xvi. <sup>77</sup>[The Trustee shall arrange for an annual system audit by its auditors and provide the report to this effect to the Commission and the Management Company within four months of the close of the financial year. The Trustee shall be entitled to require the Auditors to provide such reports as may be agreed between the Trustee and the Management Company as may be considered necessary to facilitate the Trustee in issuing the certification required under the Regulations, 2008. The Trustee shall endeavor to provide the certification at the earliest date reasonably possible.]
- xvii. <sup>78</sup>[The Trustee shall, if requested by Management Company or if it considers necessary for the protection of Trust Property or safeguarding the interest of Unit Holder(s), institute or defend any

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<sup>75</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.5.1(xiv)} read as follows;

*“The Trustee shall ensure that (a) the sale, issue, re-purchase/redemption and cancellation of Units are carried out in accordance with the provisions of the Trust Deed, the Offering Document and the Regulations; and (b) the methodology adopted by the Management Company in calculating the value of the Units are adequate and in accordance with the provisions of the Trust Deed, the Offering Document and the Regulations. In order to comply with this obligation, the Trustee shall have an unhindered access to the records and information maintained or available with the Management Company or its agents.”*

<sup>76</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.5.1(xv)} read as follows;

*“The Trustee shall ensure that the investment and borrowing limitations set out in the Trust Deed and the Regulations and the conditions under which the Scheme was authorized are complied with.”*

<sup>77</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.5.1(xvi)} read as follows;

*“The Trustee shall arrange for an annual system audit by its auditors and provide the report to this effect to the Commission and the Management Company within three months of the close of the financial year. The Trustee shall be entitled to require the Auditors to provide such reports as may be agreed between the Trustee and the Management Company as may be considered necessary to facilitate the Trustee in issuing the certification required under the Regulations. The Trustee shall endeavor to provide the certification at the earliest date reasonably possible.”*

<sup>78</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.5.1(xvii)} read as follows;

*“The Trustee shall, if requested by Management Company or if it considers necessary for the protection of Trust Property or safeguarding the interest of Unit Holder(s), institute or defend any suit, proceeding, arbitration or inquiry or any corporate or shareholders’ action in respect of the Trust Property or any part thereof, with full powers to sign, swear, verify and submit pleadings and affidavits, to file documents, to give evidence, to appoint and remove counsel and to do all incidental acts, things and deeds through the Trustee’s authorized directors and officers. All reasonable costs, charges and expenses (including reasonable legal fees) incurred in instituting or defending any such action shall be borne by the Trust and the Trustee shall be indemnified against all such costs, charges and expenses: Provided that no such indemnity shall be available in respect of any action taken against the Trustee for gross negligence or breach of its*

suit, proceeding, arbitration or inquiry or any corporate or shareholders' action in respect of the Trust Property or any part thereof, with full powers to sign, swear, verify and submit pleadings and affidavits, to file documents, to give evidence, to appoint and remove counsel and to do all incidental acts, things and deeds through the Trustee's authorized directors and officers. All reasonable costs, charges and expenses (including reasonable legal fees) incurred in instituting or defending any such action shall be borne by the Trust and the Trustee shall be indemnified against all such costs, charges and expenses: Provided that no such indemnity shall be available in respect of any action taken against the Trustee for gross negligence or breach of its duties in connection with the Trust under the Trust Deed or the Regulations, 2008. For the avoidance of doubt it is clarified that notwithstanding anything contained in the Trust Deed or this Offering Document, the Trustee and the Management Company shall not be liable in respect of any losses, claims, damages or other liabilities whatsoever suffered or incurred by the Trust arising from or consequent to any such suit, proceeding, arbitration or inquiry or corporate or shareholders' action or otherwise howsoever and (save as herein otherwise provided), all such losses, claims, damages and other liabilities shall be borne by the Trust Fund.]

- xviii. <sup>79</sup>[Save as provided in Clause 2.7.1 above, neither the Trustee or the Custodian (if Trustee has appointed another person as Custodian), nor the Management Company or any of their Connected Persons shall sell or purchase or deal in the sale of any Investment or enter into any other transaction with the Trust.]
- xix. <sup>80</sup>[Subject to the Regulations, 2008, any transaction between the Trust and the Management Company or any of their respective Connected Persons as principal shall only be made with the prior written consent of the Trustee.]
- xx. <sup>81</sup>[The Trustee shall not be under any liability except such liability as may be expressly assumed by it under the Regulations, 2008 and the Trust Deed nor shall the Trustee be liable for any act or omission of the Management Company, nor for anything except its own negligence or willful breach of duty hereunder. If for any reason it becomes impossible or impracticable to carry out the provisions of the Trust Deed the Trustee shall not be under any liability thereof or thereby and it shall not incur any

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*duties in connection with the Trust under the Trust Deed or the Regulations. For the avoidance of doubt it is clarified that notwithstanding anything contained in the Trust Deed or this Offering Document, the Trustee and the Management Company shall not be liable in respect of any losses, claims, damages or other liabilities whatsoever suffered or incurred by the Trust arising from or consequent to any such suit, proceeding, arbitration or inquiry or corporate or shareholders' action or otherwise howsoever and (save as herein otherwise provided), all such losses, claims, damages and other liabilities shall be borne by the Trust Fund."*

<sup>79</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.5.1(xviii)} read as follows;

*"Neither the Trustee or the Custodian (if Trustee has appointed another person as Custodian) nor the Management Company or any of their Connected Persons shall sell or purchase or deal in the sale of any Investment or enter into any other transaction with the Trust, save in the capacity of an intermediary."*

<sup>80</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.5.1(xix)} read as follows;

*"Subject to the Regulations, any transaction between the Trust and the Management Company or any of their respective Connected Persons as principal shall only be made with the prior written consent of the Trustee."*

<sup>81</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.5.1(xx)} read as follows;

*"The Trustee shall not be under any liability except such liability as may be expressly assumed by it under the Regulations and the Trust Deed nor shall the Trustee be liable for any act or omission of the Management Company, nor for anything except its own negligence or willful breach of duty hereunder. If for any reason it becomes impossible or impracticable to carry out the provisions of the Trust Deed the Trustee shall not be under any liability thereof or thereby and it shall not incur any liability by reason of any error of law or any matter or thing done or suffered or omitted to be done in good faith hereunder."*

liability by reason of any error of law or any matter or thing done or suffered or omitted to be done in good faith hereunder.]

- xxi. <sup>82</sup>[The Trustee shall ensure that Units of the scheme have been issued after realization of subscription money, or act as provided in the Regulations, 2008. For this purpose, Management Company will provide the Trustee with the summary of Investments on regular basis.]
- xxii. <sup>83</sup>[The Trustee shall immediately inform the Commission in any action of the Management Company contravenes the Ordinance, the Rules, Regulations, 2008, the Constitutive Documents, guidelines, codes, circulars, directives or any other applicable laws.]
- xxiii. <sup>84</sup>[The Trustee shall comply with the directions of the Commission given in the interest of the Unit Holdes.]

### **3.6 Core and Pre-IPO Investors**

#### **i. Core Investor**

<sup>85</sup>[ Allied Bank Limited – Employees Superannuation (Pension) Fund as the Core Investor has subscribed an aggregate sum of Rs.250,000,000/- (Rupees Two Hundred and Fifty Million only) towards the purchase of 25,000,000 Units of Rs.10/- each.]

#### **ii. <sup>86</sup>Pre-IPO Investors**

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<sup>82</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.5.1(xxii)} read as follows;

*“The Trustee shall ensure that Units of the scheme have been issued after realization of subscription money, or act as provided in the Regulations. For this purpose, Management Company will provide the Trustee with the summary of Investments on regular basis.”*

<sup>83</sup> Inserted vide 1st Supplemental Offering Document dated November 01, 2010.

<sup>84</sup> Inserted vide 1st Supplemental Offering Document dated November 01, 2010.

<sup>85</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.6 (i)} read as follows;

*“Allied Bank Limited – Employees Superannuation (Pension) Fund as the Core Investor has subscribed an aggregate sum of Rs.250,000,000/- (Rupees Two Hundred and Fifty Million only) towards the purchase of 25,000,000 Units of Rs.10/- each.”*

<sup>86</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted list in Sub-Clause 3.6 (ii) read as follows;

- ABL Asset Management Company Limited
- ABL Asset Management Company Limited - Staff Provident Fund
- Adam Securities (Pvt.) Limited
- Bank of Khyber
- Bestway Foundation
- Bosicor Pakistan Limited - Employees Provident Fund Trust
- Capital One Equities Limited
- ENGRO Chemical Pakistan Ltd - MPT Employees Defined Contribution Pension Fund
- Fauji Cement Company Limited
- First Credit and Investment Bank Limited
- Habib Metropolitan Bank Limited
- IGI Investment Bank Limited
- Ismail Iqbal Securities (Pvt.) Limited
- Ismail Industries Limited
- JS Fund of Funds
- Karachi Electric Provident Fund
- KASB Bank Limited



- ABL Asset Management Company Limited
- ABL Asset Management Company Limited - Staff Provident Fund
- Adam Securities (Pvt.) Limited
- Allied Bank Limited
- Askari Bank Limited
- Bank of Khyber
- Bestway Foundation
- Bosicor Pakistan Limited - Employees Provident Fund Trust
- Capital One Equities Limited
- ENGRO Chemical Pakistan Ltd - MPT Employees Defined Contribution Pension Fund
- FCCL – Employees Provident Fund
- First Credit and Investment Bank Limited
- Habib Metropolitan Bank Limited
- IGI Investment Bank Limited
- Ismail Iqbal Securities (Pvt.) Limited
- Ismail Industries Limited
- JS Fund of Funds
- Karachi Electric Provident Fund
- KASB Bank Limited
- KASB Capital
- Matco Rice Processing (Pvt) Ltd
- National Fullerton Asset Management Limited
- Nishat (Chunian) Limited - Employees Provident Fund
- Pakarab Fertilizers Limited
- Pakistan Defence Officer Housing Authority
- Pakistan International Container Terminal Limited
- Pakistan International Container Terminal Limited - Provident Fund
- Pak-Libya Holding Company (Pvt.) Limited
- Pearl Securities (Pvt.) Ltd (Formerly I.I. Kodvavi Securities (Pvt.) Ltd)
- Saudi Pak Industrial and Agricultural Investment Company Limited
- Security Leasing Corporation Limited - Gratuity Fund

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- KASB Capital
  - Matco Rice Processing (Pvt) Ltd
  - National Fullerton Asset Management Limited
  - Nishat (Chunian) Limited - Employees Provident Fund
  - Pakarab Fertilizers Limited
  - Pakistan Defence Officer Housing Authority
  - Pakistan International Container Terminal Limited
  - Pakistan International Container Terminal Limited - Provident Fund
  - Pak-Libya Holding Company (Pvt.) Limited
  - Pearl Securities (Pvt.) Ltd (Formerly I.I. Kodvavi Securities (Pvt.) Ltd)
  - Saudi Pak Industrial and Agricultural Investment Company Limited
  - Security Leasing Corporation Limited - Gratuity Fund
  - Security Leasing Corporation Limited - Provident Fund
  - Sigma Leasing Corporation Limited
  - Soneri Bank Limited

- Security Leasing Corporation Limited - Provident Fund
- Sigma Leasing Corporation Limited
- Soneri Bank Limited

<sup>87</sup>[As per Regulation 61 (2) (e) (i) (now Regulation 44(3)(e)(i) of Regulations 2008) the Core Units are not redeemable for a period of first two (2) years from the date of the closure of the Initial Offer Period. However, these Units are transferable during this two year period. The Registrar/Transfer Agent has marked these Units as such. Any transfer of these Core Units, during the first two (2) years of their issue, shall be affected only on the receipt by the Registrar/Transfer Agent of a written acceptance of this condition by the transferee.]

The above Core Investor(s) as well as other Pre-IPO Investors were eligible to the profit earned on their investment from the date the funds were placed in a separate Bank Account till the day before opening of the Initial Period (i.e. till September 16, 2008). The purpose of this was to ensure that all Unit Holders (Core Investors, Pre-IPO Investors and IPO investors) are treated at par at the beginning of the Initial Period. Such interest/profit did not form part of the Trust Property.]

### **3.7 Registrar/Transfer Agent**

<sup>88</sup>[The Management Company will perform duties as the Registrar of the Fund until any further notice and intimation to the Trustee. The Registrar shall carry out the responsibility of maintaining investors' records, preparing and issuing account statements, issuing Certificates representing Units, processing redemption requests, processing dividend payments and all other related and incidental activities.]

### **3.8 Custodian**

<sup>89</sup>[The Central Depository Company of Pakistan Limited (CDC) is also performing the functions of the custodian of the Trust Property. The salient features of the custodial function are:

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<sup>87</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted paras in Sub-Clause 3.6 (ii) read as follows;

*“As per Regulation 61 (2) (e) (i) the Core Units are not redeemable for a period of first two (2) years from the date of the closure of the Initial Offer Period. However, these Units are transferable during this two year period. The Registrar/Transfer Agent will mark these Units as such. Any transfer of these Core Units, during the first two (2) years of their issue, shall be affected only on the receipt by the Registrar/Transfer Agent of a written acceptance of this condition by the transferee.*

*The above Core Investor(s) as well as other Pre-IPO Investors will be eligible to any profit earned on their investment from the date the funds are placed in a separate Bank Account till the day before opening of the Initial Period (i.e. till September 16, 2008). The purpose of this is to ensure that all Unit Holders (Core Investors, Pre-IPO Investors and IPO investors) are treated at par at the beginning of the Initial Period. Such interest/profit shall not form part of the Trust Property.”*

<sup>88</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 3.7) read as follows;

*“The Management Company will perform duties as the Registrar of the Fund until any further notice and intimation to the Trustee. The Registrar shall carry out the responsibility of maintaining investors' records, preparing and issuing account statements, issuing Certificates representing Units, processing redemption requests, processing dividend payments and all other related and incidental activities.”*

<sup>89</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 3.8) read as follows;

*“The Central Depository Company of Pakistan Limited (CDC) will also be performing the functions of the custodian of the Trust Property. The salient features of the custodial function are:*

- i. *Segregating all property of the Fund from Custodian's own property and that of its other clients.*

- i. Segregating all property of the Fund from Custodian's own property and that of its other clients.
- ii. Assuring the smooth inflow/outflow of dematerialized securities and such other instruments as required.
- iii. Ensuring that the benefits due on investments are received and credited to the Fund's account.

The Trustee may, if it considers necessary, appoint additional custodians with the approval of the Management Company and at such terms and conditions approved by the Management Company, for the safekeeping of any portion of the Trust Property.]

### **3.9 Distributors/Investment Advisors/ Facilitators/Sales Agent**

- i. <sup>90</sup>[Parties detailed in Annexure "C" of this First Supplemental Offering Document have each been appointed as Distributors to perform the Distribution Functions at their Authorized Branches. The addresses of these branches are given in Annexure "C" of this First Supplemental Offering Document. These branches may be increased or decreased by the Management Company from time to time. The Management Company may from time to time, appoint additional Distributors or terminate the arrangement with any Distributor and intimate the Trustee accordingly. The Management Company may itself perform the functions of a Distributor either directly or through sub-distributors.]
- ii. <sup>91</sup>[The Distributors will be responsible for receiving applications for performing Distribution Functions, including receiving applications for issuance of Units and redemptions / transfer applications. They will also be interfacing with and providing other services to Unit Holders, including receiving applications for change of address and other particulars or application for issuance of duplicate certificates, requests for income tax exemption/Zakat exemption, etc. for immediate transmission to the Management Company or Registrar/Transfer Agent as appropriate for

- ii. *Assuring the smooth inflow/outflow of dematerialized securities and such other instruments as required.*
- iii. *Ensuring that the benefits due on investments are received and credited to the Fund's account.*

*The Trustee may, if it considers necessary, appoint additional custodians with the approval of the Management Company and at such terms and conditions approved by the Management Company, for the safekeeping of any portion of the Trust Property."*

<sup>90</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.9(i)} read as follows;

*"Parties detailed in Annexure "C" of this Offering Document have each been appointed as Distributors to perform the Distribution Functions at their Authorized Branches. The addresses of these branches are given in Annexure "C" of this Offering Document. These branches may be increased or decreased by the Management Company from time to time. The Management Company may from time to time, appoint additional Distributors or terminate the arrangement with any Distributor and intimate the Trustee accordingly. The Management Company may itself perform the functions of a Distributor either directly or through sub-distributors."*

<sup>91</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.9(ii)} read as follows;

*"The Distributors will be responsible for receiving applications for performing Distribution Functions, including receiving applications for issuance of Units and redemptions / transfer applications. They will also be interfacing with and providing other services to Unit Holders, including receiving applications for change of address and other particulars or application for issuance of duplicate certificates, requests for income tax exemption/Zakat exemption, etc. for immediate transmission to the Management Company or Registrar/Transfer Agent as appropriate for further action. The Management Company shall remunerate the Distributor out of its own resources and/or from Sales Load."*

further action. The Management Company shall remunerate the Distributor out of its own resources and/or from Front-end Load.]

- iii. <sup>92</sup>[The Distributors/Distribution Companies may appoint sub-distributors with prior approval of the Management Company to perform some aspects of the Distribution Functions but such Distributors / Distribution Companies shall be responsible for all acts and omissions of their sub-distributors.]
- iv. <sup>93</sup>[The Management Company may, at its sole responsibility, from time to time, appoint Investment Facilitators (Facilitators). The Facilitators' function is to identify, solicit and assist investors in investing in the Fund. The Management Company shall remunerate the Facilitators out of its resources.]

### **3.10 Auditors**

<sup>94</sup> [A.F. Ferguson & Co.  
Chartered Accountants  
(A Member Firm of PriceWaterhouseCoopers)  
State Life Building No. 1-C  
I.I. Chundrigar Road,  
Karachi, Pakistan]

- i. <sup>95</sup>[The Auditors will hold office until the transmission of the reports and accounts, which will cover the period from commencement of the Trust up to Accounting Period and will be eligible for reappointment by the Management Company with the consent of the Trustee. However, an auditor

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<sup>92</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.9(iii)} read as follows;

*“The Distributors/Distribution Companies may appoint sub-distributors with prior approval of the Management Company to perform some aspects of the Distribution Functions but such Distributors / Distribution Companies shall be responsible for all acts and omissions of their sub-distributors.”*

<sup>93</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.9(iv)} read as follows;

*“The Management Company may, at its sole responsibility, from time to time, appoint Investment Facilitators (Facilitators). The Facilitators' function is to identify, solicit and assist investors in investing in the Fund. The Management Company shall remunerate the Facilitators out of its resources.”*

<sup>94</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 3.10) read as follows;

A.F. Ferguson & Co.  
Chartered Accountants  
(A Member Firm of PriceWaterhouseCoopers)  
State Life Building No. 1-C  
I.I. Chundrigar Road,  
Karachi, Pakistan

<sup>95</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.10(i)} read as follows;

*“The Auditors will hold office until the transmission of the reports and accounts, which will cover the period from commencement of the Trust up to Accounting Period and will be eligible for reappointment by the Management Company with the consent of the Trustee. However, an auditor may be reappointed for up-to five consecutive terms. Thereafter, that auditor may only be appointed after a break in appointment.”*

may be reappointed for up-to five consecutive terms. Thereafter, that auditor may only be appointed after a break in appointment.]

- ii. <sup>96</sup>[The Auditors shall have access to the books, papers, accounts and vouchers of the Trust, whether kept at the office of the Management Company, Trustee, Custodian, Transfer Agent or elsewhere and shall be entitled to require from the Management Company, Trustee and their Directors, Officers and Agents such information and explanations as considered necessary for the performance of audit.]
- iii. <sup>97</sup>[The Trustee shall be entitled to require the Auditors to provide such further reports as may be agreed between the Trustee and the Management Company as may be considered necessary to facilitate the Trustee in issuing the certification required under the Regulations, 2008.]
- iv. <sup>98</sup>[The Auditors shall prepare a written report to the Unit Holders on the accounts and books of accounts of the Trust and the balance sheet and income and expenditure account, including notes, statements or schedules appended thereto.]
- v. <sup>99</sup>[The contents of the Auditors report shall be in accordance with the provisions of the Regulations, 2008.]

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<sup>96</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.10(ii)} read as follows;

*“The Auditors shall have access to the books, papers, accounts and vouchers of the Trust, whether kept at the office of the Management Company, Trustee, Custodian, Transfer Agent or elsewhere and shall be entitled to require from the Management Company, Trustee and their Directors, Officers and Agents such information and explanations as considered necessary for the performance of audit.”*

<sup>97</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.10(iii)} read as follows;

*“The Trustee shall be entitled to require the Auditors to provide such further reports as may be agreed between the Trustee and the Management Company as may be considered necessary to facilitate the Trustee in issuing the certification required under the Regulations.”*

<sup>98</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.10(iv)} read as follows;

*“The Auditors shall prepare a written report to the Unit Holders on the accounts and books of accounts of the Trust and the balance sheet and income and expenditure account, including notes, statements or schedules appended thereto.”*

<sup>99</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.10(v)} read as follows;

*“The contents of the Auditors report shall be in accordance with the provisions of the Regulations.”*

### 3.11 Legal Advisors

<sup>100</sup>[M/s. Bawaney & Partners  
404, 4th Floor, Beaumont Plaza  
Beaumont Road  
Karachi, Pakistan]

### 3.12 Bankers

<sup>101</sup> [Allied Bank Limited  
United Bank Limited  
Bank Alfalah Limited  
Karachi.

In addition, the Management Company may appoint any other Banks. The Trustee shall operate the accounts on instruction from the Management Company.]

#### 3.12.1 Bank Accounts

- i. <sup>102</sup>[The Trustee, at the request of the Management Company, shall open Bank Account(s) titled **“CDC-Trustee ABL Income Fund”** for the Unit Trust at designated Bank(s) inside or outside Pakistan, subject to the relevant laws, Rules and Regulations, for collection, investment, redemption or any other use of the Trust’s funds.]
- ii. <sup>103</sup>[The Trustee shall also open additional Bank Account(s) titled **“CDC-Trustee ABL Income Fund”** at various branches of such other Bank(s) as requested by the Management Company. These accounts shall be temporary collection accounts where collections shall be held prior to their being transferred to the main Bank Account of the Trust on a daily basis.]

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<sup>100</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 3.11) read as follows;

*“M/s. Bawaney & Partners  
404, 4th Floor, Beaumont Plaza  
Beaumont Road  
Karachi, Pakistan”*

<sup>101</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 3.12) read as follows;

*“Allied Bank Limited  
United Bank Limited  
Bank Alfalah Limited  
Karachi.*

*In addition, the Management Company may appoint any other Banks. The Trustee shall operate the accounts on instruction from the Management Company.”*

<sup>102</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.12.1 (i)} read as follows;

*“The Trustee, at the request of the Management Company, shall open Bank Account(s) titled **“CDC-Trustee ABL Income Fund”** for the Unit Trust at designated Bank(s) inside or outside Pakistan, subject to the relevant laws, Rules and Regulations, for collection, investment, redemption or any other use of the Trust’s funds.”*

<sup>103</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.12.1 (ii)} read as follows;

*“The Trustee shall also open additional Bank Account(s) titled **“CDC-Trustee ABL Income Fund”** at various branches of such other Bank(s) as requested by the Management Company. These accounts shall be temporary collection accounts where collections shall be held prior to their being transferred to the main Bank Account of the Trust on a daily basis.”*

- iii. <sup>104</sup>[The Trustee shall, if requested by the Management Company open Bank Accounts titled "**CDC – Trustee ABL Income Fund**" in offshore countries where the Investments are made on account of the Fund, if such Investments necessitate opening and operation of Bank Accounts by the Trustee. For this purpose, the Trustee shall be deemed to be authorized to sign and submit the prescribed account opening forms of such Banks, including custodial/sub-custodial services accounts and brokerage accounts with such Banks, custodians, sub-custodians, and brokers, as may be required to be appointed for offshore Investments of the Fund. The opening, operation and maintenance of such Bank Accounts, custodial/sub-custodial and brokerage services accounts in offshore countries shall always be subject to the approval of the SBP and the exchange control regulations, as well as any directives of the SBP and/or the Commission.]
- iv. <sup>105</sup>[The Management Company will exercise due caution and diligence in appointing and arranging of such bank, brokerage houses and custodian/ sub-custodian in offshore countries as mentioned in (iii) above. The Management Company and the Trustee shall not incur any personal liability for any consequences that may arise in the opening and operation of such Bank Accounts, brokerage accounts and/or custodial/sub-custodial services accounts.]
- v. <sup>106</sup>[The Management Company may also require the Trustee to open separate Bank Account(s) as Distribution Account(s) for each Dividend distribution out of the Unit Trust.]

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<sup>104</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.12.1 (iii)} read as follows;

*“The Trustee shall, if requested by the Management Company open Bank Accounts titled "**CDC – Trustee ABL Income Fund**" in offshore countries where the Investments are made on account of the Fund, if such Investments necessitate opening and operation of Bank Accounts by the Trustee. For this purpose, the Trustee shall be deemed to be authorized to sign and submit the prescribed account opening forms of such Banks, including custodial/sub-custodial services accounts and brokerage accounts with such Banks, custodians, sub-custodians, and brokers, as may be required to be appointed for offshore Investments of the Fund. The opening, operation and maintenance of such Bank Accounts, custodial/sub-custodial and brokerage services accounts in offshore countries shall always be subject to the approval of the SBP and the exchange control regulations, as well as any directives of the SBP and/or the Commission.”*

<sup>105</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.12.1 (iv)} read as follows;

*“The Management Company will exercise due caution and diligence in appointing and arranging of such bank, brokerage houses and custodian/ sub-custodian in offshore countries as mentioned in (iii) above. The Management Company and the Trustee shall not incur any personal liability for any consequences that may arise in the opening and operation of such Bank Accounts, brokerage accounts and/or custodial/sub-custodial services accounts. The Management Company and the Trustee shall be indemnified out of the Fund Property for any losses, costs and expenses that may be suffered, sustained or incurred by the Management Company /Trustee and against all consequences arising from and out of (1) the execution by the Management Company /Trustee of the account opening forms/ documents with all particulars as may be required by such Bank(s), Financial Institution(s), custodian(s)/sub-custodian(s) and brokerage house(s), (2) the opening of such account(s) with the offshore Bank(s), Financial Institution(s), custodian(s)/sub-custodian(s) and brokerage house(s), (3) the Investments made in offshore countries on account of the Trust, (4) the appointment of Bank(s), Financial Institution(s), broker(s) and/or custodian(s)/sub-custodian(s) for the Funds’ Investments, securities and other assets internationally and (5) all other related or incidental activities of the Management Company/Trustee in relation to the above. Provided that such indemnity shall not be available to the Management Company and/or the Trustee, if such loss, cost or expense is sustained or incurred due to willful or gross negligence on their respective part. For the purpose of making such arrangements in offshore countries, the Management Company may in consultation with the Trustee retain the services of advisors and professionals to ensure legal and regulatory compliances on part of the Management Company and the Trustee, as provided in Clause 6.2.1.vii hereafter.”*

<sup>106</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.12.1 (v)} read as follows;

*“The Management Company may also require the Trustee to open separate Bank Account(s) as Distribution Account(s) for each Dividend distribution out of the Unit Trust.”*

- vi. <sup>107</sup>[All bank charges for opening and maintaining Bank Accounts for the Trust shall be charged to the Fund.]
- vii. <sup>108</sup>[All income, profit etc. earned in the Distribution Account(s), including those accruing on unclaimed dividends, shall form part of the Trust Property for the benefit of the Unit Holders and shall be transferred periodically from the Distribution Account(s) to the main Bank Account of the Trust.]
- viii. <sup>109</sup>[The amounts received from the Core Investors (Seed Capital) and Private Placement Investors (Pre-IPO) (as per Clause 4.1 below) shall be deposited in a separate Bank Account and transferred to the main Bank Account of the Fund upon the close of the Initial Period. Income, profit etc. earned on the investments by the Core Investors and Private Placement Investors till the day before opening of Initial Period was paid to the Core Investors and Private Placement Investors and did not form part of the Trust Property.]
- ix. <sup>110</sup>[Notwithstanding anything in the Deed, the beneficial ownership of the balances in the Accounts shall vest in the Unit Holders except for those mentioned in clauses (iv) and (vii) above.]
- x. <sup>111</sup>[The Trustee if requested by the Management Company shall also open separate Bank Account(s) titled **“CDC -Trustee ABLAMC Funds”** at various locations for collection of funds pursuant to any centralized funds collection system that may be introduced by the Management Company for all the unit trusts managed by the Management Company. These account(s) shall be a temporary allocation accounts, where collections received on account of subscription of Units by investors of various units trusts and Administrative Plans that are managed by the Management Company and under trusteeship of common Trustee shall be held prior to their being allocated and transferred to the Scheme on a daily basis by the Trustee. The Management Company may also require the Trustee to open separate accounts for temporary parking of redemption funds.]

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<sup>107</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.12.1 (vi)} read as follows;

*“All bank charges for opening and maintaining Bank Accounts for the Trust shall be charged to the Fund.”*

<sup>108</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.12.1 (vii)} read as follows;

*“All income, profit etc. earned in the Distribution Account(s), including those accruing on unclaimed dividends, shall form part of the Trust Property for the benefit of the Unit Holders and shall be transferred periodically from the Distribution Account(s) to the main Bank Account of the Trust.”*

<sup>109</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.12.1 (viii)} read as follows;

*“The amounts received from the Core Investors (Seed Capital) and Private Placement Investors (Pre-IPO) (as per Clause 4.1 below) shall be deposited in a separate Bank Account and transferred to the main Bank Account of the Fund upon the close of the Initial Period. Income, profit etc. earned on the investments by the Core Investors and Private Placement Investors till the day before opening of Initial Period shall be paid to the Core Investors and Private Placement Investors and shall not form part of the Trust Property.”*

<sup>110</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 3.12.1 (ix)} read as follows;

*“Notwithstanding anything in the Deed, the beneficial ownership of the balances in the Accounts shall vest in the Unit Holders except for those mentioned in clauses (iv) and (vii) above.”*

<sup>111</sup> Inserted vide 2<sup>nd</sup> Supplemental Offering Document dated September 20, 2011.



### **3.13 Details of Performance of Schemes under Management**

<sup>112</sup>ABL-IF is the first Fund constituted by ABL AMC.

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<sup>112</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 3.13) read as follows;  
*“ABL-IF is the first Fund constituted by ABL AMC.”*

### 3.14 Performance of Companies where Directors are Holding Similar Offices

<sup>113</sup>Performance of listed associated companies where Directors of the Management Company hold similar offices:

S.No.		2002	2003	2004	2005	2006	2007	2008	2009
1	<b>Ibrahim Fibres</b>								

113

Performance of listed associated companies where Directors of the Management Company hold similar offices:

S.No.		2002	2003	2004	2005	2006	2007
1	<b>Ibrahim Fibres Limited.</b>						
	EPS (Rs.)	1.7	1.5	2.8	1.4	4.8	4.9
	Shareholders Equity (Rs. in Million)	5,205	5,223	6,096	6,035	7,496	9,116
	Total Assets (Rs. in Million)	11,388	11,331	18,680	19,376	18,477	20,668
	Cash Dividend (%)	15	15	15	-	-	-
	Stock Dividend (%)	-	-	-	-	-	-
2	<b>Allied Bank Limited.</b>						
	EPS (Rs.)	(5.45)	1.97	0.36	5.74	8.16	7.57
	Shareholders Equity (Rs. in Million)	(5,267)	(4,869)	9,448	12,914	16,230	18,408
	Total Assets (Rs. in Million)	112,465	117,516	154,926	192,574	252,027	320,110
	Cash Dividend (%)	-	-	-	2.9	2.7	2.3
	Stock Dividend (%)	-	-	-	-	-	-
3	<b>Dawood Hercules Chemicals Limited.</b>						
	EPS (Rs.)	11.01	19.13	17.21	34.61	24.79	122.3
	Shareholders Equity (Rs. in Million)	4,490	6,365	7,834	9,355	9,273	18,889
	Total Assets (Rs. in Million)	5,089	9,403	12,300	12,787	16,163	29,223
	Cash Dividend (%)	95	100	105	85	80	30
	Stock Dividend (%)	50	-	-	15	-	20
4	<b>Central Insurance Company Limited.</b>						
	EPS (Rs.)	10.88	7.3	10.35	14.35	53.64	196.52
	Shareholders Equity (Rs. in Million)	472	511	579	755	1,458	4,115
	Total Assets (Rs. in Million)	552	713	773	1,360	1,585	4,304
	Cash Dividend (%)	80	40	60	40	50	50
	Stock Dividend (%)	20	10	20	10	-	20
5	<b>Sui Nothern Gas Pipeline Limited.</b>						
	EPS (Rs.)	3.44	3.67	4.18	4.98	6.78	4.88
	Shareholders Equity (Rs. in Million)	7,641	8,556	11,396	12,884	15,109	16,289
	Total Assets (Rs. in Million)	45,628	47,301	56,925	65,014	77,237	83,651
	Cash Dividend (%)	20	22	25	30	30	30
	Stock Dividend (%)	-	-	-	-	10	-

	<b>Limited.</b>								
	EPS (Rs.)	1.7	1.5	2.8	1.4	4.8	4.9	5.10	5.2
	Shareholders Equity (Rs. in Million)	5,205	5,223	6,096	6,035	7,496	9,116	10,704	11,871
	Total Assets (Rs. in Million)	11,388	11,331	18,680	19,376	18,477	20,668	23,856	26,479
	Cash Dividend (%)	15	15	15	-	-	-	15	-
	Stock Dividend (%)	-	-	-	-	-	-	-	-
<b>2</b>	<b>Allied Bank Limited.</b>								
	EPS (Rs.)		3.63	0.74	6.88	8.16	7.57	5.85	10.02
	Shareholders Equity (Rs. in Million)	(5,267)	(3,974)	10,320	14,549	17,687	19,878	22,355	29,959
	Total Assets (Rs. in Million)	112,465	117,515	154,208	192,574	252,026	320,109	366,695	418,374
	Cash Dividend (%)	-	-	-	25	25	30	25	40
	Stock Dividend (%)	-	-	-	-	20	20	10	10
<b>3</b>	<b>Hubco</b>								
	EPS (Rs.)	6.30	5.27	4.72	4.65	2.39	2.29	2.25	3.27
	Shareholders Equity (Rs. in Million)	26.17	26.03	29.64	31.67	29.98	29.05	28.47	29.53
	Total Assets (Rs. in Million)	63.56	55.54	51.78	46.63	43.51	44.99	62.70	90.18
	Cash Dividend (%)	76	54	32	39	31	28.5	21.5	33.50
	Stock Dividend (%)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

## 4. CHARACTERISTICS OF UNITS

### 4.1 <sup>114</sup>[Classes of Units]

Initially, the Management Company shall issue the following Classes of Units:

- i. Class “A” (Restricted/Core Units) issued to the Core Investors with no Front-end and Back-end Load, These Units cannot be redeemed for a period of two (2) years from the date of subscription. However, such Units are transferable.
- ii. Class “B” Units being offered and issued during the Private Placement and Pre-IPO with no Front-end and Back-end Load.
- iii. Class “C” Units, which shall be offered and issued after the Pre-IPO Period with no Front-end Load.
- iv. Class “D” Units, which may be offered and issued after the Pre-IPO where a Front-end Load will be charged.]

### 4.2 Types of Units

4.2.1 <sup>115</sup>[An investor shall, at the time of opening an account, select the type(s) of Units(s) in which the investor wishes to invest, i.e. Growth and/or Income Units.]

4.2.2 <sup>116</sup>[The minimum amount of investment to open and maintain an account is Rs.5,000/- for Growth Units and Rs.500,000/- for Income Units. The Management Company reserves the right to alter the

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<sup>114</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 4.1) read as follows;

*“Initially, the Management Company shall issue the following Classes of Units:*

- i. Class “A” (Restricted/Core Units) issued to the Core Investors with no Sales Load, These Units cannot be redeemed for a period of two (2) years from the date of subscription. However, such Units are transferable.*
- ii. Class “B” Units being offered and issued during the Private Placement and Pre-IPO with no Sales Load.*
- iii. Class “C” Units, which shall be offered and issued after the Pre-IPO Period with no Sales Load.*
- iv. Class “D” Units, which may be offered and issued after the Pre-IPO where a Front-end Load will be charged.”*

<sup>115</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 4.2.1) read as follows;

*“An investor shall, at the time of opening an account, select the type(s) of Units(s) in which the investor wishes to invest, i.e. Growth and/or Income Units.”*

<sup>116</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 4.2.2) read as follows;

*“The minimum amount of investment to open and maintain an account is Rs.5,000/- for Growth Units and Rs.50,000/- for Income Units. The Management Company reserves the right to alter the minimum amounts stated hereinabove. If the investment is any investor’s account below the minimum level as a result of revised limits, changes in valuation redemption, transfer or transmission, the Management Company may instruct the Registrar/Transfer Agent, under intimation to that investor, to close the account by redeeming the Units at the close of any accounting period at the price applicable to redemptions on such date. For Income Units, in case the amount falls below Rs.50,000/-, funds may be transferred to Growth Units.*

minimum amounts stated hereinabove. If the investment is any investor's account below the minimum level as a result of revised limits, changes in valuation redemption, transfer or transmission, the Management Company may instruct the Registrar/Transfer Agent, under intimation to that investor, to close the account by redeeming the Units at the close of any accounting period at the price applicable to redemptions on such date. For Income Units, in case the amount falls below Rs.500,000/-, funds may be transferred to Growth Units.

After the initial investment, Unit Holders of ABL-IF may add a minimum of Rs.5,000/- per transaction at their convenience. Units of ABL-IF (including fractions thereof) shall be issued against the amount received from the Unit Holder(s) in accordance with the procedure laid down in this Offering Document. The Management Company may alter the minimum amount required for opening, maintaining or adding to the account. Provided that in case of an upward change in the minimum amount required for maintaining the account or adding funds, the Management Company shall give seven days notice to Unit Holders.]

- i) <sup>117</sup>[**Growth Units:** The Unit value grows in line with the growth in the NAV, and the Unit Holders, shall have the option to receive distribution income in the form of cash or bonus units. The Unit Holder shall choose one of the following two options:
- a) Growth Units with option of receiving a Cash Dividend at the time of distribution.
  - b) Growth Units with the option of receiving Bonus Units at the time of distribution.]
- ii) <sup>118</sup>[**Income Units:** Income Unit Holders will be distributed Dividends in the form of Bonus Units only.

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*After the initial investment, Unit Holders of ABL-IF may add a minimum of Rs.5,000/- per transaction at their convenience. Units of ABL-IF (including fractions thereof) shall be issued against the amount received from the Unit Holder(s) in accordance with the procedure laid down in this Offering Document. The Management Company may alter the minimum amount required for opening, maintaining or adding to the account. Provided that in case of an upward change in the minimum amount required for maintaining the account or adding funds, the Management Company shall give seven days notice to Unit Holders."*

<sup>117</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 4.2.2(i)} read as follows;

**"Growth Units:** *The Unit value grows in line with the growth in the NAV, and the Unit Holders, shall have the option to receive distribution income in the form of cash or bonus units. The Unit Holder shall choose one of the following two options:*

- a) *Growth Units with option of receiving a Cash Dividend at the time of distribution.*
- b) *Growth Units with the option of receiving Bonus Units at the time of distribution."*

<sup>118</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 4.2.2(ii)} read as follows;

**"Income Units:** *Income Unit Holders will be distributed Dividends in the form of Bonus Units only.*

- a) **Flexible Income Plan** - *Unit Holders, at the time of purchase or beginning of an interval will authorize the Management Company to decide the quantum of part redemption of their unit holdings at the end of every Regular Interval (i.e. monthly, quarterly, semi-annually or annually) based on the performance (NAV growth) of the scheme during the Regular Interval.*
  - If the Value of Investment increases (due to growth in NAV) during an interval, the Management Company will calculate the number of units to be redeemed in such a manner that the total redemption value of such units is equal to the increase in the value of investment during that interval.*
  - If the Value of Investment falls (due to fall in NAV) during an interval, the Management Company will not redeem any units at the end of that interval.*
- b) **Fixed Income Plan** – *Unit Holders, at the time of purchase or beginning of an interval will specify a fixed cash amount at Regular Intervals (i.e. monthly, quarterly, semi-annually or annually) and*

- a) **Flexible Income Plan** - Unit Holders, at the time of purchase or beginning of an interval will authorize the Management Company to decide the quantum of part redemption of their unit holdings at the end of every Regular Interval (i.e. monthly, quarterly, semi-annually or annually) based on the performance (NAV growth) of the scheme during the Regular Interval.
- If the Value of Investment increases (due to growth in NAV) during an interval, the Management Company will calculate the number of units to be redeemed in such a manner that the total redemption value of such units is equal to the increase in the value of investment during that interval.
  - If the Value of Investment falls (due to fall in NAV) during an interval, the Management Company will not redeem any units at the end of that interval.
- b) **Fixed Income Plan** – Unit Holders, at the time of purchase or beginning of an interval will specify a fixed cash amount at Regular Intervals (i.e. monthly, quarterly, semi-annually or annually) and authorize the Management Company to redeem (at the prevailing NAV) such number of units from their holding that in rupee terms is equivalent to the specified fixed amount required at the end of every Regular Interval.

**As a result of operation of this Clause, the capital invested may deplete in case sufficient returns are not earned to cover the amount required by the Unit Holder.**

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*authorize the Management Company to redeem (at the prevailing NAV) such number of units from their holding that in rupee terms is equivalent to the specified fixed amount required at the end of every Regular Interval.*

***As a result of operation of this Clause, the capital invested may deplete in case sufficient returns are not earned to cover the amount required by the Unit Holder.***

*As mentioned in clause 10.2 of this Offering Document, price of units and their subsequent income may go up or down as market conditions so warrant. If income generated from the growth in unit prices outweighs the fixed cash amount, as specified by an investor then the capital of the investor shall not deplete. On the contrary, if income generated from the growth in unit prices becomes lower than the fixed cash amount being paid to an investor then this will lead to a reduction in the actual invested amount. If such a scenario emanates and growth factors dampen with respect to the fixed cash amount then the investor is susceptible to capital depletion. If such conditions persist, then the following steps may be exercised:*

- i. *The investor may opt to convert their plan from fixed income to flexible income or opt for growth units by completing and submitting the special instructions form as enclosed in Annexure “D”.*
- ii. *In case the amount falls below Rs.50,000/-, the Management Company may transfer the Income units into Growth Units.*

*As per clause 9.4 of this Offering Document, the Management Company will inform the fixed income unit holder regarding his/her account activity through regular account statements. Units so redeemed (at the prevailing NAV) from the investor’s holding, that in rupee terms is equivalent to the specified fixed amount, shall be highlighted in the account statement. Investors shall have to regularly monitor their account statements in order to protect their investment from depleting, in the instance that the specified fixed income amount outweighs growth in units.*

*Such measures will reduce the likelihood of a fixed income plan investor from depletion in capital.*

*The Management Company shall, calculate the redemption value to be paid to the Income Unit Holder(s) based on the Redemption Price of that day.”*

As mentioned in clause 10.2 of this Offering Document, price of units and their subsequent income may go up or down as market conditions so warrant. If income generated from the growth in unit prices outweighs the fixed cash amount, as specified by an investor then the capital of the investor shall not deplete. On the contrary, if income generated from the growth in unit prices becomes lower than the fixed cash amount being paid to an investor then this will lead to a reduction in the actual invested amount. If such a scenario emanates and growth factors dampen with respect to the fixed cash amount then the investor is susceptible to capital depletion. If such conditions persist, then the following steps may be exercised:

- i. The investor may opt to convert their plan from fixed income to flexible income or opt for growth units by completing and submitting the special instructions form as enclosed in Annexure “D”.
- ii. In case the amount falls below Rs.500,000/-, the Management Company may transfer the Income units into Growth Units.

As per clause 9.4 of this Offering Document, the Management Company will inform the fixed income unit holder regarding his/her account activity through regular account statements. Units so redeemed (at the prevailing NAV) from the investor’s holding, that in rupee terms is equivalent to the specified fixed amount, shall be highlighted in the account statement. Investors shall have to regularly monitor their account statements in order to protect their investment from depleting, in the instance that the specified fixed income amount outweighs growth in units.

Such measures will reduce the likelihood of a fixed income plan investor from depletion in capital.

The Management Company shall, calculate the redemption value to be paid to the Income Unit Holder(s) based on the Redemption Price of that day.

- 4.2.3 <sup>119</sup>[The Management Shall on the 25<sup>th</sup> of the last month of every Regular Interval, calculate the redemption value to be paid to the Income Unit Holder(s) based on the Redemption Price of that day.
- The amount so redeemed shall be transferred to the designated bank account within six (6) working days of the redemption.]
- 4.2.4 <sup>120</sup>[The Unit Holder may withdraw funds from the option at any stage by filling out and submitting the prescribed form to the Distributor/Investment Facilitator. If the value of the account goes below the prescribed amount as a result of loss in valuation or as a result of application of Clauses 4.2.2 (ii) above, the minimum value requirement shall not apply to that extent. In such an event, the Unit Holder is free to discontinue the option or convert the remaining Units into Growth Units.]
- 4.2.5 <sup>121</sup>[The Registrar/Transfer Agent shall send an account statement to the Unit Holder each time there is an activity in the account. Such statements or report shall be sent by electronic means or ordinary mail to the Unit Holder's address recorded in the register.]
- 4.2.6 <sup>122</sup>[In case the Management Company announces a suspension of further issue of Units of ABL-IF, it may allow existing Unit Holders to continue acquiring Units out of any dividend declared on Units held under this option.]
- 4.2.7 <sup>123</sup>[Certificates representing Income Units shall not be issued. However, the Transfer Agent shall send directly to each Unit Holder an account statement each time there is a transaction in the account.]
- 4.2.8 <sup>124</sup>[All Units and fractions thereof (up to four or more decimal places) represent an undivided share in the Scheme and rank pari passu as to their rights in net assets, earnings and receipt of dividends and

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<sup>119</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 4.2.3) read as follows;

*"The Management Shall on the 25th of the last month of every Regular Interval, calculate the redemption value to be paid to the Income Unit Holder(s) based on the Redemption Price of that day. The amount so redeemed shall be transferred to the designated bank account within six (6) working days of the redemption."*

<sup>120</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 4.2.4) read as follows;

*"The Unit Holder may withdraw funds from the option at any stage by filling out and submitting the prescribed form to the Distributor/Investment Facilitator. If the value of the account goes below the prescribed amount as a result of loss in valuation or as a result of application of Clauses 4.2.2 (ii) above, the minimum value requirement shall not apply to that extent. In such an event, the Unit Holder is free to discontinue the option or convert the remaining Units into Growth Units."*

<sup>121</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 4.2.5) read as follows;

*"The Registrar/Transfer Agent shall send an account statement to the Unit Holder each time there is an activity in the account. Such statements or report shall be sent by electronic means or ordinary mail to the Unit Holder's address recorded in the register."*

<sup>122</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 4.2.6) read as follows;

*"In case the Management Company announces a suspension of further issue of Units of ABL-IF, it may allow existing Unit Holders to continue acquiring Units out of any dividend declared on Units held under this option."*

<sup>123</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 4.2.7) read as follows;

*"Certificates representing Income Units shall not be issued. However, the Transfer Agent shall send directly to each Unit Holder an account statement each time there is a transaction in the account."*

<sup>124</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 4.2.8) read as follows;



distributions. Each Unit Holder has a beneficial interest in ABL-IF proportionate to the Units held by such Unit Holder. However, while maintaining the integrity of each Unit's pari passu rights, the Management Company may, for the convenience of investors, issue Units with different features from time to time.]

4.2.9 <sup>125</sup>[Unit Holders may obtain certificates representing the Growth Units they hold by paying a nominal fee of Rs.50/- per certificate. This fee may be revised from time to time by the Management Company. Requests for redemption, transfer or transmission of Units shall be processed only on the production of the certificate(s) if issued earlier. In the event of loss or defacing of certificates, the verification process shall be carried out to the satisfaction of the Management Company / Trustee /Registrar/Transfer Agent and the associated costs, if any, will be borne by the Unit Holder.]

4.2.10 <sup>126</sup>[The Registrar/Transfer Agent may register a pledge / lien on any Units in favor of any third party with the specific authority of the Management Company. However, the pledge / lien shall be valid only if evidenced by a statement or letter issued by the Transfer Agent indicating the Units marked in favor of the Pledgee. The onus for due process having been followed in registering a lien shall lie with the party claiming the lien. (Please see Clause 4.7 for details).]

### **4.3 Purchase and Redemption of Units**

i. <sup>127</sup>[Units are purchased at the Offer Price and redeemed at the Redemption Price at any of the Authorized Distribution Offices during business hours on any Dealing Day in accordance with the procedure set out in Clauses 4.4 and 4.5 of this First Supplemental Offering Document.]

ii. <sup>128</sup>[Units are allocated and issued on realization of subscription money;]

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*“All Units and fractions thereof (up to four or more decimal places) represent an undivided share in the Scheme and rank pari passu as to their rights in net assets, earnings and receipt of dividends and distributions. Each Unit Holder has a beneficial interest in ABL-IF proportionate to the Units held by such Unit Holder. However, while maintaining the integrity of each Unit's pari passu rights, the Management Company may, for the convenience of investors, issue Units with different features from time to time.”*

<sup>125</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 4.2.9) read as follows;

*“Unit Holders may obtain certificates representing the Growth Units they hold by paying a nominal fee of Rs.50/- per certificate. This fee may be revised from time to time by the Management Company. Requests for redemption, transfer or transmission of Units shall be processed only on the production of the certificate(s) if issued earlier. In the event of loss or defacing of certificates, the verification process shall be carried out to the satisfaction of the Management Company / Trustee /Registrar/Transfer Agent and the associated costs, if any, will be borne by the Unit Holder.”*

<sup>126</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 4.2.10) read as follows;

*“The Registrar/Transfer Agent may register a pledge / lien on any Units in favor of any third party with the specific authority of the Management Company. However, the pledge / lien shall be valid only if evidenced by a statement or letter issued by the Transfer Agent indicating the Units marked in favor of the Pledgee. The onus for due process having been followed in registering a lien shall lie with the party claiming the lien. (Please see Clause 4.7 for details).”*

<sup>127</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 4.3(i)} read as follows;

*“Units are purchased at the Offer Price and redeemed at the Redemption Price at any of the Authorized Distribution Offices during business hours on any Dealing Day in accordance with the procedure set out in Clauses 4.4 and 4.5 of this Offering Document.”*

<sup>128</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 4.3(ii)} read as follows;

*“Units are issued after realization of subscription money; however these are allocated up on receipt of application.”*

- iii. <sup>129</sup>[During the period the register is closed, as mentioned in Clauses 4.8 and 5.8 of this First Supplemental Offering Document, the sale and redemption of Units will be suspended.]

The Management Company may decline the issue of Units to any applicant if it is of the opinion that it will not be possible to invest the substantial inflow of funds or to meet any regulatory requirements.]

#### **4.4 Procedure for Purchase of Units**

##### **4.4.1 <sup>130</sup>Who Can Apply?**

[Any investor or any related group of investors qualified or authorized to purchase the Units may make applications for the Purchase of Units in the Fund. The onus for being so qualified lies with the investor itself and neither the Management Company, nor the Trustee, nor the Registrar/Transfer Agent, nor the Distributors nor the Investment Facilitators carry any responsibility in this regard. Application may be made pursuant to the procedures described in paragraph 4.4.2 below by any qualified or authorized investor(s) including, but not limited to, the following:

- Citizens of Pakistan resident in Pakistan. In respect of minors below 18 years of age, applications may only be made by their guardians.

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<sup>129</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 4.3(iii)} read as follows;

*“During the period the register is closed, as mentioned in Clauses 4.8 and 5.8 of this Offering Document, the sale and redemption of Units will be suspended.*

*The Management Company may decline the issue of Units to any applicant if it is of the opinion that it will not be possible to invest the substantial inflow of funds or to meet any regulatory requirements.”*

<sup>130</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 4.4.1) read as follows;

*“Any investor or any related group of investors qualified or authorized to purchase the Units may make applications for the Purchase of Units in the Fund. The onus for being so qualified lies with the investor itself and neither the Management Company, nor the Trustee, nor the Registrar/Transfer Agent, nor the Distributors nor the Investment Facilitators carry any responsibility in this regard. Application may be made pursuant to the procedures described in paragraph 4.4.2 below by any qualified or authorized investor(s) including, but not limited to, the following:*

- *Citizens of Pakistan resident in Pakistan. In respect of minors below 18 years of age, applications may only be made by their guardians.*
- *Companies, corporate bodies, financial institutions, banks, partners of a firm and societies incorporated in Pakistan provided such investment is permitted under their respective memorandum and articles of association and / or bye-laws.*
- *Pakistanis resident abroad, foreign nationals and companies incorporated outside Pakistan can apply for Units subject to the regulations of the State Bank of Pakistan and the Government of Pakistan and any such regulations and laws that may apply to their place of residence, domicile and citizenship. The payment of dividends and redemption proceeds to such investors shall be subject to the relevant taxation and exchange regulations / laws. Any person making an application for the Purchase of Units in the Fund shall warrant that he/she is duly authorized to purchase such Units.*
- *Provident Funds constituted by companies registered under the Companies Ordinance, 1984, subject to conditions and investment limits as laid down in Employees Provident Fund (Investment in Listed Securities) Rules, 1996, as amended from time to time, including by SROs.*
- *Provident, Pension and Gratuity Funds constituted by organizations other than companies under Section 20 (h) of the Trusts Act 1882, (11 of 1882).*
- *Insurance companies under the Insurance Ordinance, 2000.*
- *Non Profit Organization under Rule 213 (i) of the Income Tax Rules, 2002.”*

- Companies, corporate bodies, financial institutions, banks, partners of a firm and societies incorporated in Pakistan provided such investment is permitted under their respective memorandum and articles of association and / or bye-laws.
- Pakistanis resident abroad, foreign nationals and companies incorporated outside Pakistan can apply for Units subject to the regulations of the State Bank of Pakistan and the Government of Pakistan and any such regulations and laws that may apply to their place of residence, domicile and citizenship. The payment of dividends and redemption proceeds to such investors shall be subject to the relevant taxation and exchange regulations / laws. Any person making an application for the Purchase of Units in the Fund shall warrant that he/she is duly authorized to purchase such Units.
- Provident Funds constituted by companies registered under the Companies Ordinance, 1984, subject to conditions and investment limits as laid down in Employees Provident Fund (Investment in Listed Securities) Rules, 1996, as amended from time to time, including by SROs.
- Provident, Pension and Gratuity Funds constituted by organizations other than companies under Section 20 (h) of the Trusts Act 1882, (11 of 1882).
- Insurance companies under the Insurance Ordinance, 2000.
- Non Profit Organization under Rule 213 (i) of the Income Tax Rules, 2002.]

#### 4.4.2 **Account Opening Procedure**

- i. <sup>131</sup>[The procedure herein below is designed for paper-based transactions. The Management Company may at a later date introduce electronic / web based options for the transactions.]
- ii. <sup>132</sup>[Fully completed application form for purchase of Units, accompanied with the full amount for the investment and copies of the documents mentioned in the subparagraphs below should be delivered at any of the Authorized Branches of the Distribution Companies or may be submitted to the Management Company during the business hours on each Business Day as announced by the Management Company from time to time. Currently only the Authorized Branches of the Distribution Companies as mentioned in Annexure “C” of this First Supplemental Offering Document are authorized to collect application and payment for the issue of Units as laid down in Clause 4.4.4 of this First Supplemental Offering Document.]

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<sup>131</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 4.4.2(i)} read as follows;

*“The procedure herein below is designed for paper-based transactions. The Management Company may at a later date introduce electronic / web based options for the transactions.”*

<sup>132</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 4.4.2(ii)} read as follows;

*“Fully completed application form for purchase of Units, accompanied with the full amount for the investment and copies of the documents mentioned in the subparagraphs below should be delivered at any of the Authorized Branches of the Distribution Companies or may be submitted to the Management Company through an Investment Facilitator during the business hours on each business day as announced by the Management Company from time to time. Currently only the Authorized Branches of the Distribution Companies as mentioned in Annexure “C” of this Offering Document are authorized to collect application and payment for the issue of Units as laid down in Clause 4.4.4 of this Offering Document.”*

- iii. <sup>133</sup>[In case of individuals, a photocopy of the Computerized National Identity Card (CNIC) of the applicant or any other form of identification acceptable to the Management Company, need to be furnished.]
- iv. <sup>134</sup>[In case of body corporate or a registered society/ institutions/ corporate/ trusts attested copies of the following documents may be submitted:
  - a. Investors Name
  - b. List of Authorized Signatories along with copies of CNIC and their specimen signatures.
  - c. Instructions for Redemption.
  - d. Bank details.
  - e. Instructions for Dividend mandate, Zakat and Tax status.
  - f. Memorandum and Articles/ charter / bye-laws or rules and regulation.
  - g. Power of attorney and / or relevant resolutions of the board of directors delegating any of its officers to invest in the fund and / or to realize the investments and
  - h. Other relevant documents as may be required by the Registrar/Transfer Agent.]
- v. <sup>135</sup>[In case of existing Unit Holders, if any of the documents have previously been deposited with the Management Company and /or Registrar/Transfer Agent, fresh submission of documents will not be required, provided that deposited documents are acceptable to Management Company. However, the account number must be provided to facilitate linking.]

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<sup>133</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 4.4.2(iii)} read as follows;

*“In case of individuals, a photocopy of the Computerized National Identity Card (CNIC) of the applicant or any other form of identification acceptable to the Management Company, need to be furnished.”*

<sup>134</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 4.4.2(iv)} read as follows;

*“In case of body corporate or a registered society/ institutions/ corporate/ trusts attested copies of the following documents may be submitted:*

- a. *Investors Name*
- b. *List of Authorized Signatories along with copies of CNIC and their specimen signatures.*
- c. *Instructions for Redemption.*
- d. *Bank details.*
- e. *Instructions for Dividend mandate, Zakat and Tax status.*
- f. *Memorandum and Articles/ charter / bye-laws or rules and regulation.*
- g. *Power of attorney and / or relevant resolutions of the board of directors delegating any of its officers to invest in the fund and / or to realize the investments and*
- h. *Other relevant documents as may be required by the Registrar/Transfer Agent.”*

<sup>135</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 4.4.2(v)} read as follows;

*“In case of existing Unit Holders, if any of the documents have previously been deposited with the Management Company and /or Registrar/Transfer Agent, fresh submission of documents will not be required, provided that deposited documents are acceptable to Management Company. However, the account number must be provided to facilitate linking.”*

- vi. <sup>136</sup>[The applicant will receive a note confirming the receipt of the application form from an Authorized Officer of the Distributor or Management Company. Payment of Units can be made by cheque, pay order, demand draft, bank transfer as so desired.]
- vii. <sup>137</sup>[Once the Investor Account has been opened, the Investor will be allotted a specific Registration/ Folio Number which can be used for all future transactions to facilitate reference and linking.]
- viii. <sup>138</sup>[The Distribution Company and /or Management Company will be entitled to verify the particulars given in the application form. In case of any incorrect information the application may be rejected if the applicant fails to rectify the discrepancy.]
- ix. <sup>139</sup>[If subsequent to receipt of the application by the Distributor, but prior to issue of the Units in case funds are not cleared, the application is found by the Registrar/Transfer Agent or the Distributor to be incomplete or incorrect in any material manner, the Registrar/Transfer Agent or the Distributor will advise the applicant to remove the discrepancy; in the mean while the application will be held in abeyance for fifteen days. In the event the discrepancy is not removed in the said fifteen days, the amount will be refunded without any markup.]
- x. <sup>140</sup>[However, in the event Units have been issued and a material discrepancy is discovered subsequent to that, the Registrar/Transfer Agent or the Distributor will advise the applicant in writing to remove the discrepancy within fifteen days. If the investor, in the opinion of the Transfer Agent, fails to remove the discrepancy without good cause, the Units shall be redeemed at the Redemption Price fixed on the date the Units are so redeemed. The Unit Holder shall not be entitled to any payment beyond the redemption value so determined.]

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<sup>136</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 4.4.2(vi)} read as follows;

*“The applicant will receive a note confirming the receipt of the application form from an Authorized Officer of the Distributor or Management Company. Payment of Units can be made by cheque, pay order, demand draft, bank transfer as so desired.”*

<sup>137</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 4.4.2(vii)} read as follows;

*“Once the Investor Account has been opened, the Investor will be allotted a specific Registration/ Folio Number which can be used for all future transactions to facilitate reference and linking.”*

<sup>138</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 4.4.2(viii)} read as follows;

*“The Distribution Company and /or Management Company will be entitled to verify the particulars given in the application form. In case of any incorrect information the application may be rejected if the applicant fails to rectify the discrepancy.”*

<sup>139</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 4.4.2(ix)} read as follows;

*“If subsequent to receipt of the application by the Distributor, but prior to issue of the Units, the application is found by the Registrar/Transfer Agent or the Distributor to be incomplete or incorrect in any material manner, the Registrar/Transfer Agent or the Distributor will advise the applicant to remove the discrepancy; in the mean while the application will be held in abeyance for fifteen days. In the event the discrepancy is not removed in the said fifteen days, the amount will be refunded without any markup.”*

<sup>140</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 4.4.2(x)} read as follows;

*“However, in the event Units have been issued and a material discrepancy is discovered subsequent to that, the Registrar/Transfer Agent or the Distributor will advise the applicant in writing to remove the discrepancy within fifteen days. If the investor, in the opinion of the Transfer Agent, fails to remove the discrepancy without good cause, the Units shall be redeemed at the Redemption Price fixed on the date the Units are so redeemed. The Unit Holder shall not be entitled to any payment beyond the redemption value so determined.”*

- xi. <sup>141</sup>[<sup>142</sup>Investors will be issued Units based on the Offer (Purchase) Price of the Scheme calculated on the basis of NAV as announced by the Management Company on the Business Day on which subscription amount realized subject to receipt of correctly filled Investment Form at the Distributor (please refer to Clause 3.9 above) and/or Management Company before cut off time of 4.00 pm. However, the Investor will be provided the account statement within seven (7) Business Days after the said purchase amount of Units purchased have been credited to the Fund Account and duly filled application form is received.]

In the event a cheque is returned unpaid, the Management Company will assume the application for subscription as void and the Investor will be informed accordingly. The investor will be asked to submit new investment form in case of change of payment instrument. Units will only be allotted and issued based on realization of the money. However, , offer price shall be based on the NAV announced by the management company on the business day when amount is realized in the Fund's bank account.]

#### 4.4.3 **Joint Application**

- i. <sup>143</sup>[Joint application can be made by up to four applicants. Such persons shall be deemed to hold Units on first holder basis; however, each person must sign the application form and submit a copy of their Computerized National Identity Card or other identification document.]
- ii. <sup>144</sup>[The first named Holder shall receive all notices and correspondence with respect to the account, as well as proceeds of any redemption, or dividend payments. Such person's receipt or payment into the

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<sup>141</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 4.4.2(xi)} read as follows;

*“Investors will be allotted Units based on the Offer (Purchase) Price of the Fund, as announced by the Management Company, of the Dealing day on which correctly filled Investment Form is submitted to the Distributor (please refer to Clause 3.9 above) and/or Management Company within business hours. However, the Investor will be provided the account statement within seven (7) Business Days after the said purchase amount of the Units purchased have been credited to the Fund Account.*

*In the event a cheque is returned unpaid, the Management Company will assume the application for subscription as void and the Units allotted will be cancelled and the investor informed accordingly. The investor will be asked to submit new investment form along with fresh payment. Units will then be allotted based on the Offer (Purchase) Price, announced by the Management Company, of the Dealing day on which the new Investment Form together with the payment is received by the Distributor and/or Management Company within business hours.”*

<sup>142</sup> Substituted vide 2nd Supplemental Offering Document dated September 20, 2011. The substituted clause {Sub-Clause 4.4.2(xi)} read as follows;

*“Investors will be allotted Units based on the Offer (Purchase) Price of the Fund, as announced by the Management Company, of the Dealing day on which correctly filled Investment Form is submitted to the Distributor (please refer to Clause 3.9 above) and/or Management Company within business hours. However, the Investor will be provided the account statement within seven (7) Business Days after the said purchase amount of the Units purchased have been credited to the Fund Account.*

*In the event Cheque is returned unpaid, the Management Company will assume the application for subscription as void and the Units allotted will be cancelled and the investor informed accordingly. The investor will be asked to submit new investment form along with fresh payment. Units will then be allotted based on the Offer (Purchase) Price, announced by the Management Company, of the Dealing day on which the new Investment Form together with the payment is received by the Distributor and/or Management Company within business hours.”*

<sup>143</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 4.4.3(i)} read as follows;

*“Joint application can be made by up to four applicants. Such persons shall be deemed to hold Units on first holder basis; however, each person must sign the application form and submit a copy of their Computerized National Identity Card or other identification document.”*

<sup>144</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 4.4.3(ii)} read as follows;

person's designated bank account shall be considered as a valid discharge by the Trustee of its obligation.]

- iii. <sup>145</sup>[In the event of death of the first Holder, the person first in the order of survivor(s) as stated in the application form shall be the only person recognized by the Trustee to receive all notices and correspondences with regards to the accounts, as well as proceeds of any redemption requests or dividend. Such person's acknowledgement of receipt of proceeds shall be considered as the valid discharge by the Trustee of its obligations.

Provided however the Trustee and/or the Management Company may at their discretion request the production of a Succession Certificate from an appropriate Court before releasing of redemption requests or dividends in cases of doubts or disputes among the Joint Unit Holders and/or the legal representatives of the deceased.]

#### 4.4.4 <sup>146</sup>**Application for Purchase of Units**

[An application for purchase of Units may be lodged with any authorized Distributor or presented to the Management Company. The application shall be in the form prescribed by the Management

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*“The first named Holder shall receive all notices and correspondence with respect to the account, as well as proceeds of any redemption, or dividend payments. Such person's receipt or payment into the person's designated bank account shall be considered as a valid discharge by the Trustee of its obligation.”*

<sup>145</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 4.4.3(ii)} read as follows;

*“In the event of death of the first Holder, the person first in the order of survivor(s) as stated in the application form shall be the only person recognized by the Trustee to receive all notices and correspondences with regards to the accounts, as well as proceeds of any redemption requests or dividend. Such person's acknowledgement of receipt of proceeds shall be considered as the valid discharge by the Trustee of its obligations.*

*Provided however the Trustee and/or the Management Company may at their discretion request the production of a Succession Certificate from an appropriate Court before releasing of redemption requests or dividends in cases of doubts or disputes among the Joint Unit Holders and/or the legal representatives of the deceased.”*

<sup>146</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 4.4.4) read as follows;

*“An application for purchase of Units may be lodged with any authorized Distributor or presented to the Management Company or through an Investment Facilitator. The application shall be in the form prescribed by the Management Company. Application forms are available with Distributors or Investment Facilitators or may be obtained from the Management Company or its web site i.e. www.ablmc.com. Units shall be issued based on the Purchase (Offer) Price that is determined as per Clause 4.10.3. Payment for the Fund Units can be made in the form of:*

- *Demand draft or Pay order in favor of CDC-Trustee ABL Income Fund*
- *Online transfer of money*
- *Cheque (account payee only marked in favor of CDC-Trustee ABL Income Fund)*

*The Management Company may also notify from time to time, arrangements or other forms of payment within such limits and restrictions considered fit by it.*

*The aforesaid payments must be handed over to a Distributor and / or Investment Facilitator who will acknowledge the receipt on the Investment Form. Such payments must only be deposited in the bank account of the Fund titled “CDC - Trustee ABL Income Fund” maintained with the designated banks and their branches.*

*Units are issued after realization of subscription money; however these are allocated up on receipt of application.*

*Notwithstanding the above, nothing contained herein shall be construed as limiting or otherwise restricting the Management Company's liability under Regulation 46 of the Regulations.”*

Company. Application forms are available with Distributors or Investment Facilitators or may be obtained from the Management Company or its web site i.e. www.ablmc.com. Units shall be issued based on the Purchase (Offer) Price that is determined as per Clause 4.10.3. Payment for the Fund Units can be made in the form of:

- Demand draft or Pay order in favor of CDC-Trustee ABL Income Fund
- Online transfer of money
- Cheque (account payee only marked in favor of CDC-Trustee ABL Income Fund)

The Management Company may also notify from time to time, arrangements or other forms of payment within such limits and restrictions considered fit by it.

The aforesaid payments must be handed over to a Distributor who will acknowledge the receipt on the Investment Form. Such payments must only be deposited in the bank account of the Fund titled “CDC - Trustee ABL Income Fund” maintained with the designated banks and their branches.

Units are issued after realization of subscription money.

Notwithstanding the above, nothing contained herein shall be construed as limiting or otherwise restricting the Management Company’s liability under Regulation 46 of the Regulations, 2008.]

#### **4.5 Procedure for Redemption of Units**

##### **4.5.1 Who Can Apply?**

<sup>147</sup> [All Unit Holders, other than the holders of Class “A” (Restricted/Core Units) Units are eligible to redeem the said Units. Holders of Class “A” Units will be eligible for redemption after the expiry of the period of two years from the date of the closure of the Initial Period; however such units are eligible for transfer subject to the condition that the new transferee of such unit(s) agrees to the same condition for the balance period, if any.]

##### **4.5.2 Redemption Application Procedure**

<sup>148</sup>The procedure given below is designed for paper-based transactions. The Management Company at a later date may introduce electronic/Internet based options for the transactions.

- i. <sup>149</sup>[Request for redemption can be made by completing the prescribed Redemption Form and endorsing the relevant Certificate, if issued and submitting the same to any of the Authorized

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<sup>147</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 4.5.1} read as follows;

*“All Unit Holders, other than the holders of Class “A” (Restricted/Core Units) Units are eligible to redeem the said Units. Holders of Class “A” Units will be eligible for redemption after the expiry of the period of two years from the date of the closure of the Initial Period; however such units are eligible for transfer subject to the condition that the new transferee of such unit(s) agrees to the same condition for the balance period, if any.”*

<sup>148</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted para in Sub-Clause 4.5.2 read as follows;

*“The procedure given below is designed for paper-based transactions. The Management Company at a later date may introduce electronic/Internet based options for the transactions.”*

<sup>149</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 4.5.2(i)} read as follows;



Branches of the Distribution Companies or to the Management Company directly within business hours on a Dealing Day. In case the Certificate is not issued, the applicant has only to complete the prescribed redemption form. The request for redemption would be honored after verifying the signature and other particulars of the Unit Holder from the Unit Holders' Register.]

- ii. <sup>150</sup>[The Unit Holder will receive a note confirming the receipt of the application for redemption from the relevant Distribution Office.]
- iii. <sup>151</sup>[The Distribution Company and /or Management Company will be entitled to verify the particulars given in the Redemption Form. In case of any incorrect information the application may be rejected if the applicant does not rectify the discrepancy.]
- iv. <sup>152</sup>[If subsequent to receipt of the redemption application by the Distributor, but prior to the redemption of the Units, the application is found by the Registrar/Transfer Agent or the Distributor to be incomplete or incorrect in any material manner, the Registrar/Transfer Agent or the Distributor will advise the applicant to remove the discrepancy. In the meanwhile, the application will be held in abeyance for fifteen days. In the event the discrepancy is not removed in the said fifteen days, the application for redemption will be cancelled treating the same as null and void. The Unit Holder will then have to submit a fresh application for Redemption of Units.]
- v. <sup>153</sup>[Units will be redeemed on the basis of daily Net Asset Value (NAV) announced as of the close of the Dealing Day on which a correctly filled Redemption Form is submitted within cut off timings.]
- vi. <sup>154</sup>[Unless otherwise instructed, payment of the redemption proceeds will be made by a cross cheque, in favor of Unit Holder's registered name or first named joint Holder in the event of Joint

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*“Request for redemption can be made by completing the prescribed Redemption Form and endorsing the relevant Certificate, if issued and submitting the same to any of the Authorized Branches of the Distribution Companies or to the Management Company directly or through an Investment Facilitator within business hours on a Dealing Day. In case the Certificate is not issued, the applicant has only to complete the prescribed redemption form. The request for redemption would be honored after verifying the signature and other particulars of the Unit Holder from the Unit Holders' Register.”*

<sup>150</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 4.5.2(ii)} read as follows;

*“The Unit Holder will receive a note confirming the receipt of the application for redemption from the relevant Distribution Office.”*

<sup>151</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 4.5.2(iii)} read as follows;

*“The Distribution Company and /or Management Company will be entitled to verify the particulars given in the Redemption Form. In case of any incorrect information the application may be rejected if the applicant does not rectify the discrepancy.”*

<sup>152</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 4.5.2(iv)} read as follows;

*“If subsequent to receipt of the redemption application by the Distributor, but prior to the redemption of the Units, the application is found by the Registrar/Transfer Agent or the Distributor to be incomplete or incorrect in any material manner, the Registrar/Transfer Agent or the Distributor will advise the applicant to remove the discrepancy. In the meanwhile, the application will be held in abeyance for fifteen days. In the event the discrepancy is not removed in the said fifteen days, the application for redemption will be cancelled treating the same as null and void. The Unit Holder will then have to submit a fresh application for Redemption of Units.”*

<sup>153</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 4.5.2(v)} read as follows;

*“Units will be redeemed on the basis of daily Net Asset Value (NAV) announced as of the close of the Dealing Day on which a correctly filled Redemption Form is submitted within business hours.”*

Holders, and will be sent to registered address of the Unit Holder or first named joint Holder, or if so authorized by all the joint holders, at the address of the Joint Holder who has signed the redemption form as provided, within six (6) Business Days of the receipt of a properly documented request for redemption of Units. However, if so authorized by the Unit Holder, payment of redemption proceeds will be made by transfer to the bank account number of the Unit Holder or first named joint holder in the event of Joint Holders. No money shall be paid to any intermediary except the Unit Holder/Joint Holder or his/their authorized representative(s).]

- vii. <sup>155</sup>[In case the investor has requested encashment of Bonus Units then such Bonus Units will be redeemed at the ex-dividend Net Asset Value of the effective date of distribution.]
- viii. <sup>156</sup>Redemption of Fund Units may be suspended or put in queue due to exceptional circumstances. For detailed information about this please refer to Clause 4.8.2 and Clause 4.8.3 below.
- ix. <sup>157</sup>[Partial Redemption of Units covered by a single Certificate is not permitted. However, Fund Unit Holders may apply for a splitting of the Certificate before applying for redemption.]
- x. <sup>158</sup>[In the event the Units are redeemed by any major Unit Holder in such period of time that the Management Company believes may adversely affect the interest of other Unit Holder(s), it may charge Contingent Load on such redemption.]

#### 4.5.3 **Joint Unit Holder(s)**

<sup>159</sup> [Unless the Joint Unit Holder(s) of Units have specified otherwise, all the Joint Unit Holder(s) shall sign the Redemption Form for such Units.]

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<sup>154</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 4.5.2(vi)} read as follows;

*“Unless otherwise instructed, payment of the redemption proceeds will be made by a cross cheque, in favor of Unit Holder’s registered name or first named joint Holder in the event of Joint Holders, and will be sent to registered address of the Unit Holder or first named joint Holder, or if so authorized by all the joint holders, at the address of the Joint Holder who has signed the redemption form as provided, within six (6) Business Days of the receipt of a properly documented request for redemption of Units. However, if so authorized by the Unit Holder, payment of redemption proceeds will be made by transfer to the bank account number of the Unit Holder or first named joint holder in the event of Joint Holders. No money shall be paid to any intermediary except the Unit Holder/Joint Holder or his/their authorized representative(s).”*

<sup>155</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 4.5.2(vii)} read as follows;

*“In case the investor has requested encashment of Bonus Units then such Bonus Units will be redeemed at the ex-dividend Net Asset Value of the effective date of distribution.”*

<sup>156</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 4.5.2(viii)} read as follows;

*“Redemption of Fund Units may be suspended or put in queue due to exceptional circumstances. For detailed information about this please refer to Clause 4.8.2 and Clause 4.8.3 below.”*

<sup>157</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 4.5.2(ix)} read as follows;

*“Partial Redemption of Units covered by a single Certificate is not permitted. However, Fund Unit Holders may apply for a splitting of the Certificate before applying for redemption.”*

<sup>158</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 4.5.2(x)} read as follows;

*“In the event the Units are redeemed by any major Unit Holder in such period of time that the Management Company believes may adversely affect the interest of other Unit Holder(s), it may charge Contingent Load on such redemption.”*

<sup>159</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 4.5.3) read as follows;

## **4.6 Procedure for Requesting Change in Unit Holder Particulars**

### **4.6.1 Who Can Request Change?**

<sup>160</sup>[ All existing Unit Holders or those who have purchased Fund Units as per Clause 4.4 above are eligible to change their Unit Holder details if they so desire. Such change in particulars and requests can be made via the Special Instructions Forms. These Forms may be obtained from Distributors or Investment Facilitators or from the Management Company or through its web site.]

### **4.6.2 Application Procedure for Change in Particulars**

- i. <sup>161</sup>[The information submitted at the time of purchase of Units can be changed through the Special Instructions Form.]
- ii. <sup>162</sup>[Some of the key information which the Unit Holder can change is as follows:
  - (a) Change in address
  - (b) Joint Holder details
  - (c) Nominee details]
- iii. <sup>163</sup>[The Unit Holder can also issue the following instructions:
  - (a) Change in Bank Account details
  - (b) Account Operating instructions
  - (c) Frequency of profit payments]
- iv. <sup>164</sup>[Fully completed Special Instructions Form has to be submitted by both Individuals and/or Institutional Investor(s). This Form should be delivered to any of the Authorized Branches of the

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*“Unless the Joint Unit Holder(s) of Units have specified otherwise, all the Joint Unit Holder(s) shall sign the Redemption Form for such Units.”*

<sup>160</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 4.6.1) read as follows;

*“All existing Unit Holders or those who have purchased Fund Units as per Clause 4.4 above are eligible to change their Unit Holder details if they so desire. Such change in particulars and requests can be made via the Special Instructions Forms. These Forms may be obtained from Distributors or Investment Facilitators or from the Management Company or through its web site.”*

<sup>161</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 4.6.2(i)} read as follows;

*“The information submitted at the time of purchase of Units can be changed through the Special Instructions Form.”*

<sup>162</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 4.6.2(ii)} read as follows;

*“Some of the key information which the Unit Holder can change is as follows:*

- (a) *Change in address*
- (b) *Joint Holder details*
- (c) *Nominee details”*

<sup>163</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 4.6.2(iii)} read as follows;

*“The Unit Holder can also issue the following instructions:*

- (a) *Change in Bank Account details*
- (b) *Account Operating instructions*
- (c) *Frequency of profit payments”*

<sup>164</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 4.6.2(iv)} read as follows;

Distribution Companies or may be submitted to the Management Company within business hours on a Dealing Day.]

- v. <sup>165</sup>[The applicant must obtain a copy of the Special Instructions Form signed and duly verified by an Authorized Officer of the Distributor or Management Company.]
- vi. <sup>166</sup>[The Distribution Company and /or Management Company will be entitled to verify the particulars given in the Special Instructions Form. In case of any incorrect information the application may be rejected if the applicant does not rectify the discrepancy.]
- vii. <sup>167</sup>[The Unit Holder will be liable for any taxes, charges or duties that may be levied on any of the above changes that the Unit Holder may request via the Special Instructions Form. These taxes, charges or duties may either be recovered by redemption of Unit Holder equivalent Units at the time of the service request or the Management Company may require separate payment for such services.]

#### 4.6.3 **Joint Unit Holder(s)**

<sup>168</sup>[Unless the Joint Unit Holder(s) of Units have specified otherwise, all the Joint Unit Holder(s) shall sign the Special Instructions Form for such Units.]

#### 4.6.4 **Partial Transfer**

<sup>169</sup>[Partial transfer of Units covered by a single Certificate is permitted. Provided that in case of physical certificates issued, the Unit Holder must apply for splitting of the unit certificate representing the partial amount and then the new certificate shall be applied for transfer.]

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*“Fully completed Special Instructions Form has to be submitted by both Individuals and/or Institutional Investor(s). This Form should be delivered to any of the Authorized Branches of the Distribution Companies or may be submitted to the Management Company through an Investment Facilitator within business hours on a Dealing Day.”*

<sup>165</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 4.6.2(v)} read as follows;

*“The applicant must obtain a copy of the Special Instructions Form signed and duly verified by an Authorized Officer of the Distributor or Management Company if the Form is given to an Investment Facilitator.”*

<sup>166</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 4.6.2(vi)} read as follows;

*“The Distribution Company and /or Management Company will be entitled to verify the particulars given in the Special Instructions Form. In case of any incorrect information the application may be rejected if the applicant does not rectify the discrepancy.”*

<sup>167</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 4.6.2(vii)} read as follows;

*“The Unit Holder will be liable for any taxes, charges or duties that may be levied on any of the above changes that the Unit Holder may request via the Special Instructions Form. These taxes, charges or duties may either be recovered by redemption of Unit Holder equivalent Units at the time of the service request or the Management Company may require separate payment for such services.”*

<sup>168</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 4.6.3) read as follows;

*“Unless the Joint Unit Holder(s) of Units have specified otherwise, all the Joint Unit Holder(s) shall sign the Special Instructions Form for such Units.”*

<sup>169</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 4.6.4) read as follows;

*“Partial transfer of Units covered by a single Certificate is permitted. Provided that in case of physical certificates issued, the Unit Holder must apply for splitting of the unit certificate representing the partial amount and then the new certificate shall be applied for transfer.”*

## **4.7 Procedure for Pledge / Lien / Charge of Units**

### **4.7.1 Who Can Apply?**

<sup>170</sup>[All existing Unit Holders or those who have purchased Fund Units as per Clause 4.4 above are eligible to apply for pledge / lien / charge of Units if they so desire. Such Pledge / Lien / Charge can be made via the Pledge of Units Form as attached in Annexure “D” of this Offering Document. These forms may be obtained from Distributors or Investment Facilitators or from the Management Company or through its web site.]

4.7.2 <sup>171</sup>[Any Unit Holder and / or Joint Unit Holder(s) may request the Transfer Agent to record a pledge / lien of all or any of his / her Units in favor of any third party legally entitled to invest in such Units in its own right. The Transfer Agent shall register a lien on any Units in favor of any third party with the consent of the Management Company. However, the lien shall be valid only if evidenced by an account statement or letter issued by the Transfer Agent with the Units marked in favor of the Pledgee. The onus for due process having been followed in registering a lien shall lie with the party claiming the lien.]

4.7.3 <sup>172</sup>[The lien once registered shall be removed by the authority of the party in whose favor the lien has been registered or through an order of a competent court. Neither the Trustee, nor the Management Company, nor the Transfer Agent, shall be liable for ensuring the validity of any such pledge / charge / lien. The disbursement of any loan or undertaking of any obligation against the constitution of such pledge/charge/lien by any party shall be at the entire discretion of such party and neither the Trustee nor the Management Company and the Transfer Agent shall take any responsibility in this matter.]

4.7.4 <sup>173</sup>[Payments of cash dividends or the issue of bonus Units and redemption proceeds of the Units or any benefits arising from the said Units that are kept under lien /charge / pledge shall be paid to the

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<sup>170</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 4.7.1) read as follows;

*“All existing Unit Holders or those who have purchased Fund Units as per Clause 4.4 above are eligible to apply for pledge / lien / charge of Units if they so desire. Such Pledge / Lien / Charge can be made via the Pledge of Units Form as attached in Annexure “D” of this Offering Document. These forms may be obtained from Distributors or Investment Facilitators or from the Management Company or through its web site.”*

<sup>171</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 4.7.2) read as follows;

*“Any Unit Holder and / or Joint Unit Holder(s) may request the Transfer Agent to record a pledge / lien of all or any of his / her Units in favor of any third party legally entitled to invest in such Units in its own right. The Transfer Agent shall register a lien on any Units in favor of any third party with the consent of the Management Company. However, the lien shall be valid only if evidenced by an account statement or letter issued by the Transfer Agent with the Units marked in favor of the Pledgee. The onus for due process having been followed in registering a lien shall lie with the party claiming the lien.”*

<sup>172</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 4.7.3) read as follows;

*“The lien once registered shall be removed by the authority of the party in whose favor the lien has been registered or through an order of a competent court. Neither the Trustee, nor the Management Company, nor the Transfer Agent, shall be liable for ensuring the validity of any such pledge / charge / lien. The disbursement of any loan or undertaking of any obligation against the constitution of such pledge/charge/lien by any party shall be at the entire discretion of such party and neither the Trustee nor the Management Company and the Transfer Agent shall take any responsibility in this matter.”*

<sup>173</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 4.7.4) read as follows;

*“Payments of cash dividends or the issue of bonus Units and redemption proceeds of the Units or any benefits arising from the said Units that are kept under lien /charge / pledge shall be paid to the order of the lien / charge / pledge*

order of the lien / charge / pledge holder's bank account or posted to the registered address mentioned in the Pledge Form and/or Account Opening Form submitted.]

4.7.5 <sup>174</sup>[The Distribution Company and /or Management Company will be entitled to verify the particulars given in the Pledge Form. In case of any incorrect information the application may be rejected if the applicant does not rectify the discrepancy.]

4.7.6 <sup>175</sup>[Fully completed Pledge of Units Form has to be submitted by both Individuals and/or Institutional Unit Holders. This Form should be delivered to any of the Authorized Branches of the Distribution Companies or may be submitted to the Management Company directly or through an Investment Facilitator within business hours on a Dealing Day.]

4.7.7 <sup>176</sup>[All risks and rewards, including the right to redeem such units and operate such account, shall vest with the pledge / lien / charge holder. This will remain the case until such time as the pledge / lien / charge holder in writing to the Management Company instructs otherwise.]

#### **4.8 Suspension of Dealing, Queue System and Winding Up**

<sup>177</sup>[Under the circumstances mentioned in Clause 4.9 below, the Management Company may request the Trustee to approve a temporary change in the method of dealing in Units.]

##### **4.8.1 Suspension of Fresh Issue of Units**

<sup>178</sup>[The Management Company may, under certain circumstances, suspend issue of fresh Units. These

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*holder's bank account or posted to the registered address mentioned in the Pledge Form and/or Account Opening Form submitted."*

<sup>174</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 4.7.5) read as follows;

*"The Distribution Company and /or Management Company will be entitled to verify the particulars given in the Pledge Form. In case of any incorrect information the application may be rejected if the applicant does not rectify the discrepancy."*

<sup>175</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 4.7.6) read as follows;

*"Fully completed Pledge of Units Form has to be submitted by both Individuals and/or Institutional Unit Holders. This Form should be delivered to any of the Authorized Branches of the Distribution Companies or may be submitted to the Management Company directly or through an Investment Facilitator within business hours on a Dealing Day."*

<sup>176</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 4.7.7) read as follows;

*"All risks and rewards, including the right to redeem such units and operate such account, shall vest with the pledge / lien / charge holder. This will remain the case until such time as the pledge / lien / charge holder in writing to the Management Company instructs otherwise."*

<sup>177</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 4.8) read as follows;

*"Under the circumstances mentioned in Clause 4.9 below, the Management Company may request the Trustee to approve a temporary change in the method of dealing in Units."*

<sup>178</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 4.8.1) read as follows;

*"The Management Company may, under certain circumstances, suspend issue of fresh Units. These circumstances may include*

- *A situation in which the Management Company has decided to terminate the Fund;*
- *A situation in which it is not possible to invest the amount received against issuance of fresh units e.g. closure of stock exchange etc.; or*
- *Any other situation in which issuance of fresh units is, in Management Company's opinion, against the interests of the existing/remaining unit holders.*

circumstances may include

- A situation in which the Management Company has decided to terminate the Fund;
- A situation in which it is not possible to invest the amount received against issuance of fresh units e.g. closure of stock exchange etc.; or
- Any other situation in which issuance of fresh units is, in Management Company's opinion, against the interests of the existing/remaining unit holders.

The Management Company shall announce the details of exemptions at the time a suspension of fresh issue of units is announced. Such suspension may however not affect existing Unit Holders, the issue of bonus Units as a result of profit distribution or the option to receive dividends in the form of additional Units. The Management Company shall immediately notify the Commission if fresh issue of Units is suspended and shall also have the fact published, immediately following such decision, in the newspapers in which the Fund's prices are normally published.]

#### 4.8.2 **Deferral of request for fresh issue of Units**

<sup>179</sup>[ The Management Company may at any time suspend or defer the issue of fresh Units if in its opinion the total number or any one request for fresh issue of Units is so large that investing the funds would take some time and be contrary to the interests of the present Unit Holders. In this case the Management Company may accept certain request for fresh issue of Units and may defer part or all of certain request for fresh issue of Units and issue only a limited number of fresh units.]

#### 4.8.3 **Suspension of Redemption of Units**

<sup>180</sup>[In the event of extraordinary circumstances as mentioned in Clause 4.9 of this Offering Document, the Management Company may suspend or defer redemption of Units. The circumstances under which the Management Company may suspend redemption shall be the event of war (declared or otherwise), natural disasters, a major break down in law and order, breakdown of the communication system, terrorist threat and / or activities, closure of the capital markets and /or the banking system or strikes or other events that render the Management Company, Registrar/Transfer Agent, Trustee or the Distributors unable to function or any other conditions mentioned in the Rules and Regulations.

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*The Management Company shall announce the details of exemptions at the time a suspension of fresh issue of units is announced. Such suspension may however not affect existing Unit Holders, the issue of bonus Units as a result of profit distribution or the option to receive dividends in the form of additional Units. The Management Company shall immediately notify the Commission if fresh issue of Units is suspended and shall also have the fact published, immediately following such decision, in the newspapers in which the Fund's prices are normally published."*

<sup>179</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 4.8.2) read as follows;

*"The Management Company may at any time suspend or defer the issue of fresh Units if in its opinion the total number or any one request for fresh issue of Units is so large that investing the funds would take some time and be contrary to the interests of the present Unit Holders. In this case the Management Company may accept certain request for fresh issue of Units and may defer part or all of certain request for fresh issue of Units and issue only a limited number of fresh units."*

<sup>180</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 4.8.3) read as follows;

*"In the event of extraordinary circumstances as mentioned in Clause 4.9 of this Offering Document, the Management Company may suspend or defer redemption of Units. The circumstances under which the Management Company may suspend redemption shall be the event of war (declared or otherwise), natural disasters, a major break down in law and order, breakdown of the communication system, terrorist threat and / or activities, closure of the capital markets and /or the banking system or strikes or other events that render the Management Company, Registrar/Transfer Agent, Trustee or the Distributors unable to function or any other conditions mentioned in the Rules and Regulations."*

The Commission may also direct suspension of redemption of Units if it is of the opinion that it is in the interest of the Unit Holders to suspend the redemption of Units and issues a general or specific directive to that effect.

In case of suspension of redemption of Units, the Management Company shall also suspend issuance of fresh Units of the Scheme until the redemption of Units is resumed.]

#### 4.8.4 **Queue System**

<sup>181</sup> [In the event redemption requests on any day exceed ten percent (10%) of the Units in issue, the Management Company may invoke a Queue System whereby requests for redemption shall be processed on a first come first served basis for up to ten percent (10%) of the Units in issue. The Management Company shall proceed to sell adequate assets of the Fund and / or arrange borrowing as it deems fit in the best interest of all Unit Holders and shall determine the redemption price to be applied to the redemption requests based on such action. The requests in excess of ten percent (10%) shall be treated as redemption requests qualifying for being processed on the next Dealing Day at the price to be determined for such redemption requests. However, if the carried over requests and the fresh requests received on the next Dealing Day still exceed ten percent (10%) of the Units in issue, these shall once again be treated on first come first served basis and the process for generating liquidity and determining the redemption price shall be repeated and such procedure shall continue till such time the outstanding redemption requests come down to a level below ten percent (10%) of the Units then in issue.]

#### 4.8.5 **Winding up in view of Major Redemptions**

<sup>182</sup> [In the event the Management Company is of the view that the quantum of redemption requests that have built up are likely to result in the Fund being run down to an unsustainable level or it is of the view that the selloff of assets is likely to result in a significant loss in value for the Unit Holders who are not redeeming, it may announce winding up of the Fund. The Management Company may terminate the Scheme, if the Net Assets at any time fall below Rupees one hundred million. In such

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<sup>181</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 4.8.4) read as follows;

*In the event redemption requests on any day exceed ten percent (10%) of the Units in issue, the Management Company may invoke a Queue System whereby requests for redemption shall be processed on a first come first served basis for up to ten percent (10%) of the Units in issue. The Management Company shall proceed to sell adequate assets of the Fund and / or arrange borrowing as it deems fit in the best interest of all Unit Holders and shall determine the redemption price to be applied to the redemption requests based on such action. Where it is not practical to determine the chronological ranking of any requests in comparison to others received on the same Dealing Day, such requests shall be processed on basis proportionate to the size of the requests. The requests in excess of ten percent (10%) shall be treated as redemption requests qualifying for being processed on the next Dealing Day at the price to be determined for such redemption requests. However, if the carried over requests and the fresh requests received on the next Dealing Day still exceed ten percent (10%) of the Units in issue, these shall once again be treated on first come first served basis and the process for generating liquidity and determining the redemption price shall be repeated and such procedure shall continue till such time the outstanding redemption requests come down to a level below ten percent (10%) of the Units then in issue."*

<sup>182</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 4.8.5) read as follows;

*"In the event the Management Company is of the view that the quantum of redemption requests that have built up are likely to result in the Fund being run down to an unsustainable level or it is of the view that the selloff of assets is likely to result in a significant loss in value for the Unit Holders who are not redeeming, it may announce winding up of the Fund. The Management Company may terminate the Scheme, if the Net Assets at any time fall below Rupees one hundred million. In such an event, the Queue System, if already invoked, shall cease to apply and all Unit Holders shall be paid after selling the assets and determining the final Redemption Price. However, interim distributions of the proceeds may be made if the Management Company finds it feasible."*



an event, the Queue System, if already invoked, shall cease to apply and all Unit Holders shall be paid after selling the assets and determining the final Redemption Price. However, interim distributions of the proceeds may be made if the Management Company finds it feasible.]

#### **4.9 Issue and redemption of Units in extraordinary circumstances**

<sup>183</sup> [The Management Company may, at any stage, suspend the issue (sale) of Units and for such periods as it may so decide. The issue and redemption of Units may be suspended during extraordinary circumstances including closure of one or more Stock Exchange(s) on which any of the Securities invested in by the Fund are listed, the existence of a state of affairs which in the opinion of the Management Company constitutes an emergency as a result of which disposal of any investment would not be reasonably practicable or might seriously prejudice the interest of the Fund or of the Unit Holders, a break down in the means of communication normally employed in determining the price of any investment or when remittance of money cannot be carried out in reasonable time and if the Management Company is of the view that it would be detrimental to the remaining Unit Holders to redeem Units at a price determined in accordance with the Net Asset Value. The Management Company may announce a suspension or deferral of redemption.

Such a measure shall be taken to protect the interest of the Unit Holders in the event of extraordinary circumstances or in the event redemption requests accumulate in excess of ten percent (10%) of the Units in issue. In the event of a large number of redemption requests accumulating, the requests may be processed in a Queue System and under extreme circumstances the Management Company may decide to wind up the Fund.

Details of the procedure are given in Clause 4.8 herein above. Such suspension or queue system shall end on the day following the first Business Day on which the conditions giving rise to the suspension or Queue System, shall in the opinion of the Management Company, have ceased to exist and no other condition under which suspension or Queue System is authorized under the Trust Deed exists. In case of suspension and invoking of a Queue System and end of suspension and Queue System, the

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<sup>183</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 4.9) read as follows;

*“The Management Company may, at any stage, suspend the issue (sale) of Units and for such periods as it may so decide. The issue and redemption of Units may be suspended during extraordinary circumstances including closure of one or more Stock Exchange(s) on which any of the Securities invested in by the Fund are listed, the existence of a state of affairs which in the opinion of the Management Company constitutes an emergency as a result of which disposal of any investment would not be reasonably practicable or might seriously prejudice the interest of the Fund or of the Unit Holders, a break down in the means of communication normally employed in determining the price of any investment or when remittance of money cannot be carried out in reasonable time and if the Management Company is of the view that it would be detrimental to the remaining Unit Holders to redeem Units at a price determined in accordance with the Net Asset Value. The Management Company may announce a suspension or deferral of redemption.*

*Such a measure shall be taken to protect the interest of the Unit Holders in the event of extraordinary circumstances or in the event redemption requests accumulate in excess of ten percent (10%) of the Units in issue. In the event of a large number of redemption requests accumulating, the requests may be processed in a Queue System and under extreme circumstances the Management Company may decide to wind up the Fund.*

*Details of the procedure are given in Clause 4.8 herein above. Such suspension or queue system shall end on the day following the first Business Day on which the conditions giving rise to the suspension or Queue System, shall in the opinion of the Management Company, have ceased to exist and no other condition under which suspension or Queue System is authorized under the Trust Deed exists. In case of suspension and invoking of a Queue System and end of suspension and Queue System, the Management Company shall immediately notify the Commission and publish the same in the newspaper in which the Fund’s prices are normally published.”*

Management Company shall immediately notify the Commission and publish the same in the newspaper in which the Fund's prices are normally published.]

#### **4.10 Frequency of Valuation, Dealing and Mode of the Price Announcement**

4.10.1 <sup>184</sup>[The valuation of the property method for determining the value of the assets and liabilities and the Net Asset Value would be as mentioned in the Trust Deed, Regulations 2008, the Commission's Circulars issued from time to time and Clauses 14.37 and 14.38 of this First Supplemental Offering Document.

For the Classes of Units and the Initial Period (Purchase) Prices, please refer to Clause 1.6.2 and Clause 1.8 of this First Supplemental Offering Document.]

4.10.2 <sup>185</sup>[Subsequent to the Initial Period, the Management Company has been announcing the Purchase (Offer) and Redemption (Repurchase) Prices for every Dealing Day, calculated on the basis of the NAV and adjusted for such load, transaction costs, charges and duties as are described herein. The method of calculation shall be such that the Trustee is satisfied regarding the accurate calculation of prices.]

4.10.3 <sup>186</sup>[NAV of the Scheme will be announced on its Subscription Day at Management Company's as well as on Mutual Funds Association of Pakistan's (MUFAP) website within the time announced by the Management Company or as may from time to time be directed by the Commission.]

4.10.4 <sup>187</sup>[The Scheme shall adhere to the provisioning criteria for various non-performing categories of securities as per the circulars, directives and guidelines issued by the Commission from time to time,

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<sup>184</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 4.10.1) read as follows;

*"The valuation of the property method for determining the value of the assets and liabilities and the Net Asset Value would be as mentioned in the Regulations and Clauses 14.36 and 14.37 of this Offering Document.*

*For the Classes of Units and the Initial Period (Purchase) Prices, please refer to Clause 1.6.2 and Clause 1.8 of this Document."*

<sup>185</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 4.10.2) read as follows;

*"Subsequent to the Initial Period, the Management Company shall announce the Purchase (Offer) and Redemption (Repurchase) Prices for every Dealing Day, calculated on the basis of the NAV and adjusted for such load, transaction costs, charges and duties as are described herein. The method of calculation shall be such that the Trustee is satisfied regarding the accurate calculation of prices."*

<sup>186</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 4.10.3) read as follows;

*"The Purchase (Offer) Price shall be equal to the sum of the Net Asset Value (NAV) as of the close of the Dealing Day, Transaction Cost, any Front-End Load not exceeding 5% of the Net Asset Value (Please refer to Annexure "B" for the current level of load) and such amount as the Management Company may consider appropriate provision for Duties and Charges. The Purchase (Offer) Price so determined for a Dealing Day shall apply to purchase requests, complete in all respects, received by the Distributor and / or Management Company during the business hours on that Dealing Day."*

<sup>187</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 4.10.4) read as follows;

*"The Redemption Price shall be equal to the Net Asset Value (NAV) as of the close of the Dealing Day less Transaction Cost, any Back-End Load not exceeding 5% of the Net Asset Value (Please refer to Annexure "B" for the current level of load) and such amount as the Management Company may consider appropriate provision for Duties and Charges. The Redemption Price so determined for a Dealing Day shall apply to redemption requests, complete in all respects, received by the Distributor and / or Management Company during the business hours on that Dealing Day. However, the Back-end Load may not be deducted from the NAV for such units that are being converted in another scheme being managed by the Management Company."*

which shall be deemed to be incorporated in the Trust Deed and the First Supplemental Offering Document. The provisioning policy of the Management Company duly approved by its Board shall be placed on the website of the Management Company.]

- 4.10.5 <sup>188</sup>[The Management Company shall ensure that no entry and exit to the Scheme (including redemption and re-issuance of Units to the same Unit Holders on different NAVs) shall be allowed other than cash settled transactions based on the formal issuance and redemption request.]
- 4.10.6 <sup>189</sup>[The Management Company shall, at such frequencies, as may be announced from time to time or as may be prescribed under Regulations, 2008, determine and announce the Net Asset Value based prices of the Unit. Under certain circumstances as provided in this Offering Document, the Management Company may suspend the announcement of the prices.]
- 4.10.7 <sup>190</sup>[The Management Company shall publish the Purchase (Offer) and Redemption (Repurchase) Prices in atleast one daily newspaper widely circulated in Pakistan.]
- 4.10.8 <sup>191</sup>[The prices determined, as described hereinabove shall be subject to adjustment for any taxes payable in the jurisdiction of the transaction.]
- 4.10.9 <sup>192</sup>[In respect of investments held in foreign currencies, the same will be translated in Pakistan Rupees using the closing buying spot rates declared by recognized banks in Pakistan at each balance sheet date, as per the generally accepted accounting principles and Regulations, 2008.]

#### **4.10.10 <sup>193</sup>[Purchase (Offer) Price**

The Purchase (Offer) Price shall be equal to the sum of the Net Asset Value (NAV) as of the close of the Dealing Day, Transaction Cost, any Front-End Load not exceeding 5% of the Net Asset Value (Please refer to Annexure “B” for the current level of load) and such amount as the Management Company may consider appropriate provision for Duties and Charges. The Purchase (Offer) Price so determined shall apply to purchase request, complete in all respects (including payments in this regard), received by the Distributor during the Cut-Off Timings (as announced by the Management Company from time to time), on a Business Day. Provided that if a Business Day is not a Subscription Day the Offer Price calculated on the next Subscription Day shall apply to the purchase

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<sup>188</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 4.10.5) read as follows;

*“The Management Company shall, at such frequencies as may be prescribed in this Offering Document or under the Regulations, determine and announce the Net Asset Value based prices of the Units. Under certain circumstances as provided in this Offering Document, the Management Company may suspend the announcement of the prices.”*

<sup>189</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 4.10.6) read as follows;

*“The Management Company shall publish the Purchase (Offer) and Redemption (Repurchase) Prices in atleast one daily newspaper widely circulated in Pakistan.”*

<sup>190</sup> Inserted vide 1st Supplemental Offering Document dated November 01, 2010.

<sup>191</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 4.10.8) read as follows;

*“The prices determined, as described hereinabove shall be subject to adjustment for any taxes payable in the jurisdiction of the transaction.”*

<sup>192</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 4.10.9) read as follows;

*“In respect of investments held in foreign currencies, the same will be translated in Pakistan Rupees using the closing buying spot rates declared by recognized banks in Pakistan at each balance sheet date, as per the generally accepted accounting principles and the NBFC Regulations.”*

<sup>193</sup> Inserted vide 1st Supplemental Offering Document dated November 01, 2010.

request. The Management Company will make arrangements, from time to time, for receiving purchase request from outside Pakistan and will disclose these arrangements through its website and its Distributors and agents outside Pakistan. In general, the Offer Price applicable to purchase requests received from outside Pakistan will be the Offer Price applicable on the date the Trustee receives the payments from international investors provided it is a Subscription Day otherwise the Offer Price of the next Subscription Day will apply.

All forms received by the Distributors within the Cut-Off Timing shall be acknowledged by appropriate date and time stamping mechanism. The Management Company shall forward all the purchase requests to the Trustee within twenty four hours of the receipt thereof.

In case after receiving the application, funds are not realized against cheque, bank draft, or other payment instrument delivered by the applicant, no Units shall be credited or issued to him and the applicant shall be liable to reimburse the Management Company the bank charges and other costs, applicable on return or dishonor of the cheque, bank draft or other payment instrument without prejudice to any other rights of the Management Company and the Trustee against such applicant.]

#### **4.10.11 <sup>194</sup>[Redemption Price**

The Redemption Price shall be equal to the Net Asset Value (NAV) as of the close of the Dealing Day less Transaction Cost, any Back-End Load not exceeding 5% of the Net Asset Value (Please refer to Annexure “B” for the current level of load) and such amount as the Management Company may consider appropriate provision for Duties and Charges. The Redemption Price so determined shall apply to redemption request, complete in all respects received by the Distributor during the Cut-Off Timings (as announced by the Management Company from time to time), on that Business Day. Provided that if the Business Day is not a Subscription Day the Redemption Price calculated on the next Subscription Day will apply. The Management Company will make arrangements, from time to time, for receiving redemption request from outside Pakistan and will disclose these arrangements through its website and its Distributors and agents outside Pakistan.

All forms received within the Cut- Off Timing, shall be acknowledged by appropriate date and time stamping mechanism. The Management Company shall forward all the redemption requests to the Trustee within twenty four hours of the receipt thereof.

The Management Company shall not flip any redemption requests which will be met in turns in accordance with the dated and timed acknowledgements.

The Management Company shall ensure that all redemption requests are paid based on their ranking in a queue.

The Management Company shall not net off or permit adjustment of any asset against investments of Unit Holder(s) in the Fund. However the sale of asset of scheme to unit holders of the scheme may be allowed if it is with the consent of the trustee taking into consideration that the execution of transaction is at fair price an on arms length basis. Moreover, such sales proceeds can be used for payment of redemption to unit holders.]

#### **4.11 Purchase (Offer) and Redemption (Repurchase) of Units Outside Pakistan**

- i. <sup>195</sup>[Subject to foreign exchange control and other applicable laws, Rules and Regulations, in the event of arrangements being made by the Management Company for the Purchase (Offer) of Units to

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<sup>194</sup> Inserted vide 1st Supplemental Offering Document dated November 01, 2010.

persons not residing in Pakistan or for delivery in any country outside Pakistan, the price at which such Units may be issued may, at the discretion of the Management Company, include in addition to the Purchase (Offer) Price as hereinbefore provided a further amount sufficient to cover any exchange risk insurance, any additional stamp duty or taxation whether national, local or otherwise leviable in that country in respect of such issue or of the delivery or issue of Certificates, or any additional costs relating to the delivery of certificates or the remittance of money to Pakistan or any other cost in general incurred in providing this facility.]

- ii. <sup>196</sup>[In the event that the Redemption Price for Units shall be paid in any country outside Pakistan, the price at which such Units may be redeemed may at the discretion of the Management Company include as a deduction to the Redemption Price as hereinbefore provided a further amount sufficient to cover any exchange risk insurance and any additional stamp duty or taxation whether national, local or otherwise leviable in that country in respect of such payment or redemption or any bank or other charges incurred in arranging the payment or any other cost in general incurred in providing this facility.]
- iii. <sup>197</sup>[The currency of transaction of the Trust is the Pakistan Rupee and the Management Company, Trustee or any Distributor are not obliged to transact the purchase or redemption of the Units in any other currency and shall not be held liable, save as may be specifically undertaken by the Management Company, for receipt or payment in any other currency or for any obligations arising there from.]
- iv. <sup>198</sup>[Neither the Trustee, nor the Management Company shall be responsible for arranging remittances of funds from the offshore countries to Pakistan and from Pakistan to offshore countries or for

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<sup>195</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 4.11(i)} read as follows;

*“Subject to foreign exchange control and other applicable laws, Rules and Regulations, in the event of arrangements being made by the Management Company for the Purchase (Offer) of Units to persons not residing in Pakistan or for delivery in any country outside Pakistan, the price at which such Units may be issued may, at the discretion of the Management Company, include in addition to the Purchase (Offer) Price as hereinbefore provided a further amount sufficient to cover any exchange risk insurance, any additional stamp duty or taxation whether national, local or otherwise leviable in that country in respect of such issue or of the delivery or issue of Certificates, or any additional costs relating to the delivery of certificates or the remittance of money to Pakistan or any other cost in general incurred in providing this facility.”*

<sup>196</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 4.11(ii)} read as follows;

*“In the event that the Redemption Price for Units shall be paid in any country outside Pakistan, the price at which such Units may be redeemed may at the discretion of the Management Company include as a deduction to the Redemption Price as hereinbefore provided a further amount sufficient to cover any exchange risk insurance and any additional stamp duty or taxation whether national, local or otherwise leviable in that country in respect of such payment or redemption or any bank or other charges incurred in arranging the payment or any other cost in general incurred in providing this facility.”*

<sup>197</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 4.11(iii)} read as follows;

*“The currency of transaction of the Trust is the Pakistan Rupee and the Management Company, Trustee or any Distributor are not obliged to transact the purchase or redemption of the Units in any other currency and shall not be held liable, save as may be specifically undertaken by the Management Company, for receipt or payment in any other currency or for any obligations arising there from.”*

<sup>198</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 4.11(iv)} read as follows;

*“Neither the Trustee, nor the Management Company shall be responsible for arranging remittances of funds from the offshore countries to Pakistan and from Pakistan to offshore countries or for payment of any bank charges and other levies, if any in relation to issue and redemption of Units outside Pakistan.”*

payment of any bank charges and other levies, if any in relation to issue and redemption of Units outside Pakistan.]

#### **4.12 Transfer, Transmission and Conversion Procedure**

- i. <sup>199</sup>[Unit Holder may, subject to the law, transfer any Units held by them to any other account holder. The transfer shall be carried out after the Registrar/Transfer Agent has been satisfied that all the requisite formalities including the payment of any taxes and duties have been complied with. A Unit shall be transferable only in its entirety.]
- ii. <sup>200</sup>[Both the transferor and the transferee must sign every instrument of transfer and the transferor shall be deemed to remain the Holder of the Units transferred until the name of the transferee is entered in the register on respect thereof. Every instrument of transfer must be duly completed in all respects including affixation of transfer stamps of the requisite value. Where Certificates have been issued the Trustee may dispense with the production of any Certificates where the Certificates have been lost, destroyed, subject to compliance by the transferor with like requirements to those arising in the case of an application by him/her for the replacement of thereof as provided in this Offering Document or the Trust Deed. The Registrar/Transfer Agent shall retain all instruments of transfer.]
- iii. <sup>201</sup>[The Registrar/Transfer Agent, shall with the prior approval of the Management Company and the Trustee, shall be entitled to destroy all instruments of transfer or the copies thereof, as the case may be, which have been registered at any time after the expiration of ten years from the date of registration thereof and all the Certificates which have been cancelled at any time after the expiration

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<sup>199</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 4.12(i)} read as follows;

*“Unit Holder may, subject to the law, transfer any Units held by them to any other account holder. The transfer shall be carried out after the Registrar/Transfer Agent has been satisfied that all the requisite formalities including the payment of any taxes and duties have been complied with. A Unit shall be transferable only in its entirety.”*

<sup>200</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 4.12(ii)} read as follows;

*“Both the transferor and the transferee must sign every instrument of transfer and the transferor shall be deemed to remain the Holder of the Units transferred until the name of the transferee is entered in the register on respect thereof. Every instrument of transfer must be duly completed in all respects including affixation of transfer stamps of the requisite value. Where Certificates have been issued the Trustee may dispense with the production of any Certificates where the Certificates have been lost, destroyed, subject to compliance by the transferor with like requirements to those arising in the case of an application by him/her for the replacement of thereof as provided in this Offering Document or the Trust Deed. The Registrar/Transfer Agent shall retain all instruments of transfer.”*

<sup>201</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 4.12(iii)} read as follows;

*“The Registrar/Transfer Agent, shall with the prior approval of the Management Company and the Trustee, shall be entitled to destroy all instruments of transfer or the copies thereof, as the case may be, which have been registered at any time after the expiration of twelve years from the date of registration thereof and all the Certificates which have been cancelled at any time after the expiration of three years from the date of cancellation thereof and all registers, statements and other records and documents relating to the Trust at any time after the expiration of six years from transmission to the Trust. The Trustee or the Management Company or the Registrar/Transfer Agent shall be under no liability, whatsoever, in consequence thereof and it shall conclusively be presumed in favor of the Trustee or the Management Company or the Transfer Agent that every Unit of Transfer so destroyed was a valid and effective instrument duly and properly registered by the Trustee or the Management Company or the Registrar/Transfer Agent and that every Certificate so destroyed was a valid Certificates duly and properly cancelled, provided always (i) the aforesaid provision shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document may be relevant; (ii) nothing in this sub-clause shall be imposing upon the Trustee or the Management Company or the Transfer Agent any liability in respect of the destruction of any document earlier than as aforesaid or in any case where the conditions of provision (i) above are not fulfilled and (ii) reference herein to the destruction of any document includes reference to the disposal thereof in any manner.”*

of ten years from the date of cancellation thereof and all registers, statements and other records and documents relating to the Trust at any time after the expiration of ten years from transmission to the Trust. The Trustee or the Management Company or the Registrar/Transfer Agent shall be under no liability, whatsoever, in consequence thereof and it shall conclusively be presumed in favor of the Trustee or the Management Company or the Transfer Agent that every Unit of Transfer so destroyed was a valid and effective instrument duly and properly registered by the Trustee or the Management Company or the Registrar/Transfer Agent and that every Certificate so destroyed was a valid Certificate duly and properly cancelled, provided always (i) the aforesaid provision shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document may be relevant; (ii) nothing in this sub-clause shall be imposing upon the Trustee or the Management Company or the Transfer Agent any liability in respect of the destruction of any document earlier than as aforesaid or in any case where the conditions of provision (i) above are not fulfilled and (ii) reference herein to the destruction of any document includes reference to the disposal thereof in any manner.]

- iv. <sup>202</sup>[Transmission of Units to successors in case of inheritance or distribution of the estate of a deceased Unit Holder shall be processed by the Registrar/Transfer Agent after satisfying as to all legal requirements. The legal costs and taxes, if any, shall be borne and paid by the transferees. However, the processing fee shall not be payable by successors or the beneficiaries of the estate in the case of transmission. The Management Company shall pay the relevant processing fee to the Registrar/Transfer Agent.]
- v. <sup>203</sup>[A Unit Holder may convert the Units of a Collective Investment Scheme managed by the Management Company into Units of another Collective Investment Scheme managed by the same Management Company. The Transfer Agent shall carry out the conversion after satisfying that all the requisite formalities have been fulfilled and payment of the applicable taxes, fees and/or load, if any, have been received. The Management Company may impose a time limit before which conversion may not be allowed.]
- vi. <sup>204</sup>[Unit Holder may merge the Units when he/she has invested with two folio/registration numbers and wishes to merge both the Units into one registration number/ Folio number/ABL AMC Account Number. The Registrar/Transfer Agent shall carry out the merger after satisfying that all the requisite formalities have been completed and payment of applicable taxes and fee, if any, have been received.]

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<sup>202</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 4.12(iv)} read as follows;

*“Transmission of Units to successors in case of inheritance or distribution of the estate of a deceased Unit Holder shall be processed by the Registrar/Transfer Agent after satisfying as to all legal requirements. The legal costs and taxes, if any, shall be borne and paid by the transferees. However, the processing fee shall not be payable by successors or the beneficiaries of the estate in the case of transmission. The Management Company shall pay the relevant processing fee to the Registrar/Transfer Agent.”*

<sup>203</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 4.12(v)} read as follows;

*“A Unit Holder may convert the Units of a Collective Investment Scheme managed by the Management Company into Units of another Collective Investment Scheme managed by the same Management Company. The Transfer Agent shall carry out the conversion after satisfying that all the requisite formalities have been fulfilled and payment of the applicable taxes, fees and/or load, if any, have been received. The Management Company may impose a time limit before which conversion may not be allowed.”*

<sup>204</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 4.12(vi)} read as follows;

*“Unit Holder may merge the Units when he/she has invested with two folio/registration numbers and wishes to merge both the Units into one registration number/ Folio number/ABL AMC Account Number. The Registrar/Transfer Agent shall carry out the merger after satisfying that all the requisite formalities have been completed and payment of applicable taxes and fee, if any, have been received.”*

- vii. <sup>205</sup>[The sale, redemption and transfer of Units and any other dealings in the Units may be carried out On-line, with the consent of the Trustee (which consent shall not be unreasonably withheld or delayed), to the extent permitted by and in accordance with applicable law.]

## **5. DISTRIBUTION POLICY**

### **5.1 <sup>206</sup>Distribution Policy**

The net amount available for distribution at the end of the financial year (or such interim period as may be decided by the Management Company), shall comprise of the revenues earned by the Fund including the net impact of the revenue collected and paid out in the NAV calculation through Purchase (Offer) and Redemption (Repurchase) of Units, less all expenses incurred or accrued attributable to the Fund.

The Fund shall distribute 90% of the amount available for distribution or any other payout ratio as bonus Units or cash dividends in order to avail tax exemption or any other benefits in the interest of the Unit Holders.]

### **5.2 Declaration of Dividend**

<sup>207</sup> The Management Company shall decide as soon as possible, but not later than 45 days after the Accounting Date whether to distribute among Unit Holders, profits, either in form of bonus Units or cash dividend, if any, available for distribution, including interim distributions at the end of Accounting Period, and shall advise the Trustee of the rate of such distribution per Unit. Such profits may be distributed in cash, bonus units, or a combination of both.]

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<sup>205</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 4.12(vii)} read as follows;

*“The sale, redemption and transfer of Units and any other dealings in the Units may be carried out On-line, with the consent of the Trustee (which consent shall not be unreasonably withheld or delayed), to the extent permitted by and in accordance with applicable law.”*

<sup>206</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 5.1) read as follows;

***“Distribution Policy***

*The net amount available for distribution at the end of the financial year (or such interim period as may be decided by the Management Company), shall comprise of the revenues earned by the Fund including the net impact of the revenue collected and paid out in the NAV calculation through Purchase (Offer) and Redemption (Repurchase) of Units, less all expenses incurred or accrued attributable to the Fund.*

*The Fund shall distribute 90% of the amount available for distribution or any other payout ratio as bonus Units or cash dividends in order to avail tax exemption or any other benefits in the interest of the Unit Holders.”*

<sup>207</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 5.2) read as follows;

*“The Management Company shall decide as soon as possible, but not later than 45 days after the Accounting Date whether to distribute among Unit Holders, profits, either in form of bonus Units or cash dividend, if any, available for distribution, including interim distributions at the end of Accounting Period, and shall advise the Trustee of the rate of such distribution per Unit. Such profits may be distributed in cash, bonus units, or a combination of both.”*



### 5.3 <sup>330</sup><sup>208</sup> Determination of Distributable Income

The amount available for distribution in respect of any Accounting Period shall be determined by the Management Company and shall be the sum total of:

- a) The total income earned on the Trust Property during such Accounting Period including all amounts received in respect of dividend, mark-up, profit etc.
- (b) Whole or part of the realized and/or unrealized appreciation of Investment Assets, at the option of the Management Company.

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<sup>208</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 5.3) read as follows;

*“The amount available for distribution in respect of any Accounting Period shall be determined by the Management Company and shall be the sum total of:*

- i. The total income earned on the Trust Property during such Accounting Period including all amounts received in respect of dividend, mark-up, profit, etc.*
- ii. All receipts deemed by the Management Company to be in the nature of capital accruing from Investments shall not be regarded as available for distribution but shall be retained as part of the Trust Property, provided that such amounts out of the sale proceeds of the Investments and all other receipts deemed by the Management Company to be in the nature of the net realized appreciation may be distributable to the Unit Holders by the Trustee upon instructions of the Management Company and shall thereafter cease to form part of the Trust Property once transferred to the Distribution Account.*
- iii. Net realized appreciation as set out in (b) above from which shall be deducted expenses as set out in Clause 6.2 below and such other adjustments as the Management Company may determine in consultation with the Auditors, subject to the Rules and Regulations and the provisions of the Income Tax Ordinance.”*

<sup>330</sup> Substituted vide 6<sup>th</sup> Supplemental Offering Document dated June 24, 2021. The substituted clause (Sub-Clause 5.3) read as follows;

*“The profit (if any) available for distribution in respect of any Accounting Period shall be determined by the Management Company but shall not exceed the portion of Net Assets on the Accounting Date that is attributable to the sum total of:*

- i. the total income earned on the Trust Property during such Accounting Period including all amounts received in respect of dividend, mark-up, profit, interest fee and any other income;*
- ii. the net realized appreciation as set out in Clause 5.3(iv) below at the option of Management Company;*

*From which shall be deducted expenses as set out in Clauses 6.2.1, 6.2.2 and 6.2.4 hereafter and adjustment as set out in clause 5.3(iii) below and such other deductions and adjustments as the Management Company may determine in consultation with the Auditor.*

- iii. All receipts deemed by the Management Company to be in the nature of capital accruing from Investments shall not be regarded as available for distribution but shall be retained as part of the Trust Property, provided that such amounts of the sale proceeds of the Investments and all other receipts deemed by the Management Company to be in the nature of net realized appreciation may be distributable to the Unit Holders by the Trustee upon instructions of the Management Company and shall thereafter cease to form part of the Trust Property once transferred to the Distribution Account.*
- iv. Net realized appreciation as set out in (b) above from which shall be deducted expenses as set out in Clause 6.2 below and such other adjustments as the Management Company may determine in consultation with the Auditors, subject to the Rules and Regulations and the provisions of the Income Tax Ordinance.”*

- (c) From the above amounts shall be deducted expenses and such other adjustment as the Management Company may determine.]

#### **5.4 Reinvestment of Dividend**

<sup>209</sup> [Dividends shall be automatically reinvested in additional Units in case of Growth Units, however a Unit Holder may instruct the Management Company in writing by completing the prescribed form not to re-invest the future dividends to which he/she will be entitled. In such an event future dividends shall be paid by way of transfer to his designated bank account. Unit Holders may opt to receive the amount equivalent to their share of the annual cash distribution in the form of additional Units. In such an event, the Management Company shall at the end of the financial year (or the relevant period in the event of an interim distribution) cause to issue such number of Units to the Unit Holder that approximately equates the value of the Cash Dividend for the period. The issue price shall be determined on the basis of the NAV of June 30th or Profit distribution Date after appropriation of income of that year/ relevant period, but without any charge of the front-load normally deducted from the offer price. The issuance of the bonus Units shall be made, net of any taxes, charges and duties that the Management Company or the Trustee is obliged to recover from the Unit Holder.]

- 5.4.1 <sup>210</sup>[A Unit Holder may in writing at the time of purchase of Units or at a later date instruct the Management Company to reinvest the future dividends to which he/she will be entitled into the Fund Units.]
- 5.4.2 <sup>211</sup>[The Purchase (Offer) Price for the Units to be issued under Clause 5.4.1 above will be the NAV at the Distribution Date after the adjustment of the announced dividend.]

#### **5.5 Bonus Units**

<sup>212</sup>[The Management Company may as per the instruction of the unit-holder distribute, wholly or in part the distributable income in the form of stock dividend (which would comprise of the Bonus Units

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<sup>209</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 5.4) read as follows;

*“Dividends shall be automatically reinvested in additional Units, however a Unit Holder may instruct the Management Company in writing by completing the prescribed form not to re-invest the future dividends to which he/she will be entitled. In such an event future dividends shall be paid by way of transfer to his designated bank account. Unit Holders may opt to receive the amount equivalent to their share of the annual cash distribution in the form of additional Units. In such an event, the Management Company shall at the end of the financial year (or the relevant period in the event of an interim distribution) cause to issue such number of Units to the Unit Holder that approximately equates the value of the Cash Dividend for the period. The issue price shall be determined on the basis of the NAV of June 30th or Profit distribution Date after appropriation of income of that year/ relevant period, but without any charge of the front-load normally deducted from the offer price. The issuance of the bonus Units shall be made, net of any taxes, charges and duties that the Management Company or the Trustee is obliged to recover from the Unit Holder.”*

<sup>210</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 5.4.1) read as follows;

*“A Unit Holder may in writing at the time of purchase of Units or at a later date instruct the Management Company to reinvest the future dividends to which he/she will be entitled into the Fund Units.”*

<sup>211</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 5.4.2) read as follows;

*“The Purchase (Offer) Price for the Units to be issued under Clause 5.4.1 above will be the NAV at the Distribution Date after the adjustment of the announced dividend.”*

<sup>212</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 5.5) read as follows;

*“The Management Company may decide to distribute, wholly or in part the distributable income in the form of stock dividend (which would comprise of the Bonus Units of the Trust) if it is in the interest of Unit Holders. The Bonus Units*

of the Trust) if it is in the interest of Unit Holders. The Bonus Units would rank pari passu as to their rights in the Net Assets, earnings and receipt of dividend and distribution with the existing Units from the date of issue of these Bonus Units. The account statement or Unit Certificate shall be dispatched to the Unit Holder within fifteen days of the issue of Bonus Units.]

## **5.6 Payment of Dividend**

<sup>213</sup> [All payments for dividend shall be made by transfer of funds to the Unit Holder's designated bank account or the charge-holder's designated bank account in case of lien / pledge of Units as the case may be or through any other mode of payment and such payment shall be subject to NBFC Rules and Regulations.]

## **5.7 Dispatch of Dividend Warrants/Advice**

<sup>214</sup> [Dividend warrants/advice and/or Account Statements shall be dispatched to the Unit Holders or the charge-holders at their registered addresses as per the Rules and Regulations.]

## **5.8 Closure of Register**

<sup>215</sup> [The Register may be closed under intimation to the Trustee for such period as the Management Company may from time to time determine and after giving at least seven (7) calendar days notice to Holders, provided that it is not closed for more than forty-five (45) days in any calendar year, not exceeding six (6) Business Days at a time for any single purpose.]

# **6. FEE AND CHARGES**

## **6.1 Fees and Charges Payable by an Investor**

### **6.1.1 Sales and Processing Charges (Front-end Load)**

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*would rank pari passu as to their rights in the Net Assets, earnings and receipt of dividend and distribution with the existing Units from the date of issue of these Bonus Units. The account statement or Unit Certificate shall be dispatched to the Unit Holder within fifteen days of the issue of Bonus Units. The Unit Holder(s) have the option to encash the Bonus Units at ex-dividend Net Asset Value as on June 30 of the relevant period."*

<sup>213</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 5.6) read as follows;

*"All payments for dividend shall be made by transfer of funds to the Unit Holder's designated bank account or the charge-holder's designated bank account in case of lien / pledge of Units as the case may be or through any other mode of payment and such payment shall be subject to NBFC Rules and Regulations."*

<sup>214</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 5.7) read as follows;

*"Dividend warrants/advice and/or Account Statements shall be dispatched to the Unit Holders or the charge-holders at their registered addresses as per the Rules and Regulations."*

<sup>215</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 5.8) read as follows;

*"The Management Company may close the Register by giving at least fourteen (14) days notice to Unit Holders and for period not exceeding forty-five (45) days in a calendar year. During the closure period, the sale, redemption or transfer of units will be suspended."*

<sup>216</sup> [The Unit Purchase Price can include Front-end Load of a maximum of five percent (5%) of the Purchase (Offer) Price. The current level of Front End Load is as indicated in Annexure B. The issue price applicable to bonus Units issued by way of dividend distribution or issue of Units in lieu of cash distribution shall not include any Front-end Load. Transfer of Units from one owner to another shall be subject to a processing charge of an amount not exceeding one percent (1%) of the Net Asset Value at the date the request is lodged within cut-off timings on the Dealing Day to the Authorized Distributor, Registrar/Transfer Agent or Management Company, which shall be recovered from the transferee. The taxes, charges or duties may be recovered by redemption of equivalent Units at the time of the transfer or may be recovered separately. However, the processing charge shall not be payable by successors in the case of inheritance or distribution of the estate of a deceased Unit Holder.]

6.1.2 <sup>217</sup>**Remuneration of Distribution Company / Sales Agent / Investment Facilitator**

- i. The Distribution Company or any Investment Facilitator/I Advisor/Sales Agent employed by the Management Company will be entitled to a remuneration payable by the Management Company out of its own resources and/or from any Front-end Load on terms to be agreed between the Management Company and the Distribution Company/Investment Facilitator/Sales Agent.
- ii. Payments to the Distribution Company shall be made on the instructions of the Management Company and shall not be charged to the Trust Property. The remuneration due to the Distribution Company shall be paid within fifteen (15) calendar days of the end of the calendar months.
- iii. Distributors/Investment Facilitators or Sales Agents located outside Pakistan may, if so authorized by Trustee and the Management Company, be entitled to remuneration (from Management Company's own resources) on terms to be agreed between them and the Management Company, subject to the law for the time being in force.]

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<sup>216</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 6.1.1) read as follows;

*"The Unit Purchase Price can include Front-end Load of a maximum of five percent (5%) of the Purchase (Offer) Price. The current level of Front End Load is as indicated in Annexure B. The issue price applicable to bonus Units issued by way of dividend distribution or issue of Units in lieu of cash distribution shall not include any Front-end Load. Transfer of Units from one owner to another shall be subject to a processing charge of an amount not exceeding one percent (1%) of the Net Asset Value at the date the request is lodged within business hours on the Dealing Day to the Authorized Distributor, Registrar/Transfer Agent or Management Company, which shall be recovered from the transferee. The taxes, charges or duties may be recovered by redemption of equivalent Units at the time of the transfer or may be recovered separately. However, the processing charge shall not be payable by successors in the case of inheritance or distribution of the estate of a deceased Unit Holder."*

<sup>217</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 6.1.2) read as follows;

***"Remuneration of Distribution Company / Investment Agent / Investment Facilitator***

- i. *The Distribution Company or any Investment Facilitator/Investment Advisor/Sales Agent employed by the Management Company will be entitled to a remuneration payable by the Management Company out of its own resources and/or from any Load on terms to be agreed between the Management Company and the Distribution Company/Investment Facilitator/Sales Agent.*
- ii. *Payments to the Distribution Company shall be made on the instructions of the Management Company and shall not be charged to the Trust Property. The remuneration due to the Distribution Company shall be paid within fifteen (15) calendar days of the end of the calendar months.*
- iii. *Distributors/Investment Facilitators or Sales Agents located outside Pakistan may, if so authorized by Trustee and the Management Company, be entitled to remuneration (from Management Company's own resources) on terms to be agreed between them and the Management Company, subject to the law for the time being in force."*

### 6.1.3 **Redemption Processing Charge (Back-end Load)**

<sup>218</sup>[The Unit Redemption Price is calculated after deducting a processing charge not exceeding 5% percent from the Net Asset Value of the Unit. The Back-end Load shall form part of Trust Property. The current level of Back-end Load is Nil as indicated in Annexure B.]

## 6.2 **Fees and Charges Payable by ABL-Income Fund**

The following expenses will be borne by the Fund:

### 6.2.1 **Remuneration of the Management Company**

- i. <sup>219</sup>[The Management Company shall be entitled to be paid monthly in arrears, accrued remuneration duly verified by the trustee, a remuneration of an amount not exceeding three (3) percent per annum of the average daily Net Assets during the first five years of the scheme and two (2) percent per annum of the average daily Net Assets thereafter, or such other amount as may be specified by the Commission from time to time and provided that the remuneration so calculated shall not exceed the maximum remuneration allowed under Regulations.]
- ii. <sup>220</sup>[The remuneration shall begin to accrue from the close of the Initial Offer period. In respect of any period other than an Accounting Period such remuneration shall be prorated on the basis of the actual number of days for which such remuneration has accrued in proportion to the total number of days accrued in the Accounting Period concerned.]
- iii. <sup>221</sup>[The remuneration due to the Management Company shall be paid in arrears within 15 (fifteen) Business Days after the close of each calendar month after the receipt of invoice by the Trustee, The Management Company shall be entitled to draw remuneration permissible under the Regulations, 2008.]

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<sup>218</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 6.1.3) read as follows;

*“The Unit Redemption Price is calculated after deducting a processing charge not exceeding 5% percent from the Net Asset Value of the Unit. The current level of Back-end Load is Nil as indicated in Annexure B.”*

<sup>219</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 6.2.1(i)} read as follows;

*“The Management Company shall be entitled to be paid monthly in arrears, accrued remuneration duly verified by the trustee, a remuneration of an amount not exceeding three (3) percent per annum of the average daily Net Assets during the first five years of the scheme and two (2) percent per annum of the average daily Net Assets thereafter, or such other amount as may be specified by the Commission from time to time and provided that the remuneration so calculated shall not exceed the maximum remuneration allowed under Regulations.”*

<sup>220</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 6.2.1(ii)} read as follows;

*“The remuneration shall begin to accrue from the close of the Initial Offer period. In respect of any period other than an Accounting Period such remuneration shall be prorated on the basis of the actual number of days for which such remuneration has accrued in proportion to the total number of days accrued in the Accounting Period concerned.”*

<sup>221</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 6.2.1(iii)} read as follows;

*“The remuneration due to the Management Company shall be paid in arrears within 15 (fifteen) Business Days after the close of each calendar month after the receipt of invoice by the Trustee, provided that the Management Company may on monthly basis draw in advance out of accrued remuneration a sum that the Trustee shall consider reasonable. The Management Company shall be entitled to draw remuneration permissible under the Regulations.”*

- iv. <sup>222</sup>[In consideration of the foregoing and save as aforesaid the Management Company shall be responsible for the payment of all expenses incurred by the Management Company from time to time in connection with its responsibilities as Management Company of the Trust. The Management Company shall not make any charge against the Unit Holder(s) or against the Trust Property or against the Distribution Account for its services or for its expenses, except such expenses as are expressly authorized under the provisions of the Regulations, 2008 and the Trust Deed to be payable out of Trust Property.]
- v. <sup>223</sup>[The Management Company shall bear all expenditures in respect of its secretarial and office space and professional management, including all accounting and administrative services provided in accordance with the provisions of this Trust Deed.]
- vi. <sup>224</sup>[The Management Company shall however not make any further material charge against the Unit Holder(s) nor against the Trust Property nor against the Distribution Account for its services nor for expenses, except such expenses or fees as are expressly authorized under the provisions of the Rules and the Trust Deed.]
- vii. <sup>225</sup>[The fees payable on offshore investments to an international fund manager/advisor as per clause 3.4.2 (xiv) above appointed by the management company, if any, the management fees shall be paid directly to such international fund manager/advisor by the management company which shall be the responsibility of the management company and shall not be charged to the Fund.]

#### 6.2.2 **Remuneration of the Trustee**

- i. <sup>226</sup>[The Trustee shall be entitled to a monthly remuneration out of the Trust Property determined in accordance with Annexure “A”. The remuneration shall begin to accrue following the expiry of the

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<sup>222</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 6.2.1(iv)} read as follows;

*“In consideration of the foregoing and save as aforesaid the Management Company shall be responsible for the payment of all expenses incurred by the Management Company from time to time in connection with its responsibilities as Management Company of the Trust. The Management Company shall not make any charge against the Unit Holder(s) or against the Trust Property or against the Distribution Account for its services or for its expenses, except such expenses as are expressly authorized under the provisions of the Regulations and this Trust Deed to be payable out of Trust Property.”*

<sup>223</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 6.2.1(v)} read as follows;

*“The Management Company shall bear all expenditures in respect of its secretarial and office space and professional management, including all accounting and administrative services provided in accordance with the provisions of this Trust Deed.”*

<sup>224</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 6.2.1(vi)} read as follows;

*“The Management Company shall however not make any further material charge against the Unit Holder(s) nor against the Trust Property nor against the Distribution Account for its services nor for expenses, except such expenses or fees as are expressly authorized under the provisions of the Rules and the Trust Deed.”*

<sup>225</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 6.2.1(vii)} read as follows;

*“The fees payable on offshore investments to an international fund manager/advisor as per clause 3.4.2 (xiv) above appointed by the management company, if any, the management fees shall be paid directly to such international fund manager/advisor by the management company which shall be the responsibility of the management company and shall not be charged to the Fund.”*

<sup>226</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 6.2.2(i)} read as follows;

*“The Trustee shall be entitled to a monthly remuneration out of the Trust Property determined in accordance with Annexure “A”. The remuneration shall begin to accrue following the expiry of the Initial Period. For any period other*

Initial Period. For any period other than a full calendar month such remuneration will be pro-rated on the basis of the actual number of days for which such remuneration has accrued in proportion to the total number of days in the calendar month concerned.]

- ii. <sup>227</sup>[Such remuneration shall be paid to the Trustee within fifteen (15) Business Days after the end of each calendar month after the receipt of invoice from the Trustee.]
- iii. <sup>228</sup>[In consideration of the foregoing and save as aforesaid and the Trustee shall be responsible for the payment of all expenses incurred by the Trustee from time to time in connection with their duties as Trustee of the Trust. The Trustee shall not make any charge against the Holders or against the Trust Property or against the Distribution/ Redemption Account for their services or for their expenses, except such expenses as are expressly authorized to be paid out of the Trust Property under the provisions of the Regulations, 2008 and the Constitutive Documents.]
- iv. <sup>229</sup>[The Trustee shall bear all expenditures in respect of their secretarial and office space and professional management, including all accounting and administrative services provided in accordance with the provisions of this Trust Deed and the Regulations, 2008.]
- v. <sup>230</sup>[Any increase in the remuneration of the Trustee agreed to by the Management Company shall require the approval of the Commission.]
- vi. <sup>231</sup>[The Trustee shall however not make any further material charge against the Unit Holder(s) nor against the Trust Property nor against the Distribution Account for its services nor for expenses, except such expenses or fees as are expressly authorized under the provisions of the Regulations, 2008 and the Trust Deed to be payable out of Trust Property.]

### 6.2.3 **Expenses of the Management Company and Trustee**

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*than a full calendar month such remuneration will be pro-rated on the basis of the actual number of days for which such remuneration has accrued in proportion to the total number of days in the calendar month concerned.”*

<sup>227</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 6.2.2(ii)} read as follows;

*“Such remuneration shall be paid to the Trustee within fifteen (15) Business Days after the end of each calendar month after the receipt of invoice from the Trustee.”*

<sup>228</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 6.2.2(iii)} read as follows;

*“In consideration of the foregoing and save as aforesaid and the Trustee shall be responsible for the payment of all expenses incurred by the Trustee from time to time in connection with their duties as Trustee of the Trust. The Trustee shall not make any charge against the Holders or against the Trust Property or against the Distribution/ Redemption Account for their services or for their expenses, except such expenses as are expressly authorized to be paid out of the Trust Property under the provisions of the Regulations and the Constitutive Documents.”*

<sup>229</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 6.2.2(iv)} read as follows;

*“The Trustee shall bear all expenditures in respect of their secretarial and office space and professional management, including all accounting and administrative services provided in accordance with the provisions of this Trust Deed and the Regulations.”*

<sup>230</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 6.2.2(v)} read as follows;

*“Any increase in the remuneration of the Trustee agreed to by the Management Company shall require the approval of the Commission.”*

<sup>231</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause {Sub-Clause 6.2.2(vi)} read as follows;

*“The Trustee shall however not make any further material charge against the Unit Holder(s) nor against the Trust Property nor against the Distribution Account for its services nor for expenses, except such expenses or fees as are expressly authorized under the provisions of the Regulations and the Trust Deed to be payable out of Trust Property.”*

<sup>232</sup> [The Management Company and Trustee shall bear all expenditures in respect of their respective secretarial and office space and professional management services provided in accordance with the provisions of the Trust Deed. Neither the Management Company nor the Trustee shall make any charge against the Unit Holders nor against the Trust Property nor against the Distribution Account for their services nor for expenses, except such expenses or fees as are expressly authorized under the provisions of the Rules, Regulations and the Deed to be payable out of Trust Property.]

6.2.4 <sup>233</sup>**Other costs and expenses to be charged to and borne by the Trust.**

6.2.4.1 All expenses incurred in connection with the establishment and registration of the Scheme including,-

- (a) execution and registration of the Constitutive Documents;
- (b) issue, legal costs, printing, circulation and publication of the Offering Document;
- (c) announcements describing the Scheme; and
- (d) expenses incurred during the initial period;

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<sup>232</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 6.2.3) read as follows;

*“The Management Company and Trustee shall bear all expenditures in respect of their respective secretarial and office space and professional management services provided in accordance with the provisions of the Trust Deed. Neither the Management Company nor the Trustee shall make any charge against the Unit Holders nor against the Trust Property nor against the Distribution Account for their services nor for expenses, except such expenses or fees as are expressly authorized under the provisions of the Rules, Regulations and the Deed to be payable out of Trust Property.”*

<sup>233</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 6.2.4) read as follows;

- i. Remuneration of the Management Company;*
- ii. Remuneration of both local and international trustee or custodian*
- iii. Brokerage and Transaction Costs related to investing and disinvesting of the Trust Property.*
- iv. Legal and related costs incurred in protecting or enhancing the interests of the Scheme or the collective interests of the Unit Holders.*
- v. Bank charges and financing costs; provided that the charges payable to any bank or financial institution against financings on account of the Scheme as permissible under Clause 2.6 (i), shall not be higher than the normal prevailing bank charges or normal market rates.*
- vi. Auditors’ fees and related expenses*
- vii. Any fees payable to the Commission*
- viii. Formation cost not exceeding one per cent of the pre-initial public offering capital or Five Million rupees, whichever is lower which shall be subject to audit and reimbursable to the Management Company over a period of not less than five years.*
- ix. Any printing costs and related expenses for issuing the collective investment scheme’s quarterly, half-yearly and annual reports, etc*
- x. Hedging costs including forward cover, forward purchase or option purchase costs*
- xi. Annual fee payable to the Commission under Regulation 71 of the Regulations;*
- xii. Taxes, fees, cess, duties and other charges applicable to the Scheme on its income or its properties, including taxes, fees, cess, duties and other charges levied by foreign jurisdiction on investments outside Pakistan*
- xiii. Rating fees of the Scheme payable to the approved rating agency.*
- xiv. Charges and levies of stock exchanges, National Clearing Company Limited, CDC charges, Capital Value Tax, Laga, Scheme’s dividend/redemption of units transfer charges as payable to bank at time of transfer of funds to Unit Holder and such other levies and charges.*
- xv. Listing fee payable to the Stock Exchange including renewals.*
- xvi. Expenses incurred by trustee in effecting registration of all registerable assets in the name of the trustee;*
- xvii. Other expenses directly related to Scheme as may be permitted by the Commission.*

*The expenses referred to in clause 6.2.4 shall be reported to the Commission and the Trustee giving their break-up under separate heads, as soon as the distribution of the securities is completed.”*



have been borne by the Management Company and are reimbursable, subject to the audit of expenses, by the Fund over a period of not less than five years or any other time period as may be specified by the Commission.

6.2.4.2 Notwithstanding the generality of clause 6.2.4.1, the following fees and charges shall be payable from the Scheme:-

- (i) remuneration of the Management Company;
- (ii) remuneration of Trustee or Custodian;
- (iii) listing fee payable to the Stock Exchange, including renewals;
- (iv) charges and levies of Stock Exchange, national clearing and settlement company and central depository company;
- (v) rating fee of the Scheme payable to approved rating agency;
- (vi) auditors' fees and out of pocket expenses as billed by them;
- (vii) fees payable to the Commission;
- (viii) formation cost of the Scheme not exceeding one per cent of the pre-initial public offering capital of the Scheme or five million rupees whichever is lower;
- (ix) brokerage and transaction costs related to investing and disinvesting of the assets of the Schemes;
- (x) expenses incurred by trustee in affecting registration of all registerable assets in the name of the trustee;
- (xi) legal and related costs incurred in protecting the interests of the unit, certificate or share holders of the Scheme;
- (xii) bank charges, borrowing and financial costs;
- (xiii) hedging costs including forward cover, forward purchase or option purchase costs;
- (xiv) printing costs and related expenses for issuing the quarterly, half-yearly and annual reports, etcetera of the Scheme;
- (xv) taxes, fees, duties and other charges applicable to the Scheme on its income or its properties, including taxes, fees, duties and other charges levied by a foreign jurisdiction on investments made overseas;

6.2.4.3 The expenses referred to in clauses 6.2.4.1 and 6.2.4.2(viii) shall be reported with their break- up under separate heads by the Management Company to the Commission and the Trustee, as soon as the distribution of the securities is completed.]

## 7. <sup>234</sup>TAXATION

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<sup>234</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Clause 7) read as follows;

### **7.1 Taxation on the Income of the Fund**

#### **7.1.1 Liability for income tax**

*Under the Tax Law in Pakistan, the definition of a public company includes a Unit Trust whose units are widely available to the public and any other Trust as defined in the Trusts Act, 1882. The Fund will be regarded as a public company liable to a tax rate applicable to a public company.*

*The income of the Fund will accordingly be taxed at the following rates currently. Any change in the tax law from time to time will apply.*

- *Dividend income received from a company shall be taxed at an income tax rate of 10%.*
- *Capital gain arising on sale of securities listed on any Stock Exchange(s) in Pakistan is exempt from tax up to June 30, 2010.*
- *Income from Term Finance Certificates or Corporate Paper(s), Government Securities, return on deposits / certificates of investment/deposit with banks / financial institutions, money market transactions, profit and loss sharing accounts with banks or any other income not mentioned above is taxable at the rate applicable to a public company (as per Income Tax law).*

#### **7.1.2 Liability for Income Tax if 90% of the Income is distributed**

*Notwithstanding the tax rates given above, the income from the Fund will be exempted from tax if 90% or more of the income for the year as reduced by capital gains whether realized or unrealized is distributed amongst the Unit Holders as dividend. Further under the provisions of Clause 47 (B) of Part (IV) of the Second Schedule to the Income Tax Ordinance 2001 the Fund's income from dividend, profit on debt, brokerage and commission is exempt from withholding tax under relevant provision of Law.*

*Under finance Act 1989, (V of 1989) as amended by Finance Act 2006, read with Circular # 02 of 2006 dated July 1, 2006 a capital value tax at a rate of 0.02% of the purchase value of Modaraba certificates or any instrument of redeemable capital as defined in the Companies Ordinance, 1984 (XLVII of 1984) or shares of a public company listed on a registered stock exchange in Pakistan shall be charged on purchase of the same. This tax will be collected by the stock exchange concerned and will be payable by the fund on any purchase transaction.*

#### **7.1.3 Zakat**

*The Fund is Sahib-e-Nisab under Zakat and Ushr Ordinance, 1980.*

### **7.2 Taxation on Unit Holders**

**Disclaimer:** *The information set forth below is included for general information purposes only. In view of individual nature of tax consequences, each investor is advised to consult with his or her tax advisor with respect to the specific tax consequences of investing in the Fund.*

#### **7.2.1 Income Tax**

*Unit Holders of the Fund will be subject to Income Tax on dividend income at the rate of 10% of gross amount of dividend.*

*The rate of tax so specified will be the final tax (except for companies, as defined in Income Tax Ordinance, 2001) and the payer (Trustee) will be required to withhold the amount of tax at source.*

## 7.1 **Liability for Income Tax**

Under the Income Tax law in Pakistan, the Fund is regarded as a public company for tax purposes. The income of the Fund is taxable at the tax rate applicable to a public company, which is presently as under:

- (a) Dividend income – ten percent 10%.
- (b) Capital gains arising on sale of securities listed on any Stock Exchange in Pakistan – taxed as per the following table:

Sr.No.	Period	Tax Year (applicable for tax)	Rate of Tax (%age)
1	Where holding period of a security is less than six (6) months	2011 2012	10% 10%

*Unit Holders who are exempt from income tax may obtain exemption certificate from the Commissioner of Income Tax and provide the same to the Management Company and / or Transfer Agent and on the basis of Exemption Certificate income tax will not be withheld. In terms of the provisions of the Income Tax Ordinance, 2001, the withholding tax shall be deemed to be full and final liability in respect of such distribution except for companies, as defined in Income Tax Ordinance, 2001.*

### 7.2.2 **Capital Gains**

*Capital Gains in disposition of Units in the Fund will be subject to capital gains tax at the applicable tax rate. The Units of the Fund will be listed on the Stock Exchange(s). Consequently, subject to such listing, the Capital Gain on disposal of the Units shall be exempt from tax up to Tax Year ending on 30th day of June 2010. Any changes in tax law from time to time shall apply.*

### 7.2.3 **Tax Credit**

*Unit Holders other than a company shall be entitled to a tax credit under Section 62 of the Income Tax Ordinance, 2001, on purchase of new Units. The amount on which tax credit will be allowed shall be lower of (a) amount invested in purchase of new Units, (b) 10% of the taxable income of the Unit Holder, and (c) Rupees Three hundred thousand, and will be calculated by applying the average rate of tax of the Unit Holder for the tax year. If the Units so acquired are disposed within 12 months, the amount of tax payable for the tax year in which the Units are disposed shall be increased by the amount of tax credit.*

### 7.2.4 **Zakat**

*Units held by Sahib-e-Nisab as per Zakat and Ushr Ordinance, 1980 shall be subject to Zakat at 2.5% of the Par value of the Units or repurchase value of units whichever is lower as on valuation date in each Zakat year under Zakat and Ushr Ordinance, 1980, (XVII of 1980), except those exempted under the said Ordinance. Zakat will be deducted at source from the dividend amount or from the redemption proceeds.*

### 7.3 **Dividends**

*The Management Company shall distribute at least 90% of the amount available for distribution or any other payout ratio as bonus Units or cash dividends in order to avail Tax Exemption or any other benefits.*

### 7.4 **Disclaimer**

*The tax and zakat information given above is based on the Management Company's tax adviser's interpretation of the law, which to the best of the Management Company's understanding is correct but Investors are expected to seek independent advice so as to determine the taxability arising from their investment in the Units of the Trust. Furthermore, tax and zakat laws, including rates of taxation and of withholding tax are subject to amendments from time to time. Any such amendments in future shall be deemed to have been incorporated herein.*

***The entire information in Clause 7 is based on the current taxation status. The exemptions and rates of taxation are subject to change from time to time.***

		2013	12.5%
		2014	15%
		2015	17.5%
2	Where holding period of a security is more than six (6) months.	2011	7.5%
		2012	8%
		2013	8.5%
		2014	9%
		2015	9.5%
		2016	10%
3	Where holding period of a security is more than one year	-	0%

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(c) Return from all other sources/ instruments are taxable at the rate of thirty-five 35%, applicable to a public company

## **7.2 Liability for Income Tax, if 90% of the Income is distributed as Dividend**

Notwithstanding the tax rates and withholding tax stated under Clause 10.1 and 10.3, the income of the Fund will be exempt from tax, if not less than ninety percent (90%) of the accounting income for the year, is distributed amongst the Unit Holders as dividend(cash or stock).

**Note:** In terms of the Regulations the Management Company, on behalf of the Fund, for every annual Accounting Period, is required to distribute by way of dividend to Holders not less than ninety per cent (90%) of the accounting income of the Fund earned from sources other than unrealized capital gains as reduced by such expenses as are permitted to be charged to the Fund.

For the purpose of the Regulations the expression “accounting income” means income calculated under the International Accounting Standards and verified by the auditors.

**The Management Company intends to comply with the requirement of the Regulations.**

## **7.3 Withholding Tax**

Under the provisions of Clause 47 (B) of Part IV of the Second Schedule to the Income Tax Ordinance, 2001, the Fund’s income namely, dividend, return from term finance certificates or corporate papers, profit on government securities, return on deposits/ certificates of investment with Banks/ Financial Institutions, profits from money market transactions, profit from profit or loss sharing accounts with banks of the Fund will not be subject to any withholding tax.

## **7.4 Zakat**

The Fund is Saheb-e-nisab under Zakat and Ushr Ordinance, 1980. The balance in the credit of Saving bank Account, or similar account with a Bank standing on 1st day of Ramazan-ul-Mubarak will be subject to deduction of 2.5% Zakat.

## **7.5 Taxation on Unit Holders and Liability to Zakat**

1. **Withholding Tax:** Unless exempted from such taxation or at reduced rate under any law or avoidance of double taxation agreement, cash dividend paid to Unit holders of the Fund will be subject to withholding tax @ ten percent (10%) according to the present rates, which may change in future.

In terms of the provisions of the Income Tax Ordinance, 2001, withholding tax shall be deemed to be full and final liability in respect of such distribution.

2. **Capital Gains Tax:** Capital gains on disposition of Units of the Fund will be subject to capital gains tax at the rates prescribed in the Income Tax Ordinance, 2001. The currently applicable rates are as below:

Sr.No.	Period	Tax Year (applicable for tax)	Rate of Tax (%age)
1	Where Units are redeemed within six (6) months of the purchase/Investment	2011	10%
		2012	10%
		2013	12.5%
		2014	15%
		2015	17.5%
2	Where Units are redeemed after six (6) months but before twelve (12) months of the purchase/investment	2011	7.5%
		2012	8%
		2013	8.5%
		2014	9%
		2015	9.5%
		2016	10%
3	Where Units are redeemed after twelve (12) months	-	0%

3. **Tax Credit:** Subject to the listing on any Stock Exchange in Pakistan, a person other than a company as defined in the Income Tax Ordinance, 2001, shall be entitled to a tax credit under section 62 (1) and (2) of the Income Tax Ordinance, 2001 on purchase of new Units. The amount on which tax credit will be allowed shall be lower of (a) amount invested, (b) ten percent of the taxable income of the Unit Holder, and (c) three hundred thousand Rupees (PKR 300,000/-), and will be calculated by applying the rate of tax of Unit Holder for the tax year before allowance of any tax credit under the Income Tax Ordinance, 2001. If the Units so acquired are disposed by the Unit Holder within twelve (12) months, the amount of tax payable by the Unit Holder for the tax year shall be increased by the amount of the tax credit allowed to the Unit Holder.

4. **Zakat:** Units held by resident Pakistani Holders shall be subject to Zakat at 2.5% of the Par Value or Redemption Price of Units, whichever is lower at the time of determining Zakat under Zakat and Ushr Ordinance, 1980, (XVII of 1980), except those exempted under the said Ordinance. Zakat will be deducted at source from the dividend amount payment or from the redemption payment, if Units are redeemed during the Zakat year before payment of dividend.

## 7.6 Disclaimer

**The tax and Zakat information given above is included for general purpose only and is based on the Management Company's interpretation of the law, which to the best of the Management**

**Company's understanding is correct but investors are expected to seek independent advice so as to determine the taxability arising from their investment in the Units of the Fund. Furthermore, tax and Zakat laws, including rates of taxation and of withholding tax are subject to amendments from time to time. Any such amendments in future shall be deemed to have been incorporated herein.**

All information contained in this Part is based on current taxation status. The exemptions and rates of taxation are subject to change from time to time, as may be announced by the Government.]

## **8. <sup>235</sup>REPORTS AND ACCOUNTS**

### **8.1 Financial Year of ABL Income Fund**

The Accounting Period will commence from the date on which the Trust Property is first paid or transferred to the trustee to June 30th, and from July 01st to June 30th for all the following years.

#### **Financial Reporting**

The following reports will be sent to the Unit Holders:

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<sup>235</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause relating to “**REPORTS AND ACCOUNTS**” read as follows;

#### ***Financial Year of ABL Income Fund***

*The Accounting Period will commence from the date on which the Trust Property is first paid or transferred to the trustee to June 30th, and from July 01st to June 30th for all the following years.*

#### ***Financial Reporting***

*The following reports will be sent to the Unit Holders as per Regulation 46:*

- i. The Management Company shall prepare and transmit (physically or through electronic means or on the web subject to the Commission's approval) an annual report, together with a copy of the balance sheet, income statement, cash flow statement, statement of movement in Unit Holders' fund or Net Assets or reserves Director's Report, Trustee Report and the Auditor's report of the Scheme transmitted to the Trustee, the Commission, Stock Exchange and the Unit Holder(s) within three months or any other period as stipulated under the Rules, Regulations and/or Ordinance, as amended from time to time, of the closing of the Accounting Period and balance sheet and income and expenditure accounts shall comply with the requirements set out in the Rules and Regulations.*
- ii. The Management Company shall within one month of the close of the first and third quarters and within two months of the close of second quarter of the year of each Accounting Period, prepare and transmit (physically or through electronic means or on the web subject to the Commission's approval) to the Unit Holder(s), the Trustee and the Commission, Director's Report, balance sheet as at the end of that period, profit and loss account, cash flow statement and statement of changes in equity for that period, whether audited or otherwise.*
- iii. The Management Company shall maintain a Register of Unit Holder(s) of the Trust (either in physical or electronic form) and inform the Trustee and the Commission of the address where the Register is kept.*
- iv. The Trustee shall issue a report to be included in the annual and second quarter report of the Scheme, to be sent to Unit Holders whether, in his opinion, the Management Company has in all material respects managed the Scheme in accordance with the provisions of the Constitutive Documents, the Rules and Regulations, and if the Management Company has not done so, the respects in which it has not done so and the steps that the Trustee has taken in respect thereof.”*

- i. The Management company shall prepare and transmit within four months of closing of the accounting period of the Scheme to the unit holders, the Trustee, the Commission and stock exchanges, on which the units of the scheme are listed, the annual report as per the requirements set out in Schedule V of the Regulations, including;
  - i) copy of the balance sheet and income statement;
  - ii) cash flow statement;
  - iii) statement of movement in Unit Holders' fund or Net Assets or reserves; and;
  - iv) the Auditor's report of the Scheme;
  
- ii. The Management company shall prepare and transmit (physically or on the web subject to Commission's approval) within one month of the close of the first and third quarters and within two months of the close of second quarter of the Accounting Period of account of the Scheme, prepare and transmit to the Unit Holders, the Trustee, the Commission and Stock Exchanges, on which the units of the scheme are listed whether audited or otherwise:
  - i) balance sheet as at the end of that quarter;
  - ii) income statement;
  - iii) cash flow statement;
  - iv) statement of movement in Unit Holders' fund or Net Assets or reserves; and;
  - v) statement showing the securities owned at the beginning of the relevant period, securities purchased or sold during such period, and the securities held at the end of such period together with value (at carrying and at market) and the percentage in relation to its own Net Assets and the issued capital of the person whose securities are owned for that quarter;
  
- iii. The Management Company shall maintain a Register of Unit Holder(s) of the Trust (either in physical or electronic form) and inform the Trustee and the Commission of the address where the Register is kept.
  
- iv. The Trustee shall issue a report to be included in the annual and second quarter report of the Scheme, to be sent to Unit Holders whether, in his opinion, the Management Company has in all material respects managed the Scheme in accordance with the provisions of the Constitutive Documents, the Rules and Regulations, and if the Management Company has not done so, the respects in which it has not done so and the steps that the Trustee has taken in respect thereof.]

## **9. SERVICE TO UNIT HOLDERS**

### **9.1 <sup>236</sup>Availability of Forms**

[All the Forms mentioned and/or included in this Offering Document will be available at the Authorized Branches of the Distribution Companies as well as from the Management Company or on its web site at [www.ablamc.com](http://www.ablamc.com).]

### **9.2 <sup>237</sup>Register of Unit Holders**

**9.2.1** A Register of Unit Holders may be maintained by Registrar/Transfer Agent Department of the Management Company presently having its office at Transfer Agent Department, ABL Asset Management Company Limited, 11-B, Lalazar, M.T. Khan Road, Karachi or such other company, as the Management Company may appoint after giving prior notice to the Unit Holders.

**9.2.2** Every Unit Holder will have a separate Registration/Folio Number. The Management Company shall use such Registration/Folio Number for recording Units held by the Unit Holder. Unit Holder's account identified by the Registration/Folio number will reflect all the transactions in that account held by such Unit Holder.

**9.2.3** The Holder will be entitled to ask for copies of his account statement thereof on any Business Day within business hours by applying to the Transfer Agent in writing and providing such fee that the Management Company may notify from time to time.

**9.2.4** The Register shall be conclusive evidence as to the Units held by each Unit Holder.]

### **9.3 Information in the Register**

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<sup>236</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Clause 9.1) read as follows;

***“Availability of Forms***

*“All the Forms mentioned and/or included in this Offering Document will be available at the Authorized Branches of the Distribution Companies as well as from the Management Company or on its web site at [www.ablamc.com](http://www.ablamc.com).”*

<sup>237</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Clause 9.2) read as follows;

**9.2.1** *A Register of Unit Holders may be maintained by Registrar/Transfer Agent Department of the Management Company presently having its office at Transfer Agent Department, ABL Asset Management Company Limited, 11-B, Lalazar, M.T. Khan Road, Karachi or such other company, as the Management Company may appoint after giving prior notice to the Unit Holders.*

**9.2.2** *Every Unit Holder will have a separate Registration/Folio Number. The Management Company shall use such Registration/Folio Number for recording Units held by the Unit Holder. Unit Holder's account identified by the Registration/Folio number will reflect all the transactions in that account held by such Unit Holder.*

**9.2.3** *The Holder will be entitled to ask for copies of his account statement thereof on any Business Day within business hours by applying to the Transfer Agent in writing and providing such fee that the Management Company may notify from time to time.*

**9.2.4** *The Register shall be conclusive evidence as to the Units held by each Unit Holder.”*



The Register will normally contain the following major information:

**9.3.1 <sup>238</sup>[About Unit Holders**

- i. Name of Unit Holder / Joint Unit Holders;
- ii. Address of Unit Holder / first named Joint Holder;
- iii. Computerized National Identification Number(s) of Unit Holder/ Joint Unit Holders and or identification number of passport if applicable;
- iv. Father's or Husband's name of Unit Holder in case of individual;
- v. Occupation of the Unit Holder;
- vi. Tax status of the Unit Holder;
- vii. Bank details;
- viii. Zakat status of the Unit Holder(s);
- ix. Record of signature of Unit Holder/ Joint Holders;
- x. Particulars of Nominee(s);]

**9.3.2 <sup>239</sup>[About Units**

- i. Type and Class;
- ii. Certificate number, if applicable;
- iii. Dates of purchase / redemption / transfer;
- iv. Number of Units held by the Unit Holder; and
- v. Information about lien / pledge / charge on Units.]

**9.3.3 <sup>240</sup>[Instructions**

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<sup>238</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Clause 9.3.1) read as follows;

- i. Name of Unit Holder / Joint Unit Holders;*
- ii. Address of Unit Holder / first named Joint Holder;*
- iii. Computerized National Identification Number(s) of Unit Holder/ Joint Unit Holders and or identification number of passport if applicable;*
- iv. Father's or Husband's name of Unit Holder in case of individual;*
- v. Occupation of the Unit Holder;*
- vi. Tax status of the Unit Holder;*
- vii. Bank details;*
- viii. Zakat status of the Unit Holder(s);*
- ix. Record of signature of Unit Holder/ Joint Holders;*
- x. Particulars of Nominee(s);"*

<sup>239</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Clause 9.3.2) read as follows;

- i. Type and Class;*
- ii. Certificate number, if applicable;*
- iii. Dates of purchase / redemption / transfer;*
- iv. Number of Units held by the Unit Holder; and*
- v. Information about lien / pledge / charge on Units."*

<sup>240</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Clause 9.3.3) read as follows;

- i. Instruction about reinvestment or payment of dividend or the encashment of bonus Units;*
- ii. Instructions for redemption application;*
- iii. Information and instruction about Pledge of Units / lien;*
- iv. Information and instruction about Nominee(s) in case of death of Unit Holder;*
- v. Bank details for Redemption / Dividend mandate."*

- i. Instruction about reinvestment or payment of dividend or the encashment of bonus Units;
- ii. Instructions for redemption application;
- iii. Information and instruction about Pledge of Units / lien;
- iv. Information and instruction about Nominee(s) in case of death of Unit Holder;
- v. Bank details for Redemption / Dividend mandate.]

#### **9.3.4 <sup>241</sup>Request for Changes**

All existing Unit Holders or those who have purchased Fund Units as per Clause 4.4 above are eligible to change their Unit Holder details if they so desire. Such change in particulars and requests can be made via Special Instruction Form, as attached in Annexure “D” of this Offering Document. These Forms may be obtained from Distributors or Investment Facilitators or from the Management Company or through our web site. The Transfer Agent, who on being satisfied therewith and on compliance with such formalities (including in the case of a change of name the surrender of any Certificate previously issued to such Holder and the payment of the fee) shall alter the Register or cause it to be altered accordingly and in the case of a change of name shall issue a new Certificate if required to such Holder.]

#### **9.4 Account Statement**

<sup>242</sup>[The Registrar/Transfer Agent may send directly to each Unit Holder an account statement upon transaction in the account at the option of the Unit Holders.]

#### **9.5 Certificates**

**9.5.1** <sup>243</sup>[Unit Certificates will be issued only to Unit Holder(s) if requested.]

**9.5.2** <sup>244</sup>[Unit Certificate(s) will be issued only if requested by Unit Holder(s) together with a fee at the rate of Rs.50/- per Certificate or any other amount as determined by the Management Company from time to time.]

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<sup>241</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Clause 9.3.4) read as follows;

*“All existing Unit Holders or those who have purchased Fund Units as per Clause 4.4 above are eligible to change their Unit Holder details if they so desire. Such change in particulars and requests can be made via Special Instruction Form, as attached in Annexure “D” of this Offering Document. These Forms may be obtained from Distributors or Investment Facilitators or from the Management Company or through our web site. The Transfer Agent, who on being satisfied therewith and on compliance with such formalities (including in the case of a change of name the surrender of any Certificate previously issued to such Holder and the payment of the fee) shall alter the Register or cause it to be altered accordingly and in the case of a change of name shall issue a new Certificate if required to such Holder.”*

<sup>242</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Clause 9.4) read as follows;

*“The Registrar/Transfer Agent may send directly to each Unit Holder an account statement upon transaction in the account at the option of the Unit Holders.”*

<sup>243</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Clause 9.5.1) read as follows;

*“Unit Certificates will be issued only to Unit Holder(s) if requested.”*

<sup>244</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Clause 9.5.2) read as follows;

*“Unit Certificate(s) will be issued only if requested by Unit Holder(s) together with a fee at the rate of Rs.50/- per Certificate or any other amount as determined by the Management Company from time to time.”*

- 9.5.3** <sup>245</sup>[The issued Certificate would be sent through postal or courier service at the applicant’s risk within twenty one (21) Business Days after the request for the Certificate has been made, to the address of the Unit Holder or to the address of the first named Joint Holder / Principal Account Holder, if the relevant Unit or Units are jointly held.]
- 9.5.4** <sup>246</sup>[Certificate(s) will not be issued for fractional Units.]
- 9.5.5** <sup>247</sup>[In the case of Units held jointly the Transfer Agent shall not issue more than one Certificate for the Units held by such Joint Holder(s) and delivery of such Certificate to the first named Joint Holder/Principal Account Holder named first therein shall constitute sufficient delivery to all Joint Holders. All payments required under this Offering Document (i.e. redemption and dividend) will be made to first name Joint Holder/Principal Account Holder.]
- 9.5.6** <sup>248</sup>[Certificates shall be issued in such form as may from time to time be agreed between the Management Company and the Trustee. A Certificate shall be dated, shall bear the name and address of the Management Company and the Trustee, shall bear a serial number and shall specify the number of Units represented thereby and the name and address of the Holder as appearing in the Register. The Certificates shall be signed by the authorized officers of the Management Company, the Trustee and the Registrar, as provided in the Clause 32.7 of the Trust Deed.]
- 9.5.7** <sup>249</sup>[Notwithstanding anything to the contrary contained herein, where the Units are declared as CDS Eligible Securities, all matters concerning issuance, transfer, pledge and redemption of such Units issued in book entry form or deposited in to the CDS shall be dealt with in accordance with the provisions of the Central Depository Company of Pakistan Limited Regulations as amended from time to time.]

**9.6** **Replacement of Certificates**

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<sup>245</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Clause 9.5.3) read as follows;

*“The issued Certificate would be sent through postal or courier service at the applicant’s risk within twenty one (21) Business Days after the request for the Certificate has been made, to the address of the Unit Holder or to the address of the first named Joint Holder / Principal Account Holder, if the relevant Unit or Units are jointly held.”*

<sup>246</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Clause 9.5.4) read as follows;

*“Certificate(s) will not be issued for fractional Units.”*

<sup>247</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Clause 9.5.5) read as follows;

*“In the case of Units held jointly the Transfer Agent shall not issue more than one Certificate for the Units held by such Joint Holder(s) and delivery of such Certificate to the first named Joint Holder/Principal Account Holder named first therein shall constitute sufficient delivery to all Joint Holders. All payments required under this Offering Document (i.e. redemption and dividend) will be made to first name Joint Holder/Principal Account Holder.”*

<sup>248</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Clause 9.5.6) read as follows;

*“Certificates shall be issued in such form as may from time to time be agreed between the Management Company and the Trustee. A Certificate shall be dated, shall bear the name and address of the Management Company and the Trustee, shall bear a serial number and shall specify the number of Units represented thereby and the name and address of the Holder as appearing in the Register. The Certificates shall be signed by the authorized officers of the Management Company, the Trustee and the Registrar, as provided in the Clause 32.7 of the Trust Deed.”*

<sup>249</sup> Inserted vide 2<sup>nd</sup> Supplemental Offering Document dated September 20, 2011.

**9.6.1** <sup>250</sup>[The Transfer Agent or Management Company may replace Certificates, which are defaced, mutilated, lost or destroyed on application received by them from the Unit Holder on the prescribed form on the payment of all costs and on such terms as to evidence, indemnity and security as may be required. Any defaced or mutilated Certificate must be surrendered before a new Certificate is issued.]

**9.6.2** <sup>251</sup>[The Unit Holder shall on application on prescribed form be entitled to consolidate the entire holding in the Fund into one (01) Certificate upon surrender of existing Certificates.]

**9.6.3** <sup>252</sup>[Each new issue of Certificates will require payment of Rs.50/- per Certificate, subject to revisions of fee from time to time by the Management Company.]

## **9.7 Pledge/Lien of Units/Charge**

<sup>253</sup>[For details about Pledge / Lien of Units / Charge please refer to Clause 4.7 above.]

## **9.8 Nomination**

<sup>254</sup>Subject to any Personal Laws that may be applicable to a Unit Holder, a single Unit Holder can nominate a successor to receive the Units upon his death by filling in the relevant portion of the Investment Form (or may request a nomination or change in nomination through the Special Instruction Form). Nominee(s) can be nominated only by single Unit Holder when there are no Joint Holders. The maximum number of Nominee(s) can be two (2) in number with their respective shares mentioned in percentage against their respective names. Such nomination shall however not restrict the Management Company or the Trustee or the Transfer Agent from demanding succession certificate from appropriate court of law and they shall not be liable in any manner in case of any disputes among the legal heirs of the deceased.

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<sup>250</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Clause 9.6.1) read as follows;

*“The Transfer Agent or Management Company may replace Certificates, which are defaced, mutilated, lost or destroyed on application received by them from the Unit Holder on the prescribed form on the payment of all costs and on such terms as to evidence, indemnity and security as may be required. Any defaced or mutilated Certificate must be surrendered before a new Certificate is issued.”*

<sup>251</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Clause 9.6.2) read as follows;

*“The Unit Holder shall on application on prescribed form be entitled to consolidate the entire holding in the Fund into one (01) Certificate upon surrender of existing Certificates.”*

<sup>252</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Clause 9.6.3) read as follows;

*“Each new issue of Certificates will require payment of Rs.50/- per Certificate, subject to revisions of fee from time to time by the Management Company.”*

<sup>253</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Clause 9.7) read as follows;

*“For details about Pledge / Lien of Units / Charge please refer to Clause 4.7 above.”*

<sup>254</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Clause 9.8) read as follows;


*“Subject to any Personal Laws that may be applicable to a Unit Holder, a single Unit Holder can nominate a successor to receive the Units upon his death by filling in the relevant portion of the Investment Form (or may request a nomination or change in nomination through the Special Instruction Form). Nominee(s) can be nominated only by single Unit Holder when there are no Joint Holders. The maximum number of Nominee(s) can be two (2) in number with their respective shares mentioned in percentage against their respective names. Such nomination shall however not restrict the Management Company or the Trustee or the Transfer Agent from demanding succession certificate from appropriate court of law and they shall not be liable in any manner in case of any disputes among the legal heirs of the deceased.”*

## 9.9 Financial Information

### 9.9.1 Auditors Certificate on Core Investors' Investment in the Units of the Fund is attached.

**A.F.FERGUSON & CO.**

A member firm of

**PRICEWATERHOUSECOOPERS** 

A.F.Ferguson & Co  
Chartered Accountants  
State Life Building No. 1-C  
I.I.Chundrigar Road, P.O.Box 4716  
Karachi-74000, Pakistan  
Telephone: (021) 2426682-6 / 2426711-5  
Facsimile: (021) 2415007 / 2427938

The Board of Directors  
ABL Asset Management Limited  
11-B, Lalazar, M.T. Khan Road  
Karachi

August 28, 2008

C 0227

Dear Sirs

#### **AUDITORS' CERTIFICATE FOR RECEIPT OF SUBSCRIPTION TOWARDS SEED CAPITAL - ABL INCOME FUND (THE FUND)**

As requested by you we have traced from the certificate of Allied Bank Limited (Stock Exchange Branch Karachi) that a sum of Rs 250,000,000 (Rupees Two Hundred Fifty Million only) has been received upto August 28, 2008 in the Fund's bank account maintained with Allied Bank Limited (Stock Exchange Branch Karachi) towards subscription of seed capital of the Fund.

The seed capital has been received as follows:

S.No	Core Investors	Number of Units	Amount in Rupees
1.	ABL Employees Superannuation (Pension) Fund	25,000,000	250,000,000
<b>Total</b>		<b>25,000,000</b>	<b>250,000,000</b>

This certificate is being issued only for submission as part of ABL Income Fund 'Offering Document'.

Yours truly



9.9.2

Auditors Certificate on the Net Asset Value of the Fund is attached.

**A.F.FERGUSON & CO.**

A member firm of

**PRICEWATERHOUSECOOPERS** 

A.F.Ferguson & Co  
Chartered Accountants  
State Life Building No. 1-C  
I.I.Chundrigar Road, P.O.Box 4716  
Karachi-74000, Pakistan  
Telephone: (021) 2426682-6 / 2426711-5  
Facsimile: (021) 2415007 / 2427938

The Board of Directors  
ABL Asset Management Company Limited  
11-B, Lalazar, M.T. Khan Road  
Karachi

August 28, 2008

C 0228

Dear Sirs

**NET ASSET VALUE (UNAUDITED) OF EACH UNIT OF ABL INCOME FUND (THE FUND)**

As requested by you we confirm that on the basis of the unaudited books and records of the Fund and the details provided to us by the management company of the Fund, the Net Assets of the Fund as on August 28, 2008 amount to Rs. 250,000,000 which has been computed as follows:

Particulars	(Rupees)
Total assets of the Fund	250,004,875
Less: total liabilities of the Fund	4,875
Net assets value of the Fund	250,000,000
Number of units (core units) proposed to be issued as of August 28, 2008	25,000,000
	<b>(Rupees)</b>
Net Asset Value per unit as at August 28, 2008	10

This certificate is being issued only for submission as part of ABL Income Fund 'Offering Document'.

Yours truly



## **9.10 Formation Cost**

<sup>255</sup> [All preliminary and floatation expenses of the Fund including expenses in connection with authorization of the Scheme, execution and registration of the Constitutive Document, issue, legal costs, printing, circulation and publication of the Offering Document, and all expenses incurred during the period leading up to the Initial Period, shall be borne by the Fund and amortized over a period of not less than five years. Such cost will not exceed one percent (1%) of amount received during Pre-IPO or Rs. 5 million whichever is less.]

## **10 WARNINGS**

### **10.1 Offering Document**

<sup>256</sup>[The provisions of the Trust Deed, the Rules and Regulations, 2008 govern this Offering Document. This Offering Document sets out the arrangements covering the basis of the Trust Units. It sets forth information about the Fund that a prospective investor should know before investing in any Unit of the Fund. Prospective investors should consult one or more from amongst their legal adviser, stockbroker, bank manager, or other financial adviser.]

### **10.2 Fluctuation in Price and Income**

<sup>257</sup> [Prices of Units and income from them may go up or down.]

### **10.3 Disclaimer**

<sup>258</sup> [The investor must recognize that all investments involve varying level of risk. Neither the value of Units in the Fund nor the dividend declared by the Fund can be assured. The historical

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<sup>255</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 9.10) read as follows;

*“All preliminary and floatation expenses of the Fund including expenses in connection with authorization of the Scheme, execution and registration of the Constitutive Document, issue, legal costs, printing, circulation and publication of the Offering Document, marketing of the Fund and inviting investment therein and all expenses incurred during the period leading up to the Initial Period, shall be borne by the Fund and amortized over a period of not more than five years. Such cost will not exceed one percent (1%) of amount received during Pre-IPO or Rs. 5 million whichever is less.”*

<sup>256</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 10.1) read as follows;

*“The provisions of the Trust Deed, the Rules and the Regulations govern this Offering Document. This Offering Document sets out the arrangements covering the basis of the Trust Units. It sets forth information about the Fund that a prospective investor should know before investing in any Unit of the Fund. Prospective investors should consult one or more from amongst their legal adviser, stockbroker, bank manager, or other financial adviser.”*

<sup>257</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 10.2) read as follows;

*“Prices of Units and income from them may go up or down.”*

<sup>258</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 10.3) read as follows;

*“The investor must recognize that all investments involve varying level of risk. Neither the value of Units in the Fund nor the dividend declared by the Fund can be assured. The historical performance of this Fund, the financial market or that any one security or transaction included in the Fund’s portfolio does not necessarily indicate future performance. Investors are advised to read Risk Disclosure as mentioned in this Offering Document in Clause 2.7 and Clause 2.8 above for more information concerning risk.”*

performance of this Fund, the financial market or that any one security or transaction included in the Fund's portfolio does not necessarily indicate future performance. Investors are advised to read Risk Disclosure as mentioned in this Offering Document in Clause 2.8 and Clause 2.9 above for more information concerning risk.]

## **11 GENERAL INFORMATION**

### **11.1 <sup>259</sup>Inspection of Constitutive Documents**

The copies of constitutive documents, such as Trust Deed and this Offering Document, can be inspected free of charge at the addresses given below:

**ABL Asset Management Company Limited**

11-B, Lalazar, M.T. Khan Road,  
Karachi, Pakistan

**Central Depository Company of Pakistan Limited**

CDC House, 99-B, Block 'B'  
S.M.C.H.S., Main Shakra-e-Faisal,  
Karachi, Pakistan.]

### **11.2 Date of Publication of Offering Documents**

<sup>260</sup> [The Offering Document has been published on September 10, 2008. The Management Company accepts responsibility for the information contained in the Offering Document as being accurate at the date of the publication thereof. The Management Company accepts responsibility for the information contained in this First Supplemental Offering Document as at the date of its publication.]

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<sup>259</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 11.1) read as follows;

*"The copies of constitutive documents, such as Trust Deed and this Offering Document, can be inspected free of charge at the addresses given below:*

***ABL Asset Management Company Limited***

*11-B, Lalazar, M.T. Khan Road,  
Karachi, Pakistan*

***Central Depository Company of Pakistan Limited***

*CDC House, 99-B, Block 'B'  
S.M.C.H.S., Main Shakra-e-Faisal,  
Karachi, Pakistan."*

<sup>260</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 11.2) read as follows;

*"The Offering Document has been published on September 10, 2008. The Management Company accepts responsibility for the information contained in the Offering Document as being accurate at the date of publication."*



## 12 <sup>261</sup>[REVOCAION OF ABL INCOME FUND]

- 12.1 The Management Company, after the prior written approval of the Commission, shall give at least three months notice to the unit holders and Trustee if it intends to have the registration of the Scheme managed by it cancelled.
- 12.2 At the end of notice period given under Regulation, the Commission may by an order in writing cancel the registration of the Scheme.
- 12.3 Upon representation to the Commission, by three fourth in value of the total unit holders of the Scheme, or if in the opinion of the Commission further continuation of the registration of the Scheme will be detrimental to the interest of the unit holders, the Commission may cancel the registration of such Scheme; provided that the registration of the Scheme shall not be cancelled without providing an opportunity of being heard to the Asset Management Company and the Trustee

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<sup>261</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Clause 12) read as follows;

*“TERMINATION OF ABL INCOME FUND*

- i. *The Management Company may terminate the Scheme, if the Net Assets at any time fall below Rupees one hundred million. The Management Company shall give at least three months notice to Unit Holder(s), the Trustee and the Commission and shall disclose the grounds of its decision. The Management Company may announce winding up of the Trust without notice, but under intimation to the Trustee and the Commission in the event redemption requests build up to a level where the Management Company is of the view that the disposal of the Trust Property to meet such redemptions would jeopardize the interests of the remaining Unit Holder(s) and that it would be in the best interest of all the Unit Holder(s) that the Trust be wound up.*
- ii. *In the event the Management Company is of the view that the quantum of redemption requests that have built up shall result in the Scheme being run down to an unmanageable level or it is of the view that the sell-off of assets is likely to result in a significant loss in value for the Unit Holder(s) who are not redeeming, it may announce winding up of the Trust without notice.*
- iii. *If the Commission considers that further continuation of the registration of the Scheme will not be in the interest of the Unit Holders, the Commission may give three months notice to the Trustee, the Management Company and the Unit Holders about the Commission’s intention to cancel the registration of the Scheme. Provided that the registration shall not be cancelled without providing an opportunity of being heard to the Management Company or to the Unit Holders upon representation filed before the Commission by three-fourth (3/4th) of the total number of Unit Holders of the Scheme, as the case may be. In case of cancellation of registration for such reason, the Management Company shall be required to wind-up the Scheme and refund the net proceeds to the Unit Holders in such manner and within such time as may be specified by the Commission.*
- iv. *This Trust Deed may be terminated in accordance with the conditions specified in the Regulations if there is a material breach of the provisions of this Trust Deed or other agreement or arrangement entered into between the Trustee and Management Company regarding the Unit Trust.*
- v. *In the event of termination of the Scheme, other than due to reasons mentioned in Clauses (ii) and (iv) above, the Management Company shall notify the Unit Holders by issuing a public notice in at least two newspapers, one in English and one in Urdu, each having wide circulation in Pakistan.*

*In the event of amendments in Regulations with respect to termination and liquidation of the Scheme, the amended Regulations shall prevail.”*

- 12.4 In case of cancellation of registration, the Management Company shall revoke the Scheme and refund the proceeds to the unit holders in such manner and within such time as may be specified by the Commission.
- 12.5 Notwithstanding anything contained in any other provision, where in the opinion of the Commission or the Management Company any delay in the revocation of a Scheme is detrimental to the interest of the unit holders, the Commission may direct the immediate revocation of the Scheme without first canceling the registration or providing an opportunity of being heard to the Management Company in such manner and within such time as may be specified by the Commission.
- 12.6 Where the Commission grants approval under Regulation or cancels the registration of the Scheme or orders the revocation of the Scheme, all issuance and redemption of units of the Scheme shall stand suspended immediately.
- 12.7 In case of revocation of the Scheme all unit holders shall be treated *pari passu*.]

### **13 DISTRIBUTION OF PROCEEDS ON WINDING UP, LIQUIDATION OR TERMINATION**

- 13.1 <sup>262</sup>[Upon the Trust being terminated the Management Company shall suspend the Sale and Redemption of Units forthwith and proceed to sell all Investments then remaining in the hands of the Trustee as part of the Trust Property and shall repay any borrowing effected by the Trust together with any mark-up remaining unpaid. In case of any shortfall, neither the Management Company, nor the Trustee shall be liable for the same.]
- 13.2 <sup>263</sup>[The Trustee on the recommendation of the Management Company shall from time to time distribute to the Unit Holder(s) pro rata to the number of Units held by them respectively all net cash proceeds derived from the realization of the Trust Property after making payment as mentioned in Clause 13.1 above and retaining such sum as considered or apprehended by the Management Company for all costs, charges, expenses, claims and demands. In case there is any deficit, the Management Company or the Trustee shall not be liable thereof and in case there is any surplus remaining in the hands of the Trustee, the same shall be distributed amongst the Unit Holders pro rata to the number of Units held by them.]

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<sup>262</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 13.1) read as follows;

*“Upon the Trust being terminated the Management Company shall suspend the Sale and Redemption of Units forthwith and proceed to sell all Investments then remaining in the hands of the Trustee as part of the Trust Property and shall repay any borrowing effected by the Trust together with any mark-up remaining unpaid.”*

<sup>263</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 13.2) read as follows;

*“The Trustee on the recommendation of the Management Company shall from time to time distribute to the Unit Holder(s) pro rata to the number of Units held by them respectively all net cash proceeds derived from the realization of the Trust Property after making payment as mentioned in Clause 13.1 above and retaining such sum as considered or apprehended by the Management Company for all costs, charges, expenses, claims and demands. In case there is any deficit, the Management Company or the Trustee shall not be liable thereof and in case there is any surplus remaining in the hands of the Trustee, the same shall be distributed amongst the Unit Holders pro rata to the number of Units held by them.”*

## 14 DEFINITIONS

Unless the context requires otherwise the following words or expressions shall have the meaning respectively assigned to them:

- 14.1** <sup>264</sup>["**Accounting Date**" means the 30<sup>th</sup> day of June in each year, provided that the Management Company, with the written consent of the Trustee and after obtaining the approval of the Commissioner of Income Tax and approval of Commission may change such date to any other date.]
- 14.2** <sup>265</sup>["**Accounting Period**" means a period ending on and including an Accounting Date and commencing in case of the first such period on the date on which the Trust Property is first paid or transferred to the Trustee and in any other case from the end of the preceding Accounting Period.]
- 14.3** <sup>266</sup>["**ABL Income Fund**" or "**ABL-IF**" or "**Trust**" or "**Unit Trust**" or "**Fund**" or "**Scheme**" means the Unit Trust constituted by the Trust Deed for continuous offers for sale of Units.]
- 14.4** <sup>267</sup>["**Auditor**" means a firm of Chartered Accountants that is appointed by the Management Company with the consent of Trustee, as the auditor for the Fund who shall be independent of the auditor of the Management Company and Auditor of the Trustee in accordance with the Regulations, 2008.]
- 14.5** <sup>268</sup>["**Authorized Branch and Branches**" means those branches of the Distributors authorised by the Management Company to perform the Distribution Function.]
- 14.6** <sup>269</sup>["**Authorised Investment**" means the same as in clause 2.3 of this Offering Document and includes all transacted, issued, traded, listed and unlisted investments, inside or outside Pakistan

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<sup>264</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 14.1) read as follows;

*"**Accounting Date**" means the 30th day of June in each year, provided that the Management Company, with the written consent of the Trustee and after obtaining the approval of the Commissioner of Income Tax and approval of Commission may change such date to any other date."*

<sup>265</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 14.2) read as follows;

*"**Accounting Period**" means a period ending on and including an Accounting Date and commencing in case of the first such period on the date on which the Trust Property is first paid or transferred to the Trustee and in any other case from the end of the preceding Accounting Period."*

<sup>266</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 14.3) read as follows;

*"**ABL Income Fund**" or "**ABL-IF**" or "**Trust**" or "**Unit Trust**" or "**Fund**" or "**Scheme**" means the Unit Trust constituted by the Trust Deed for continuous offers for sale of Units."*

<sup>267</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 14.4) read as follows;

*"**Auditor**" means a firm of Chartered Accountants that is appointed by the Management Company with the consent of Trustee, as the auditor for the Fund who shall be independent of the auditor of the Management Company and Auditor of the Trustee in accordance with the Regulations."*

<sup>268</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 14.5) read as follows;

*"**Authorized Branch and Branches**" means those branches of the Distributors authorised by the Management Company to perform the Distribution Function."*

<sup>269</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 14.6) read as follows;

within the limits prescribed in the Trust Deed or otherwise as may be specified by the Rules and the Regulations, 2008 from time to time.]

- 14.7** <sup>270</sup>["**Back-end Load**" means the charge or commission (excluding Duties and Charge) not exceeding 5% of Net Asset Value deducted from the Net Asset Value in determining the Redemption Price; provided that the Back-End Load shall form part of Trust Property.]
- 14.8** <sup>271</sup>["**Bank**" means a banking company licensed under the Banking Companies Ordinance, 1962 or any other regulation for the time being in force and shall include a bank incorporated outside Pakistan and carrying on banking business in Pakistan as a scheduled bank.]
- 14.9** <sup>272</sup>["**Bank Accounts**" means those account(s) opened and maintained for the Trust by the Trustee at Banks, the beneficial ownerships in which shall vest in the Unit Holder(s).]
- 14.10** <sup>273</sup>["**Broker**" means any person licensed by the Commission and engaged in the business of effecting transactions in securities for the account of others.]
- 14.11** <sup>274</sup><sup>275</sup>["**Business Day**" means a day on which Banks are open for business.]
- 14.12** <sup>276</sup>["**Certificate**" means the definitive certificate acknowledging the number of Units registered in the name of the Holder issued at the request of the Unit Holder pursuant to the provisions of the Trust Deed.]

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*"**Authorised Investment**" means the same as in clause 2.3 of this document and includes all transacted, issued, traded, listed and unlisted investments, inside or outside Pakistan within the limits prescribed in the Trust Deed or otherwise as may be specified by the Rules and the Regulations from time to time."*

<sup>270</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 14.7) read as follows;

*"**Back-end Load**" means the charge or commission (excluding Duties and Charge) not exceeding 5% (or such other percentage as may be mutually agreed between the Trustee and the Management Company in writing) of the Net Asset Value, deducted from the Net Asset Value in determining the Redemption Price; provided however that different levels of Back-end Load may be applied to different classes of units, as may be mutually agreed between the Trustee and the Management Company."*

<sup>271</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 14.8) read as follows;

*"**Bank**" means a banking company licensed under the Banking Companies Ordinance, 1962 or any other regulation for the time being in force and shall include a bank incorporated outside Pakistan and carrying on banking business in Pakistan as a scheduled bank."*

<sup>272</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 14.9) read as follows;

*"**Bank Accounts**" means those account(s) opened and maintained for the Trust by the Trustee at Banks, the beneficial ownerships in which shall vest in the Unit Holder(s)."*

<sup>273</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 14.10) read as follows;

*"**Broker**" means any person licensed by the Commission and engaged in the business of effecting transactions in securities for the account of others."*

<sup>274</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 14.11) read as follows;

*"**Business Day**" means a day on which Local Stock Exchanges are open for business."*

<sup>275</sup> Substituted vide 2<sup>nd</sup> Supplemental Offering Document dated September 20, 2011. The Substituted clause (Sub-Clause 14.11) read as follows;

*"**Business Day**" or "**Dealing Day**" means a day on which Local Stock Exchanges and Banks are open for business."*

<sup>276</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 14.12) read as follows;

**14.13** <sup>277</sup>["**Commission**" is the Securities and Exchange Commission of Pakistan.]

**14.14** <sup>278</sup>["**Connected Person**" shall have the same meaning as in the Regulations, 2008.]

**14.15** <sup>279</sup>["**Constitutive Documents**" means the Trust Deed that is the principal document governing the formation, management or operation of the trust, the offering document and all material agreements in relation to the Trust.]

[ ]<sup>280</sup>

**14.16** <sup>281</sup>["**Core Units**" mean such Units of the Scheme that were issued to Core Investors at Par Value. They may be of more than one type, including a restricted class with the condition that these are not redeemable for a period of two years from the date of issue. However, such restricted Units are transferable with this condition and shall rank pari passu with all other Units save for this restriction. Any transfer of these Core Units, during the first two years of their issue, shall be affected only on the receipt by the Registrar/Transfer Agent of a written acceptance of this condition by the transferee. Particulars of the Core Units have been included in the Offering Document that was issued for the Trust.]

**14.17** <sup>282</sup>["**Core Investors**" shall be issued with Core Units representing their subscriptions. Particulars of the Core Investors had been included in the Offering Document that was issued for the Trust and also in this First Supplemental Offering Document.]

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*"**Certificate**" means the definitive certificate acknowledging the number of Units registered in the name of the Holder issued at the request of the Unit Holder pursuant to the provisions of the Trust Deed."*

<sup>277</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 14.13) read as follows;

*"**Commission**" is the Securities and Exchange Commission of Pakistan."*

<sup>278</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 14.14) read as follows;

*"**Connected Person**" shall have the same meaning as in the Regulations."*

<sup>279</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 14.15) read as follows;

*"**Constitutive Documents**" means the Trust Deed that is the principal document governing the formation, management or operation of the trust, the offering document and all material agreements in relation to the Trust."*

<sup>280</sup> Omitted vide 1st Supplemental Offering Document dated November 01, 2010. The omitted clause (Sub-Clause 14.16) read as follows;

*"**Contingent Load**" means Sales Load payable not exceeding five percent (5%) of the Net Asset Value, of Units are redeemed by any major Unit Holder in such period of time that the Management Company believed may adversely affect the interest of other Unit Holder(s) and disclosed in the Offering Document. Any Contingent Load received shall form part of the Trust Property."*

<sup>281</sup> Substituted and Renumbered vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (existing Sub-Clause 14.17, now renumbered as Sub-Clause 14.16) read as follows;

*"**Core Units**" mean such Units of the Scheme that are issued to Core Investors at Par Value. They may be of more than one type, including a restricted class with the condition that these are not redeemable for a period of two years from the date of issue. However, such restricted Units are transferable with this condition and shall rank pari passu with all other Units save for this restriction. Any transfer of these Core Units, during the first two years of their issue, shall be affected only on the receipt by the Registrar/Transfer Agent of a written acceptance of this condition by the transferee. Particulars of the Core Units shall be included in the Offering Document that shall be issued for the Trust."*

<sup>282</sup> Substituted and Renumbered vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (existing Sub-Clause 14.18, now renumbered as Sub-Clause 14.17) read as follows;

*"**Core Investors**" shall be issued with Core Units representing their subscriptions. Particulars of the Core Investors shall be included in the Offering Document that shall be issued for the Trust."*

- 14.18** <sup>283</sup>["**Custodian**" means: (a) Bank(s), the Central Depository Company of Pakistan Limited, or any other Depository for the time being which may be appointed by the Trustee with the approval of the Management Company to hold and protect the Trust Property or any part thereof as custodian on behalf of the Trustee; and/ or (b) the Trustee, if performing custodian functions with the approval of the Management Company.]
- 14.19** <sup>284</sup>["**Cut off Timings**" mean the commencement and closure of business hours of the Management Company for the purpose of acceptance of applications for purchase and redemption of units of the Scheme.]
- 14.20** <sup>285</sup>["**Distribution Account**" means the account (which may be a current, saving or deposit account) maintained by the Trustee with a Bank as directed by the Management Company in which the amount required for distribution of income to the Unit Holder(s) shall be transferred. Interest, income or profit, if any, including those accruing on unclaimed dividends, in this account shall be transferred to the main account of the Fund from time to time, as part of the Trust Property for the benefit of the Unit Holder(s).]
- 14.21** <sup>286</sup>["**Distributor / Distribution Company**", "**Distribution Companies**" means a Company or companies or firm or a Bank or any other financial institution appointed by the Management Company in consultation with the Trustee for performing any or all of the Distribution Functions and shall also include the Management Company itself, if it performs the Distribution Function.]
- 14.22** <sup>287</sup>["**Distribution Date**" means the date on which the Management Company decides to distribute the profits (if any).]
- 14.23** <sup>288</sup>["**Distribution Function**" means the functions with regards to:

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<sup>283</sup> Substituted and Renumbered vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (existing Sub-Clause 14.19, now renumbered as Sub-Clause 14.18) read as follows;

*"**Custodian**" means: (a) Bank(s), the Central Depository Company of Pakistan Limited, or any other Depository for the time being which may be appointed by the Trustee with the approval of the Management Company to hold and protect the Trust Property or any part thereof as custodian on behalf of the Trustee; and/ or (b) the Trustee, if performing custodian functions with the approval of the Management Company."*

<sup>284</sup> Inserted vide 1st Supplemental Offering Document dated November 01, 2010.

<sup>285</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 14.20) read as follows;

*"**Distribution Account**" means the account (which may be a current, saving or deposit account) maintained by the Trustee with a Bank as directed by the Management Company in which the amount required for distribution of income to the Unit Holder(s) shall be transferred. Interest, income or profit, if any, including those accruing on unclaimed dividends, in this account shall be transferred to the main account of the Fund from time to time, as part of the Trust Property for the benefit of the Unit Holder(s)."*

<sup>286</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 14.21) read as follows;

*"**Distributor / Distribution Company**", "**Distribution Companies**" means a Company or companies or firm or a Bank or any other financial institution appointed by the Management Company in consultation with the Trustee for performing any or all of the Distribution Functions and shall also include the Management Company itself, if it performs the Distribution Function."*

<sup>287</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 14.22) read as follows;

*"**Distribution Date**" means the date on which the Management Company decides to distribute the profits (if any)."*

<sup>288</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 14.23) read as follows;

- a. receiving applications for issue of Units together with the aggregate Offer Price for Units applied for by the applicants;
- b. issuing receipts in respect of (a) above;
- c. interfacing with and providing services to the Holders including receiving redemption/ transfer applications, conversion notices and applications for change of address or issue of duplicate Certificates for immediate transmission to the Management Company or the Registrar/Transfer Agent as appropriate;
- d. accounting to the Trustee for all: (i) moneys received from the applicants for issuance of Units; (ii) payments made to the Holders on redemption of Units; and (iii) expenses incurred in relation to the Distribution Function;
- e. The above functions may be performed electronically, if appropriate systems are in place.]

**14.24** <sup>289</sup>["**Duties and Charges**" means in relation to any particular transaction or dealing all stamp and other duties, taxes, zakat, Government charges, brokerage, bank charges, transfer fees, registration fees and other duties and charges in connection with the increase or decrease of the Trust Property or the creation, issue, sale, transfer, redemption or purchase of Units or the sale or purchase of Investment or in respect of the issue, transfer, cancellation or replacement of a Certificate or otherwise which may have become or may be payable in respect of or prior to or upon the occasion of the transaction or dealing in respect of which such duties and charges are payable, but do not include the remuneration payable to the Distribution Company or any commission payable to agents on sales of Units or any commission charges or costs which may have been taken into account in ascertaining the Net Asset Value.]

**14.25** <sup>290</sup>["**Exposure**" shall have the same meaning as in the Regulations, 2008]

**14.26** <sup>291</sup>["**Federal Government**" means the Federal Government of Islamic Republic of Pakistan.]

*"Distribution Function" means the functions with regards to:*

- a. receiving applications for issue of Units together with the aggregate Offer Price for Units applied for by the applicants;
- b. issuing receipts in respect of (a) above;
- c. interfacing with and providing services to the Holders including receiving redemption/ transfer applications, conversion notices and applications for change of address or issue of duplicate Certificates for immediate transmission to the Management Company or the Registrar/Transfer Agent as appropriate;
- d. accounting to the Trustee for all: (i) moneys received from the applicants for issuance of Units; (ii) payments made to the Holders on redemption of Units; and (iii) expenses incurred in relation to the Distribution Function;
- e. The above functions may be performed electronically, if appropriate systems are in place."

<sup>289</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 14.24) read as follows;

*"Duties and Charges" means in relation to any particular transaction or dealing all stamp and other duties, taxes, zakat, Government charges, brokerage, bank charges, transfer fees, registration fees and other duties and charges in connection with the increase or decrease of the Trust Property or the creation, issue, sale, transfer, redemption or purchase of Units or the sale or purchase of Investment or in respect of the issue, transfer, cancellation or replacement of a Certificate or otherwise which may have become or may be payable in respect of or prior to or upon the occasion of the transaction or dealing in respect of which such duties and charges are payable, but do not include the remuneration payable to the Distribution Company or any commission payable to agents on sales and redemption of Units or any commission charges or costs which may have been taken into account in ascertaining the Net Asset Value."*

<sup>290</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 14.25) read as follows;

*"Exposure" shall have the same meaning as in the Regulations."*

<sup>291</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 14.26) read as follows;



- 14.27** <sup>292</sup>["**Financial Institution**" means a development finance institution, non banking finance company, modaraba or an institution registered under relevant laws to provide financial services within or outside Pakistan]
- 14.28** <sup>293</sup>["**Formation Cost**" means preliminary expenses relating to regulatory and registration fees of the Scheme, including floatation expenses of the Scheme, expenses relating to authorization of the Scheme, execution and registration of the Constitutive Documents, legal costs, printing, circulation and publication of the Offering Document, announcements describing the Scheme, and all other expenses incurred until the end of the Initial Period.]
- 14.29** <sup>294</sup>["**Front-end Load**" means the sales and processing charge or commission (excluding Duties and Charges) not exceeding five per cent (5%) or such other percentage of the Net Asset Value which may be included in the Offer Price of the Units.]
- 14.30** <sup>295</sup>["**Government Securities**" include monetary obligations of the Federal Government or a Provincial Government or of a corporation wholly owned or controlled, directly or indirectly, by the Federal Government or a Provincial Government and guaranteed by the Federal Government and any other security as the Federal Government may, by notification in the Official Gazette, declare, to the extent determined from time to time, to be a Government Securities.]
- 14.31** <sup>296</sup>["**Holder**" or "**Unit Holder**" means the investor for the time being entered in the Register as owner of a Unit including investors jointly so registered pursuant to the provisions of the Trust Deed.]

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*“**Federal Government**” means the Federal Government of Islamic Republic of Pakistan.”*

<sup>292</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 14.27) read as follows;

*“**Financial Institution**” means a development finance institution, non banking finance company, modaraba or an institution registered under relevant laws to provide financial services within or outside Pakistan.”*

<sup>293</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 14.28) read as follows;

*“**Formation Cost**” means preliminary expenses relating to regulatory and registration fees of the Scheme, including floatation expenses of the Scheme, expenses relating to authorization of the Scheme, execution and registration of the Constitutive Documents, legal costs, printing, circulation and publication of the Offering Document, announcements describing the Scheme, inviting investment therein and all other expenses incurred until the end of the Initial Period.”*

<sup>294</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 14.29) read as follows;

*“**Front-end Load**” means the sales and processing charge or commission (excluding Duties and Charges) not exceeding five per cent (5%) or such other percentage (as may mutually be agreed between the Trustee and the Management Company in writing) of the Net Asset Value which may be included in the Offer Price of the Units; provided however that different levels of Front-end Load may be applied to different classes of units, as may be mutually agreed between the Trustee and the Management Company.”*

<sup>295</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 14.30) read as follows;

*“**Government Securities**” means securities and other instruments issued and to be issued by any Federal and/ or Provincial Government of the Islamic Republic of Pakistan and/or the State Bank of Pakistan, including but not limited to Federal Investment Bonds, Pakistan Investment Bonds and any securities/instruments replacing or substituting the foregoing from time to time.”*

<sup>296</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 14.31) read as follows;

*“**Holder**” or “**Unit Holder**” means the investor for the time being entered in the Register as owner of a Unit including investors jointly so registered pursuant to the provisions of the Trust Deed.”*

- 14.32** <sup>297</sup>["**Initial Period**" means a period determined by the Management Company not exceeding ninety (90) days during which Units will be offered at the Initial Price in terms of the Offering Document, inclusive of the offering to the Core Investors.]
- 14.33** <sup>298</sup>["**Initial Price**" means the price of Rs.10/- per Unit during the Initial Period determined by the Management Company.]
- 14.34** <sup>299</sup>["**Investment**" means any Authorized Investment forming part of the Trust Property.]
- 14.35** <sup>300</sup>["**Investment Facilitators/ Advisors/ Sales Agents**" means an individual, firm, corporate or other entity appointed by the Management Company to identify, solicit and assist investors in investing in the Scheme. The Management Company shall compensate the Investment Facilitators/ Advisors/ Sales Agents out of the Front-end Load collected by it in the Offer Price and /or from Management Fee.]
- 14.36** <sup>301</sup>["**Net Assets**" means the excess of assets over liabilities of the Fund, such excess being computed in the manner specified in the Regulations, 2008.]
- 14.37** <sup>302</sup>["**Net Asset Value**" or "**NAV**" means per Unit value of the Trust arrived at by dividing the Net Assets by the number of Units outstanding.]
- 14.38** <sup>303</sup>["**Offer Price**" means the sum to be paid to the Trustee for the benefit of the Trust for issuance of one Unit, such price to be determined pursuant to Clause 11.3 of the Trust Deed.]

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<sup>297</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 14.32) read as follows;

*"**Initial Period**" means a period determined by the Management Company not exceeding ninety (90) days during which Units will be offered at the Initial Price in terms of the Offering Document, inclusive of the offering to the Core Investors."*

<sup>298</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 14.33) read as follows;

*"**Initial Price**" means the price of Rs.10/- per Unit during the Initial Period determined by the Management Company."*

<sup>299</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 14.34) read as follows;

*"**Investment**" means any Authorized Investment forming part of the Trust Property."*

<sup>300</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 14.35) read as follows;

*"**Investment Facilitators/ Advisors/ Sales Agents**" means an individual, firm, corporate or other entity appointed by the Management Company to identify, solicit and assist investors in investing in the Scheme. The Management Company shall compensate the Investment Facilitators/ Advisors/ Sales Agents out of the Sales Load collected by it in the Offer Price and /or from Management Fee."*

<sup>301</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 14.36) read as follows;

*"**Net Assets**" means the excess of assets over liabilities of the Fund, such excess being computed in the manner specified in the Regulations."*

<sup>302</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 14.37) read as follows;

*"**Net Asset Value**" or "**NAV**" means per Unit value of the Trust arrived at by dividing the Net Assets by the number of Units outstanding."*

<sup>303</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 14.38) read as follows;

*"**Offer Price**" means the sum to be paid to the Trustee for the benefit of the Trust for issuance of one Unit, such price to be determined pursuant to Clause 11.3 of the Trust Deed."*

- 14.39** <sup>304</sup>["**Offering Document**" means a published document containing information on the Scheme to invite the public for purchase of Units in that Scheme and shall also include any Supplementary offering document.]
- 14.40** <sup>305</sup>["**On-line**" means transactions through electronic data-interchange whether real time transactions or otherwise, which may be through the internet, intranet networks and the like.]
- 14.41** <sup>306</sup>["**Ordinance**" means the Companies Ordinance, 1984.]
- 14.42** <sup>307</sup>["**Par Value**" means the face value of a Unit as defined in the Trust Deed, the Offering Document and this First Supplemental Offering Document.]
- 14.43** <sup>308</sup>["**Pre IPO**" means the period preceding the Initial Period during which investments were made in the Scheme by the Pre-IPO Investors.]
- 14.44** <sup>309</sup>["**Pre IPO Investor(s)**" mean(s) the investors who make investments in the Scheme before the Initial Period.]
- 14.45** <sup>310</sup>["**Redemption Account**" means the account(s) (which may be a current, saving or deposit account(s)) maintained by the Trustee with Allied Bank Limited and/ or any other bank having an investment grade rating and approved by the Management Company in which the amount required for redemption of Units to the Holders may be transferred.]

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<sup>304</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 14.39) read as follows;

*"**Offering Document**" means the prospectus, advertisement or other document (approved by the Commission) which contains the investments and distribution policy, unit structure(s) and all other information in respect of the Unit Trust, as required by the Regulations and is circulated to invite offers by the public to invest in the Scheme and shall include Supplementary Offering Document(s) published or circulated by the Management Company with the approval of the Commission."*

<sup>305</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 14.40) read as follows;

*"**On-line**" means transactions through electronic data-interchange whether real time transactions or otherwise, which may be through the internet, intranet networks and the like."*

<sup>306</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 14.41) read as follows;

*"**Ordinance**" means the Companies Ordinance, 1984."*

<sup>307</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 14.42) read as follows;

*"**Par Value**" means the face value of a Unit as defined in the Offering Documents."*

<sup>308</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 14.43) read as follows;

*"**Pre IPO**" means the period preceding the Initial Period during which investments are made in the Scheme by the Pre-IPO Investors."*

<sup>309</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 14.44) read as follows;

*"**Pre IPO Investor(s)**" mean(s) the investors who make investments in the Scheme before the Initial Period."*

<sup>310</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 14.45) read as follows;

*"**Redemption Account**" means the account(s) (which may be a current, saving or deposit account(s)) maintained by the Trustee with Allied Bank Limited and/ or any other bank having an investment grade rating and approved by the Management Company in which the amount required for redemption of Units to the Holders may be transferred."*

- 14.46** <sup>311</sup>["**Redemption Price**" means the amount to be paid to the relevant Unit Holder(s) upon redemption of that Unit, such amount to be determined pursuant to document.]
- 14.47** <sup>312</sup>["**Register**" means the Register of the Unit Holder(s) kept pursuant to the Rules, the Regulations, 2008 and the Trust Deed.]
- 14.48** <sup>313</sup>["**Registrar/Transfer Agent** means a company including a Bank that the Management Company shall appoint for performing the Registrar Functions. The Management Company may itself perform the Registrar Function.]
- 14.49** <sup>314</sup>["**Registrar Functions**" means the functions with regard to:
- i. maintaining the Register, including keeping a record of change of addresses/ other particulars of the Unit Holder(s);
  - ii. issuing account statements to the Unit Holder(s);
  - iii. issuing Certificate, including Certificates in lieu of undistributed income to Unit Holder(s);
  - iv. canceling old Certificates on redemption or replacement thereof;
  - v. processing of applications for issue, redemption, transfer and transmission of Units, recording of pledges, liens and changes in the data with regard to the Unit Holder(s);
  - vi. issuing and dispatching of Certificates;

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<sup>311</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 14.46) read as follows;

*"**Redemption Price**" means the amount to be paid to the relevant Unit Holder(s) upon redemption of that Unit, such amount to be determined pursuant to document."*

<sup>312</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 14.47) read as follows;

*"**Register**" means the Register of the Unit Holder(s) kept pursuant to the Rules, the Regulations and the Trust Deed."*

<sup>313</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 14.48) read as follows;

*"**Registrar/Transfer Agent** means a company including a Bank that the Management Company shall appoint for performing the Registrar Functions. The Management Company may itself perform the Registrar Function."*

<sup>314</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 14.49) read as follows;

*"**Registrar Functions**" means the functions with regard to:*

- i. *maintaining the Register, including keeping a record of change of addresses/ other particulars of the Unit Holder(s);*
- ii. *issuing account statements to the Unit Holder(s);*
- iii. *issuing Certificate, including Certificates in lieu of undistributed income to Unit Holder(s);*
- iv. *canceling old Certificates on redemption or replacement thereof;*
- v. *processing of applications for issue, redemption, transfer and transmission of Units, recording of pledges, liens and changes in the data with regard to the Unit Holder(s);*
- vi. *issuing and dispatching of Certificates;*
- vii. *dispatching income distribution warrants, and bank transfer intimation and distributing bonus Units or partly both and allocating Units to Holders on re-investment of dividends;*
- viii. *receiving applications for redemption and transfer/ transmission of Units directly from Holder or legal representatives or through Distributor;*
- ix. *maintaining record of lien/ pledge/ charge.*
- x. *keeping record of change of addresses/other particulars of the Holders."*

- vii. dispatching income distribution warrants, and bank transfer intimation and distributing bonus Units or partly both and allocating Units to Holders on re-investment of dividends;
- viii. receiving applications for redemption and transfer/ transmission of Units directly from Holder or legal representatives or through Distributor;
- ix. maintaining record of lien/ pledge/ charge.
- x. keeping record of change of addresses/other particulars of the Holders.]

**14.50** <sup>315</sup>["**Regulations**" mean Non-Banking Finance Companies and Notified Entities Regulations, 2007 as were applicable when the Scheme was launched.]

**14.51** <sup>316</sup>["**Regulations, 2008**" mean Non-Banking Finance Companies and Notified Entities Regulations, 2008, as amended or substituted from time to time and inclusive of any specific or general relaxations in respect of applicability of such Regulations granted or to be granted by the Commission.]

**14.52** <sup>317</sup>["**Rules**" mean Non-Banking Finance Companies (Establishment and Regulation) Rules 2003 as amended or substituted from time to time.]

**14.53** <sup>318</sup>["**SBP**" means State Bank of Pakistan.]

**14.54** <sup>319</sup>["**Stock Exchange**" means Stock Exchanges registered under the Securities & Exchange Ordinance, 1969.]

**14.55** <sup>320</sup>["**Subscription Day**" means every Business Day provided that the Management Company may with the prior written consent of the Trustee and upon giving not less than seven (7) days notice in

<sup>315</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 14.50) read as follows;

*"**Regulations**" mean Non-Banking Finance Companies and Notified Entities Regulations, 2007, as amended or substituted from time to time and inclusive of any specific or general relaxations in respect of applicability of such Regulations granted or to be granted by the Commission."*

<sup>316</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 14.51) read as follows;

*"**Rules**" mean Non-Banking Finance Companies (Establishment and Regulation) Rules 2003 as amended or substituted from time to time."*

<sup>317</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 14.52) read as follows;

*"**Sales Load**" means the Front-end Load and Back-end Load. All Sales Load collected would accrue to the Management Company."*

<sup>318</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 14.53) read as follows;

*"**SBP**" means State Bank of Pakistan."*

<sup>319</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 14.54) read as follows;

*"**Stock Exchange**" means Stock Exchanges registered under the Securities & Exchange Ordinance, 1969."*

<sup>320</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 14.55) read as follows;

*"**Subscription Day**" means every Business Day provided that the Management Company may with the prior written consent of the Trustee and upon giving not less than seven (7) days notice in the two (2) widely circulated English and Urdu newspapers declare any particular Business Day or days not to be a Subscription Day."*

the two (2) widely circulated English and Urdu newspapers declare any particular Business Day or days not to be a Subscription Day.]

**14.56** <sup>321</sup>[**“Transaction Costs”** means the costs incurred or estimated by the Management Company to cover the costs (such as, but not restricted to, brokerage, Trustee charges, taxes or levies on transactions, etc.) related to the investing or disinvesting activity of the Trust’s portfolio, *inter alia*, necessitated by creation or cancellation of Units, which costs may be added to the NAV for determining the Offer Price of Units or to be deducted from the NAV in determining the Redemption Price. The element of Transaction Costs taken into account in determining the prices and collected so, shall form a part of the Trust Property.]

**14.57** <sup>322</sup>[**“Trust Property”** means the aggregate proceeds of the sale of all Units at Offer Price and any Transaction Costs recovered in the Offer or Redemption price and Back-end Load recovered in the Redemption Price after deducting there from or providing there against the value of Redemption, Front-end Duties and Charges applicable to the purchase or redemption of Units and any expenses chargeable to the Scheme; and includes the Investment and all income, profits, shares, securities, deposits, right and bonus shares, cash, bank balances, dividend, fees, commissions, receivables, claims, contracts, licenses, privileges and other benefits arising there from and all cash and other movable or immovable assets and properties of every description, whether accrued or accruing, for the time being held or deemed to be held upon trust by the Trustee for the benefit of the Unit Holder(s) pursuant to the Trust Deed and shall include the income, profit, interest etc earned on the amount credited to the Distribution Account but shall not include any amount standing to the credit of the Distribution Account and the income earned on the investments of the Core Investors (Seed Capital) and Pre-IPO Investors up to the date of the close of the Initial Period which shall not form part of the Trust Property.]

**14.58** <sup>323</sup>[**“Unit”** means one undivided share in the Trust, and where the context so indicates, a fraction thereof.]

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<sup>321</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 14.56) read as follows;

*““Transaction Costs” means the costs incurred or estimated by the Management Company to cover the costs (such as, but not restricted to, brokerage, Trustee charges, taxes or levies on transactions, etc.) related to the investing or disinvesting activity of the Trust’s portfolio, inter alia, necessitated by creation or cancellation of Units, which costs may be added to the NAV for determining the Offer Price of Units or to be deducted from the NAV in determining the Redemption Price. The element of Transaction Costs taken into account in determining the prices and collected so, shall form a part of the Trust Property.”*

<sup>322</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 14.57) read as follows;

*““Trust Property” means the aggregate proceeds of the sale of all Units at Offer Price and any Transaction Costs recovered in the Offer or Redemption price after deducting there from or providing there against the value of Redemption, Front-end and Back-end load (as provided in the Offering Document), Duties and Charges applicable to the purchase or redemption of Units and any expenses chargeable to the Scheme; and includes the Investment and all income, profits, shares, securities, deposits, right and bonus shares, cash, bank balances, dividends, fees, commissions, receivables, claims, contracts, licenses, privileges and other benefits arising there from and all cash and other movable or immovable assets and properties of every description, whether accrued or accruing, for the time being held or deemed to be held upon trust by the Trustee for the benefit of the Unit Holder(s) pursuant to the Trust Deed and shall include the income, profit, interest etc earned on the amount credited to the Distribution Account but shall not include any amount standing to the credit of the Distribution Account and the income earned on the investments of the Core Investors (seed capital) and Pre-IPO Investors up to the date of the close of the Initial Period which shall not form part of the Trust Property.”*

<sup>323</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 14.58) read as follows;

*““Unit” means one undivided share in the Trust, and where the context so indicates, a fraction thereof.”*

**14.59** <sup>324</sup>["**Zakat**" has the same meaning as in the Zakat and Ushr Ordinance, 1980.]

<sup>325</sup>[Words and expressions used but not defined herein shall have the meanings assigned to them in the Rules and Regulations. Words importing persons include corporations, words importing the masculine gender include the feminine gender, words importing singular include plural and words "**written**" or "**in writing**" include printing, engraving, lithography or other means of visible reproduction.]

## **15 ARBITRATION**

<sup>326</sup> [In the event of any disputes arising out of the Trust Deed or this Offering Document between the Management Company on the one part and the Trustee on the other part, including as to the respective rights and obligations of the Management Company and the Trustee, as well as those relating to the interpretation of the terms and conditions of the Trust Deed and/or the Offering Document relating to the Unit Trust, the same shall be referred to arbitration by two arbitrators, one to be appointed by the Management Company and the other to be appointed by the Trustee. In the event of lack of consensus between the two arbitrators, the matter shall be referred to an umpire, to be selected by the two arbitrators before commencement of the reference. The unanimous decision of both the arbitrators, or the decision of the umpire, as the case may be, shall be final and binding upon both the Parties. The arbitrators and the umpire shall be selected from amongst, senior partners of renowned firms of chartered accountants, or senior partners of renowned Law Firms, or senior bankers or senior members of the Karachi Stock Exchange (Guarantee) Limited, (who may even be the heads of corporate members). The venue of the arbitration shall be Karachi. The arbitration shall be conducted in accordance with the Arbitration Act, 1940.

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<sup>324</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Sub-Clause 14.59) read as follows;

*"**Zakat**" has the same meaning as in the Zakat and Ushr Ordinance, 1980."*

<sup>325</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted para read as follows;

*"Words and expressions used but not defined herein shall have the meanings assigned to them in the Rules and Regulations. Words importing persons include corporations, words importing the masculine gender include the feminine gender, words importing singular include plural and words "written" or "in writing" include printing, engraving, lithography or other means of visible reproduction."*

<sup>326</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted clause (Clause 15) read as follows;

*"In the event of any disputes arising out of the Trust Deed or this Offering Document between the Management Company on the one part and the Trustee on the other part, including as to the respective rights and obligations of the Management Company and the Trustee, as well as those relating to the interpretation of the terms and conditions of the Trust Deed and/or the Offering Document relating to the Unit Trust, the same shall be referred to arbitration by two arbitrators, one to be appointed by the Management Company and the other to be appointed by the Trustee. In the event of lack of consensus between the two arbitrators, the matter shall be referred to an umpire, to be selected by the two arbitrators before commencement of the reference. The unanimous decision of both the arbitrators, or the decision of the umpire, as the case may be, shall be final and binding upon both the Parties. The arbitrators and the umpire shall be selected from amongst, senior partners of renowned firms of chartered accountants, or senior partners of renowned Law Firms, or senior bankers or senior members of the Karachi Stock Exchange (Guarantee) Limited, (who may even be the heads of corporate members). The venue of the arbitration shall be Karachi. The arbitration shall be conducted in accordance with the Arbitration Act, 1940."*

***Subject to Arbitration Clause above applicable between the Management Company and the Trustee inter se, each party, including the Unit Holders, irrevocably submit to the exclusive jurisdiction of the courts at Karachi."***

**Subject to Arbitration Clause above applicable between the Management Company and the Trustee inter se, each party, including the Unit Holders, irrevocably submit to the exclusive jurisdiction of the courts at Karachi.]**



## ANNEXURE A

### Central Depository Company of Pakistan Limited Tariff Structure for Trusteeship of Open-end Mutual Funds (Unit Trusts)

The Trustee remuneration shall consist of reimbursement of actual custodial expenses/charges plus the following tariff:

Net Assets	Tariff
Up to Rupees One Billion	Rupees 0.7 million or 0.20% p.a. of NAV, whichever is higher.
Exceeding Rupees One Billion	Rupees 2.0 million plus 0.10% p.a. of NAV exceeding Rs.1,000 million

<sup>327</sup>[ANNEXURE B

**Current Fee Structure**

<sup>332</sup>[<sup>331</sup>[<sup>329</sup>[Effective from November 9, 2023

<b>Front-end Load</b>	0% to 1.50%
<b>Back-end Load</b>	Nil
<b>Management Fee</b>	0% to 2.00%*

\*AMC shall disclose actual rate of management fee charged as percentage of net asset of CIS in the monthly fund manager report.]]]

<sup>328</sup>Any change in the load and fee structure, provided it is within the maximum limit, shall be notified through an addendum to this annexure and/or by publication in a widely circulated newspaper, as

<sup>332</sup> Substituted vide 8<sup>th</sup> Supplemental Offering Document dated November 9, 2023. The substituted annexure (Annexure B) read as follows;

*“Effective from November 1, 2021*

<i>Front-end Load</i>	<i>0% to 1.50%</i>
<i>Back-end Load</i>	<i>Nil</i>
<i>Management Fee</i>	<i>0.25% to 0.50%*</i>

<sup>331</sup> Substituted vide 7<sup>th</sup> Supplemental Offering Document dated November 1, 2021. The substituted annexure (Annexure B) read as follows;

*“Effective from March 2, 2021*

<i>Current Front End Load</i>	<i>0% to 1.50%</i>
<i>Current level of Back-end Load</i>	<i>Nil</i>
<i>Current level of management fee (All Class of Units)</i>	<i>“8% of gross earning subject to minimum floor of 0.50% of net assets p.a. and maximum cap of 1.00% of net assets p.a.”</i>

<sup>329</sup> Substituted vide 5<sup>th</sup> Supplemental Offering Document dated March 2, 2021. The substituted annexure (Annexure B) read as follows;

*“Effective from August 5, 2013*

*Current level of management fee (All Class of Units) “1.50% p.a.”*

<sup>327</sup> Substituted vide 4<sup>th</sup> Supplemental Offering Document dated July 30, 2013. The substituted annexure (Annexure B) read as follows;

***“Current Level of Front-end and Back-end Loads***

*Effective from Close of Initial Period*

<i>Front End Load for A, B &amp; C Units:</i>	<i>0.00%</i>
<i>Front End Load for D Units:</i>	<i>1.00%</i>
<i>Back End Load for all Units:</i>	<i>0.00%</i>

*Any change in the load and fee structure, provided it is within the maximum limit, shall be notified through an addendum to this annexure and/or by publication in a widely circulated newspaper, as and how the Commission may direct.”*

<sup>328</sup> Inserted vide 1st Supplemental Offering Document dated November 01, 2010.

and how the Commission may direct.]

## ANNEXURE C

### Management Company and Distribution Company

#### Management Company:

<sup>329</sup>[Management Company of the Fund is ABL Asset Management Company Limited. Forms and other information of the Fund can be collected from the following address of the Management Company or from branches of the Distribution Company:

#### **ABL Asset Management Company Limited**

11-B, Lalazar, M.T. Khan Road,  
Karachi Pakistan

For further information call:

111 ABL AMC

Website: [www.ablamc.com](http://www.ablamc.com)

#### Distribution Company:

ABL AMC has appointed the following Distribution Companies. Forms and other relevant information are available at their respective branches. Any change in the list shall be notified through an addendum to this annexure and/or by publication in a widely circulated newspaper and/or website.]

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<sup>329</sup> Substituted vide 1st Supplemental Offering Document dated November 01, 2010. The substituted annexure (Annexure C) read as follows;

“Management Company and Distribution Company

#### **Management Company:**

Management Company of the Fund is ABL Asset Management Company Limited. Forms and other information of the Fund can be collected from the following address of the Management Company or from branches of the Distribution Company:

#### **ABL Asset Management Company Limited**

11-B, Lalazar, M.T. Khan Road,  
Karachi Pakistan

For further information call:

111 ABL AMC

Website: [www.ablamc.com](http://www.ablamc.com)

#### **Distribution Company:**

ABL AMC has appointed **Allied Bank Limited** as the Distribution Company of the Fund. Forms and other information are available at Allied Bank Limited branches throughout Pakistan.”

## **ANNEXURE D**

### Forms