

**Risk Disclaimer: All Investments in mutual fund are subject to market risks. The NAV of Units may go down or up based on the market conditions. The investors are advised in their own interest to carefully read the contents of the Offering Document, in particular the Investment Policies mentioned in clause 2, Risk Factors mentioned in clause 2.9, Taxation Policies mentioned in Clause 7 and Warnings in Clause 9 before making any investment decision.**

## **OFFERING DOCUMENT**

**OF**

**ABL FINANCIAL PLANNING FUND**

**(An Open End Fund of Funds Scheme)**

**Amended till February 13, 2017**

**MANAGED BY**

**ABL Asset Management Company Limited**

CLAUSE	TABLE OF CONTENTS	PAGE NO.
<b>1.</b>	<b>CONSTITUTION OF THE SCHEME</b>	<b>4</b>
1.1	Constitution	4
1.2	Trust Deed (the “Deed”)	5
1.3	Modification of Trust Deed	5
1.4	Trust property	5
1.5	Offering Document	5
1.6	Modification of Offering Document	6
1.7	Responsibility of the Management Company for information given in this Document	6
1.8	Structure of Scheme	6
1.9	Initial Offer and Initial Period	6
1.10	Transaction in Units after Initial Offer Period (IPO)	7
<b>2.</b>	<b>INVESTMENT OBJECTIVES, INVESTMENT POLICY, RESTRICTIONS, RISK DISCLOSURE AND DISCLAIMER</b>	<b>7</b>
2.1	Investment Objective	7
<b>3.</b>	<b>OPERATORS AND PRINCIPALS</b>	<b>18</b>
3.1	Management Company	18
3.2	Holding Company	18
3.3	Board of Directors of the Management Company	19
3.4	Existing Schemes under Management and their performance -	24
3.5	Role and Responsibilities of the Management Company	30
3.6	Maintenance of Unit Holders Register	32
3.7	Disclaimer	32
3.8	Role of the Trustee	33
3.9	Disclaimer	34
3.10	Transfer Agent/Registrar Services	34
3.11	Custodian	35
3.12	Distributors/Facilitators	35
3.13	Auditors	35
3.14	Legal Advisors	36
3.15	Bank Accounts	36
3.16	Rating of the Scheme	37
3.17	Minimum Fund Size	38
<b>4.</b>	<b>CHARACTERISTICS OF UNITS</b>	<b>38</b>
4.1	Units	38
4.2	Classes of Units	38
4.3	Purchase and Redemption of Units	39
4.4	Procedure for Purchase of Units	39
4.5	Procedure for Redemption of Units	45
4.6	Redemption of Units in Book Entry form in CDS	47
4.7	Purchase (Public Offer) and Redemption (Repurchase) of Units outside Pakistan	47
4.8	Determination of Redemption (Repurchase) Price	48
4.9	Procedure for Requesting Change in Unit Holder Particulars	49
4.10	Procedure for Pledge / Lien / Charge of Units	51
4.11	Temporary Change in Method of Dealing, Suspension of Dealing and Queue System	52
<b>5.</b>	<b>DISTRIBUTION POLICY</b>	<b>53</b>

5.1	Declaration of Dividend	53
5.2	Determination of Distributable Income	54
5.3	Payment of Dividend	54
5.4	Dispatch of Dividend Warrants/Advice	54
5.5	Reinvestment of Dividend	54
5.6	Unit issuance for reinvestment of Dividend	54
5.7	Closure of Register	55
<b>6.</b>	<b>FEE AND CHARGES</b>	<b>55</b>
6.1	Fees and Charges Payable by an Investor	55
6.2	Fees and Charges Payable by the Fund	57
<b>7.</b>	<b>TAXATION</b>	<b>58</b>
7.1	Taxation on the Income of the Fund	58
<b>8.</b>	<b>REPORTS TO UNIT HOLDERS</b>	<b>60</b>
8.1	Account Statement	60
8.2	Financial Reporting	60
8.3	Trustee Report	60
8.4	Fund Manager Report	60
<b>9.</b>	<b>WARNING AND DISCLAIMER</b>	<b>61</b>
9.1	Warning	61
<b>9.2.</b>	<b>DISCLAIMER</b>	<b>61</b>
<b>10.</b>	<b>GENERAL INFORMATION</b>	<b>61</b>
10.1	Accounting Period / Financial Year of the Fund	61
10. 2	Inspection of Constitutive Documents	61
10.3	Transfer of Management Rights of the Fund	62
10.4	Extinguishment/Revocation of the Fund	62
10.5	Procedure and manner of Revocation of the Allocation Plan(s) under the Fund	63
10.6	Distribution of proceeds on Revocation	63
<b>11.</b>	<b>GLOSSARY</b>	<b>64</b>
	<b>Annexure "A"</b>	
	<b>Annexure "B"</b>	
	<b>Annexure "C"</b>	
	<b>Annexure "D"</b>	

**OFFERING DOCUMENT OF**

**ABL Financial Planning Fund  
(ABL-FPF)**

**MANAGED BY**

**ABL Asset Management Company Limited**

**[An Asset Management Company Registered under the Non-Banking Finance Companies  
(Establishment and Regulation) Rules, 2003]**

**Date of Publication of Offering Document Dated December 23, 2015.**

**Initial Offering Period from Wednesday December 30, 2015 to Wednesday December 30, 2015**

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The **ABL Financial Planning Fund**(the Fund/the Scheme/the Trust/the Unit Trust/ABL-FPF) has been established through a Trust Deed (the Deed) dated November 19, 2015, under the Trust Act, 1882 entered into and between **ABL Asset Management Company Limited**, the Management Company, and **MCB Financial Services Limited**, the Trustee.

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**REGULATORY APPROVAL AND CONSENT**

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

The Securities and Exchange Commission of Pakistan (SECP) has authorized the offer of Units of **ABL Financial Planning Fund** and has registered ABL-FPF as a notified entity under the Non-Banking Finance Companies and Notified Entities Regulations 2008 (“Regulations”) vide letter No SCD/AMCW/210/2015 dated December 11, 2015 SECP has approved this Offering Document, under the Regulations vide Letter No. SCD/AMCW/232/2015 dated December 23, 2015

**It must be clearly understood that in giving this approval, SECP 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.**

**Offering Document**

This Offering Document sets out the arrangements covering the basic structure of the ABL-FPF. It sets forth information about the Fund that a prospective investor should know before investing in any class of Unit of the Fund. The provisions of the Trust Deed, the Rules, the Regulations and the circulars, directives etc. as specified hereafter and regulatory provisions, that may be issued from time to time govern this Offering Document.

If prospective investor has any doubt about the contents of this Offering Document, he/she/it should consult one or more from amongst their investment advisers, legal advisers, bank managers, stockbrokers or financial advisers to seek independent professional advice.

**Investors must recognize that the investments involve varying levels of risk. The portfolio of the Fund consists of investments that are subject to market fluctuations and risks inherent in all such investments. Neither the value of the Units in the Fund or any Allocation Plan under Fund nor the dividend declared by the Fund/ Allocation Plan under the Fund is, or can be, assured. Investors are requested to read the Risk Disclosure and Warnings statement contained in Clause 2.9 and Clause 9 respectively in this Offering Document.**

### **Filing of the Offering Document**

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

- (1) License No. **AMCW/23/ABLAMC/AMS/10/2013** dated **November 26, 2013** granted by SECP to **ABL Asset Management Company Limited** to carry out Asset Management Services and Investment Advisory Services;
- (2) SECP's Letter No **AMCW/ABLAMC/161/2015** dated **November 11, 2015** approving the appointment of **MCB Financial Services Limited (MCBFSL)** as the Trustee of the Fund;
- (3) Trust Deed (the Deed) of the Fund;
- (4) SECP's Letter No. **SCD/AMCW/210/2015** dated **December 11, 2015** registering the Fund in terms of Regulation 44 of the NBFC and Notified Entities Regulations 2008;
- (5) Letter from **M/s. M. Yousuf Adil Saleem & Co. (Chartered Accountants)**, Auditors of the Fund, consenting to the issue of statements and reports;
- (6) Letter from M/s. Bawaney & Partners, Legal Advisers of the Fund , consenting to act as adviser;
- (7) SECP's letter No. **SCD/AMCW/232/2015** dated **December 23, 2015** approving this Offering Document.

## **1. CONSTITUTION OF THE SCHEME**

### **1.1 Constitution**

The Fund is an open-end Fund and has been constituted by a Trust Deed entered into at Karachi on **November 19, 2015** between:

**ABL Asset Management Company Limited**, a Non-Banking Finance Company incorporated under the Companies Ordinance 1984 and licensed by SECP to undertake asset management services, with its principal place of business at **11-B, Lalazar, MT Khan Road, Karachi**, as the Management Company; and

**MCB Financial Services Limited** incorporated in Pakistan under the Companies Ordinance, 1984, and registered by SECP to act as a Trustee of the Collective Investment Scheme, having its registered office at 16<sup>th</sup> Floor, MCB Tower, I. I. Chundrigar Road, Karachi.

## **1.2 Trust Deed (the “Deed”)**

The Deed is subject to and governed by the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 and Non-Banking Finance Companies and Notified Entities Regulations, 2008, Securities Act, 2015, Companies Ordinance 1984 and all other applicable laws and regulations, directives and guidelines. 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 Offering Document and the Deed the latter shall supersede and prevail over the provisions contained in this Offering Document. In the event of any conflict between the Deed and the Rules or Regulations and Circulars issued by SECP, the latter shall supersede and prevail over the provisions contained in the Deed.

The Fund shall also be subject to the rules and the regulations framed by the State Bank of Pakistan with regard to the foreign investments made by the Fund and investments made in the Fund from outside Pakistan in foreign currency.

## **1.3 Modification of Trust Deed**

The Trustee and the Management Company, acting together and with the approval of SECP, shall be entitled by supplemental deed(s) to modify, alter or add to the provisions of the Deed to such extent as may be required to ensure compliance with any applicable laws, Rules and Regulations. ...

Where the Deed has been altered or supplemented, the Management Company shall duly notify to the Unit Holders and post on their official website.

## **1.4 Trust property**

The aggregate proceeds of all Units issued from time to time by each Allocation Plan after deducting Duties and Charges, Transactions Costs and any applicable Sales Load, shall constitute part of the Trust Property and includes the Investment and all income, profit and other benefits arising there from and all cash, bank balances and other assets and property of every description 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 Deed but does not include any amount payable to the Unit Holders as distribution. However any profit earned on the amount payable to the Unit Holders as distribution shall become part of the Trust Property of the pertinent Allocation Plan.

The Trustee shall hold the Trust Property under each Allocation Plan, as well as Trust Property of the Scheme on deposit in a separate account with Bank minimum rating of A+ (A plus), as advised by the Management Company or allowed for the Fund of Funds category from time to time.

## **1.5 Offering Document**

The provisions of the Trust Deed, the Rules, the Regulations, Circulars and the Directive issued by the Commission govern this Offering Document. It sets forth information about the Fund that a prospective investor should know before investing in any Unit. Prospective investors in their own interest are advised to carefully read this Offering Document to understand the Investment Policy, Risk Factors, Warning and Disclaimer and

should also consult their legal, financial and/or other professional adviser before investing.

## **1.6 Modification of Offering Document**

This Offering Document will be updated to take account of any relevant material changes relating to the Fund. Such changes shall be subject to prior consent of the Trustee and approval from the Securities and Exchange Commission of Pakistan (SECP) and shall be circulated to all Unit Holders or publicly notified by advertisements in the newspapers subject to the provisions of the Rules and the Regulations or duly posted on official website of the Management Company.

## **1.7 Responsibility of the Management Company for information given in this Document**

Management Company accepts the responsibility for the information contained in this Offering Document as being accurate at the date of its publication.

## **1.8 Structure of Scheme**

### **1.8.1** “ABL Financial Planning Fund” has been constituted in the form of a Trust Scheme that shall invest in other Collective Investment Schemes as specified in the Investment Policy contained herein and SECP Circular 7 of 2009, as may be amended or substituted from time to time.

The duration of the Fund is perpetual; however, Allocation Plans launched may have a set timeframe.

The Fund shall initially offer Two (2) types of Allocation Plans mentioned clause 2.2 hereafter, investing in CIS or Cash in bank accounts for liquidity purpose, as allowed by the Commission.

Each Allocation Plan will announce separate NAVs which will rank pari passu inter se according to the number of Units of the respective Allocation Plan.

The Management Company may with the prior consent of the Trustee and approval of the Commission introduce other types of Allocation Plans through Addendums to this Offering Document.

Investors of the Fund may hold different types of Allocation Plans and may invest in any one or more of the available Allocation Plans.

Each Investor shall only be liable to pay the Offer Price of the Unit under the Allocation Plan(s) subscribed by him and no further liability shall be imposed on him in respect of Unit(s) held by him except a Contingent Load which may be applicable on redemption on certain classes of Units of Allocation Plan(s) as described in “Annexure B”.

The minimum size of the Scheme shall be of such amount as specified in the Regulations.

## **1.9 Initial Offer and Initial Period**

Initial Offer is made during the Initial Period which will be one Business Day for the ABL Financial Planning Fund beginning at the start of the banking hours on Wednesday

December 30, 2015 and shall end at the close of the Banking Hours on the same day i.e. Wednesday December 30, 2015.

During the Initial Period, the Units shall be offered at Initial Price. No Units shall be redeemable during the Initial Period of Offer.

### **1.10 Transaction in Units after Initial Offer Period (IPO)**

- a) Subsequent to the Initial Public Offering, the offer of Units of the Allocation Plans at the Initial Offer Price shall discontinue. The Units of the Allocation Plans can then be purchased at their Offer price and redeemed at the Redemption Price, which shall be calculated on the basis of Net Asset Value (NAV) of each Allocation Plan. The Units will be available for purchase and redemption on each Dealing Day.
- b) The Management Company may at some future time register the Units of Allocation Plans with a Depository organization, such as the Central Depository Company of Pakistan Limited. Any transactions for de-materialized Units registered with Depository will take place according to the rules and regulations of the depository organization and the constitutive documents of the Fund.
- c) The Issue and Redemption of Units of one or more than one Allocation Plans may be suspended or deferred by the Management Company under certain circumstances as detailed in Clause 4.11.

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

### **2.1 Investment Objective**

ABL-FPF is an Open-end Fund of Funds that aims to generate returns on Investment as per the respective Allocation Plan by investing in Mutual Funds in line with the risk tolerance of the Investor.

### **2.2 Allocation Plans**

The following Allocation Plans are offered under this Offering Document:

- a. **ABL Financial Planning Fund –Conservative Allocation Plan**
- b. **ABL Financial Planning Fund -Active Allocation Plan**
- c. <sup>1</sup>**[ABL Financial Planning Fund -Strategic Allocation Plan]**

Other plans may be offered under ABL Financial Planning Fund in the future through supplemental(s) to this Offering Document as covered in clause 2.2.7.

#### **2.2.1 Investment Objectives of Allocation Plan**

- (a) The “Conservative Allocation Plan” is an Allocation Plan under the “ABL Financial Planning Fund” and primarily aims to provide stable returns with some capital appreciation through a pre-determined mix of investments in equity and income funds.

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<sup>1</sup> Amended vide 2<sup>nd</sup> Supplemental Offering Document dated October 20, 2016. In Section 2.2, sub-clause (c) shall be inserted.



This Allocation Plan is suitable for Investors who have moderate risk tolerance and have a short to medium term investment horizon.

- (b) The “Active Allocation Plan” is an Allocation Plan under the “ABL Financial Planning Fund-” with an objective to earn a potentially high return through active asset allocation between Equity scheme(s) and Income scheme(s) based on the Fund Manager’s outlook on the asset classes.
- (c) <sup>2</sup>[The “Strategic Allocation Plan” is an Allocation Plan under the “ABL Financial Planning Fund-” with an objective to earn a potentially high return through active allocation of funds between Equity scheme(s) and Income scheme(s) based on fundamental analysis of economic indicators, underlying asset values and a strategy of risk aversion to market volatility. The duration of this plan is 12 months (One Year). However, SECP or the Management Company may wind it up or revoke, on the occurrence of certain events as specified in the Regulations or clause no.10.4 of the offering document of ABL-FPF.]

2.2.2 <sup>3</sup>[The asset allocation of the Allocation Plans in the underlying Mutual Funds shall be as stated below:

Allocation Plan	Equity Scheme(s) Category	Income Scheme(s) Category	Cash and / or near cash instruments
Conservative Plan	Up to 20%	Up to 80%	5-10%
Active Allocation Plan	0- 95%	0- 95%	5-10%
<sup>4</sup> [Strategic Allocation Plan]	0- 95%	0- 95%	5-10%

Note:

- i. *The actual allocation percentages may vary on account of market factors and investments in Cash in bank accounts (for liquidity purpose) as permitted for the Fund of Funds Category, as per SECP directive from time to time.*
- ii. *The above mentioned Allocations shall be rebalanced as provided in Clause 2.2.8.*
- iii. *The Management Company may invest between 5% to 10% (both percentages being inclusive) net assets of the above mentioned Allocation Plans in Cash in banks accounts (excluding TDRs), and treasury bills not exceeding 90 days maturity as permitted for the fund of funds category by varying allocation in equity and fixed income segments]*

### 2.2.3 Approved “Collective Investment Schemes”/Authorized Investments

Following table provides the list of Collective Investment Schemes of various categories in which the Allocation plans may invest, as per their objectives:

Categories of Collective Investment Schemes	
Income Scheme	Equity Scheme
<ul style="list-style-type: none"> <li>• ABL Islamic Income Fund</li> </ul>	<ul style="list-style-type: none"> <li>• Al Ameen Shariah Stock Fund</li> </ul>

<sup>2</sup> Amended vide 2<sup>nd</sup> Supplemental Offering Document dated October 20, 2016. In Section 2.2.1, sub-clause (c) shall be inserted.

<sup>3</sup> Amended vide 3<sup>rd</sup> Supplemental Offering Document dated February 13, 2017.

<sup>4</sup> Amended vide 2<sup>nd</sup> Supplemental Offering Document dated October 20, 2016.

<ul style="list-style-type: none"> <li>• NAFA Riba Free Savings Fund</li> <li>• MCB Islamic Income Fund</li> <li>• Meezan Sovereign Fund</li> <li>• Meezan Islamic Income Fund</li> <li>• Al Ameen Islamic Sovereign Fund</li> <li>• NAFA Islamic Income Fund</li> <li>• UBL Government Securities Fund</li> <li>• NAFA Financial Sector Income Fund</li> <li>• MCB Pakistan Sovereign Fund</li> <li>• Pakistan Income Fund</li> <li>• NAFA Income Fund</li> <li>• MCB DCF Income Fund</li> <li>• NAFA Income Opportunity Fund</li> <li>• UBL Financial Sector Bond Fund</li> <li>• ABL Income Fund</li> <li>• NAFA Government Securities Savings Fund</li> <li>• NAFA Savings Plus Fund</li> <li>• ABL Government Securities Fund</li> </ul>	<ul style="list-style-type: none"> <li>• ABL Islamic Stock Fund</li> <li>• Meezan Islamic Fund</li> <li>• MCB Pakistan Islamic Stock Fund</li> <li>• NAFA Islamic Stock Fund</li> <li>• PIML Value Equity Fund</li> <li>• ABL Stock Fund</li> <li>• NAFA Stock Fund</li> <li>• United Stock Advantage Fund</li> <li>• MCB Pakistan Stock Market Fund</li> </ul>
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The Allocation Plans under this Scheme shall invest only in permissible Collective Investment Schemes as above or in cash and/ or near cash instruments (for liquidity purpose only), as per the CIS categories and percentages defined in table in clause 2.2.2, and as approved by the Commission.

**2.2.4 The Benchmarks of Allocation Plans are as follows:**

Allocation Plan	<sup>5</sup> [Benchmark]
Conservative	20% return of KSE-100 Index and 80% return of average 6 month KIBOR rate.
Active Allocation	Weighted average return of KSE-100 Index, average 6 month KIBOR rate and average 6 month PKRV rate based on the Plan's actual investment in the underlying Equity and Income Fund and/or in cash and/or near cash instruments.
<sup>6</sup> [Strategic Allocation Plan]	Weighted average return of KSE-100 Index, average

<sup>5</sup> Substituted vide 1<sup>st</sup> Supplemental Offering Document dated October 06, 2016. The substituted clause read as follows:

Allocation Plan	Benchmark
Conservative	20% return of KSE 30 Index and 80% return of average 6 month deposit rate of three Banks having minimum credit rating of A+ (A plus) and above
Active Allocation	Weighted average return of KSE 30 Index and average 6 month deposit rate of three Banks, having minimum credit rating of A+ (A plus) and above, based on the Plan's actual investment in the underlying Equity and Income Fund and/or in cash and/or near cash instruments.

<sup>6</sup> Amended vide 2<sup>nd</sup> Supplemental Offering Document dated October 20, 2016. In Section 2.2.4, benchmark of Strategic

	6 month KIBOR rate and average 6 month PKRV rate based on the Plan's actual investment in the underlying Equity and Income Fund and/or in cash and/or near cash instruments.]
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**2.2.5 Investment / Divestment in CIS**

The Management Company may invest or divest in/ from Collective Investment Schemes mentioned in Clause 2.2.3 above. The Management Company may also invest in any other Collective Investment Schemes available to it with the prior approval of the SECP. Provided that the Management Company shall only invest or divest in/ from funds that are categorized according to SECP Circular 7 of 2009 in the CIS Categories mentioned in the table in Clause 2.2.3.

**2.2.6 Addition or removal of Asset Classes:**

The Management Company may add or remove a CIS Category mentioned in Clause 2.2.3, with prior consent of Trustee and Approval of the Commission, and may announce the same by a Supplementary Offering Document(s).

**2.2.7 Additional Allocation Plans or changes to existing Allocation Plans:**

Additional Allocation Plans: The Management Company may launch additional Allocation Plans with prior approval of the Commission, and may announce the same by a Supplementary Offering Document(s).

Changes to existing Allocation Plans: The Management Company may make changes to the indicative allocation percentages of the Allocation Plans, with prior approval of the Commission, and will announce the same by a Supplementary Offering Document(s), giving 90 days prior notice to the Unit Holders as specified in the regulation.

**2.2.8 Rebalancing of Allocation Plans:**

For "Conservative Allocation Plan" the Management Company shall rebalance the equity schemes segment of each Allocation Plan at the end of every quarter of the calendar year, or earlier (at the end of the relevant month) in the event where variation in actual and approved allocations exceeds 10% in upward direction, due to market conditions.

For "Active Allocation Plan", <sup>7</sup>[Strategic Allocation Plan"] the Management Company shall actively manage the allocations, from time to time, based on the outlook for the asset-classes, subject to the specified limits as per Clause 2.2.2.

**2.2.9 Accounts for "Trust Property of the Scheme" and "Trust Property under Allocation Plans"**

The Trustee shall hold the Trust Property under each Allocation Plan, as well as Trust Property of the Scheme on deposit in a separate account with an Bank, and Banking windows of conventional bank, of minimum rating of A+ (A plus), or as allowed for "Fund of Funds" category from time to time. All Trust Property, except in so far as such cash

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Allocation Plan' shall be inserted.

<sup>7</sup> Amended vide 2<sup>nd</sup> Supplemental Offering Document dated October 20, 2016.

may, in the opinion of the Management Company, be required for transfer to the Distribution Account or to be kept for meeting the redemption requirements etc., shall be applied by the Trustee from time to time in such Authorized Investments as may be directed by the Management Company, subject to the provisions of the Deed, the Offering Document and the Regulations.

#### **2.2.10 Divestment of Investments**

Any Investment may at any time be divested at the discretion of the Management Company either in order to invest the proceeds of the sale in other authorized investments or to provide funds required for the purpose of any provision of the Deed or in order to retain the proceeds of sale in cash deposit as aforesaid or any combination of the aforesaid. Any Investment, which ceases to be an Authorized Investment, would be divested within such period as the Management Company determine to be in the best interest of the Unit Holders after acquiring approval of the Commission under intimation to the Trustee.

#### **2.2.11 Exposure limits for “Trust Property of Scheme” and “Trust Property under Allocation Plan(s)”**

The Trust Property of the Scheme and the Trust Property under Allocation Plans shall be subject to such exposure limits as are provided in the Regulations or the Commission’s relevant circulars, directives and notifications, provided that the Management Company shall have a period of three (3) months from the date the exposure limits are breached to bring the Fund into compliance with the exposure limits if the deviation is due to appreciation, depreciation or disposal of any Investment or due to investor redemptions/investments.

#### **2.2.12 Fund category and applicable exposure limits**

The Fund is categorized as a Fund of Funds Scheme and would be subject to the relevant exposure limits as specified in the Commission Circular No. 7 of 2009 (as amended or substituted from time to time) dated March 6, 2009, the Rules, the Regulations or any such direction or circular issued by the Commission from time to time.

#### **2.2.13 Plan Features**

The features of allocation plans will be as under.

##### **2.2.13.1 Conservative Allocation Plan**

###### **Investment Policy:**

The allocation plan will invest primarily in Income CIS (Income Component) whereas the remainder will be invested in Equity CIS

Initially, the Management Company may seek to invest in the Collective Investment Schemes mentioned in clause 2.2.3 above.

###### **Basic Features:**

- (a) Term/ Duration of the allocation plan: The duration of conservative plan will be perpetual. However, the management company may change the duration of the plan

with prior permission of the commission and by giving at least 90 days' notice to the plan investors.

- (b) Subscription Period: The allocation plan will be open for subscription from IPO dates. Units may be subject to Front-end load.
- (c) Front-end Load: up to 2% front end load may be charged from investors who invest in the plan.

#### **2.2.13.2 Active Allocation Plan**

**Investment Policy:**

This allocation plan will be actively allocated between Equity CIS and Income CIS.

Active Allocation means that the Management Company may, from time to time, change the allocations to Equity Scheme(s) and Income Scheme(s) based on the Fund Manager's outlook for the asset-classes.

Initially, the Management Company may seek to invest in the Collective Investment Schemes mentioned in clause 2.2.3 above.

**Basic Features:**

- a) Term/ Duration of the allocation plan: The duration of active allocation plan will be perpetual. However, the management company may change the duration of the plan with prior permission of the commission and by giving at least 90 days' notice to the plan investors.
- b) Subscription Period: The allocation plan will be open for subscription from IPO dates. Units may be subject to Front-end load.
- c) Front-end Load: up to 2% front end load may be charged from investors who invest in the plan.

#### **<sup>8</sup>2.2.13.3 Strategic Allocation Plan**

**Investment Policy:**

This allocation plan will be allocated between Equity CIS and Income CIS.

Strategic Asset Allocation means that the Management Company may, from time to time, change the allocations to Equity Scheme(s) and Income Scheme(s) based on fund manager's strategic view of economic indicators, investment time horizon and value of underlying assets.

Initially, the Management Company may seek to invest in the Collective Investment Schemes mentioned in Clause 2.2.3 of the Offering Document of ABL FPF.

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<sup>8</sup> Amended vide 2<sup>nd</sup> Supplemental Offering Document dated October 20, 2016. Sub-section 2.2.13.3, Investment Policy and Basic Features of 'Strategic Allocation Plan' shall be inserted.

**Basic Features:**

- a) Term/ Duration of the allocation plan: The duration of Strategic Allocation Plan will be Twelve (12) months (One Year) starting from first day of subscription period. However, the management company may change the duration of the plan with prior permission of the commission and by giving at least 90 days' notice to the plan investors.
- b) Subscription Period: The allocation plan will be open for subscription from 19 December 2016 to 29 December 2016, both days inclusive. Subscription for the allocation plan is for limited time period only.
  - a. Class "B" Units shall be issued to investors at the Offer Price, during subscription period. The units may carry Front-end and a Contingent Load.
  - b. Class "D" may be issued as Bonus units and shall not be charged with any Front end Load and Contingent load.
  - c. Class "F" units which will be issued as "Dividend re-Investment units" in case of reinvestment of any Cash Dividends announced (as defined in clause 5.5 of the Offering Document of ABL FPF) from time to time, net of any applicable taxes. These units shall not be charged with any Front end Load and Contingent load.
- c) After close of subscription period of this Plan, the subscription of new units will be suspended by the management company. The subscription may be re-opened after giving due notice and with approval by the commission.
- d) Front-end Load: 0 to 2% (not applicable during Pre-IPO). Management Company may waive the Front-end Load fully or partially at its own discretion to any investor.
- e) Contingent Load: Applicable in case of redemption of units before the Plan's maturity.
 

From Investment till 12 months:	1.5% of NAV
---------------------------------	-------------
- f) Back end Load Nil ]

**2.3 Investment outside Pakistan**

Investments outside Pakistan shall be subject to prior approval from the Commission, and the SBP. Such Investments may be made up to 30% of net assets of the Fund and are subject to a cap of US\$15 million.

**2.4 Changes in Investment Policy**

The investment policy of Allocation Plans will be governed by the Regulations and/or SECP directives. Any Fundamental change in the Investment Policy of any Allocation Plan will be implemented only after obtaining prior approval from SECP and giving 90 days prior notice to the Unit Holders as specified in the regulation.

**2.5 Investment Restrictions**

The Trust Property shall be subject to such exposure limits or other prohibitions as are provided in the Regulations, Trust Deed, this Offering Document of the Fund, circulars and directives and shall also be subject to any exemptions that may be specifically given to the Fund by SECP and are explicitly mentioned under the heading Exceptions to Investment Restriction in this offering document or subsequently in writing.

The Management Company on behalf of the Scheme shall not:

- 1- Purchase or sell -
  - Bearer securities;
  - Securities on margin;
  - Real estate, commodities or commodity contracts;
  - Securities which result in assumption of unlimited liability (actual or contingent);
  - Anything other than Authorized Investments as defined herein;
- 2- Participate in a joint account with others in any transaction;
- 3- Affect a short sale in a security whether listed or unlisted;
- 4- Take direct exposure to equities
- 5- Purchase any security in a forward contract
- 6- Lend, assume, guarantee, endorse or otherwise become directly or contingently liable for or in connection with any obligation or indebtedness of any person as specified in the Regulation;
- 7- Make any investment which will vest with the Management Company or its group the management or control of the affairs of the investee company.
- 8- Invest in securities of the Management Company
- 9- Issue a senior security which is either stock or represents indebtedness, without the prior written approval of the Commission
- 10- Apply for de-listing from stock exchange, unless it has obtained prior written approval of the Commission.
- 11- Sell or issue Units for consideration other than cash unless permitted by the Commission on the basis of structure and investment policy of the Scheme.
- 12- Merge with, acquire or take over any scheme, unless it has obtained the prior approval of the SECP in writing to the scheme of such merger, acquisition or take over.
- 13- Invest the subscription money until the closure of initial offering period.
- 14- Enter on behalf of the Scheme, into underwriting or sub-underwriting contracts.
- 15- Subscribe to an issue underwritten, co-underwritten or sub-underwritten by group companies of the Management Company.
- 16- Pledge any of the securities held or beneficially owned by the Scheme except as allowed under the Regulations.
- 17- Accept deposits
- 18- Make a loan or advance money to any person from the assets of the Scheme
- 19- Rating of any Bank or window of scheduled commercial banks, DFI, NBFC, and Modraba with which Funds are placed shall not be lower than **A+**.

In case of redemptions requests are pending due to constraint of liquidity in the Fund, for more than the period as stipulated in the Regulations, the Management Company shall not make any fresh investment or rollover of any investment.

The Fund shall invest in other CIS only as specified in Clause 2.2.3 above, and/or other Authorized Investments (unless otherwise allowed under the Rules, Regulations, and/or any directives issued or any exemption granted by the Commission to the Fund and/or to the Management Company).

The Management Company in managing the Fund shall abide by all the provisions of the Trust Deed, the Offering Document, the Regulations and any other applicable laws.

The Fund Property shall be subject to such Exposure and investment limits and parameters as are provided in the Regulations, Trust Deed and Offering Document

(subject to any written exemptions that may be specifically given to the Fund and/or to the Management Company by the Commission).

## **2.6 Exemption to investment Restrictions**

In order to protect the right of the Unit Holders, the Management Company may take an Exposure in any unauthorized investment due to recovery of any default proceeding of any counter party of any Authorized Investment with the approval of the Commission .

## **2.7 Financing Arrangement**

Subject to any statutory requirements for the time being in force and to the terms and conditions herein contained, the Management Company may arrange financing for account of the Scheme, with the approval of the Trustee, from Banks, Financial Institutions, or such other companies as specified by the Commission from time to time. The financing, however, shall not be resorted to, except for meeting the redemption requests and shall be repayable within a period of ninety days and such financing shall not exceed fifteen (15) percent of the net Assets or such other limit as specified by the Commission of the scheme at the time of financing.

If subsequent to such financing, 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 financing.

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, financial institutions and non-banking finance companies. The Trustee or the Management Company shall not in any manner be liable in their personal capacities for repayment of such financings.

For the purposes of securing any such financing, 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 Regulations and/or any law for the time being in force.

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 Restriction of Transaction with Connected Persons**

- a) The Management Company in relation to the Scheme / Allocation Plans under the Scheme shall not invest in any security of a company if any director or officer of the Management Company owns more than five per cent of the total amount of securities issued, or, the directors and officers of the Management Company own more than ten per cent of those securities collectively subject to exemption provided in the Regulations.
- b) The Management Company on behalf of the Scheme shall not without the approval of its Board of Directors in writing and consent of the Trustee, purchase or sell any



security from or to any Connected Person or employee of the Management Company.

- c) Provided that above shall not be applicable on sale or redemptions of Units.
- d) For the purpose of sub-paragraphs (a) and (b) above the term director, officer and employee shall include spouse, lineal ascendants and descendants, brothers and sisters.
- e) All transactions carried out by or on behalf of the Scheme/ Allocation Plans under 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.

## 2.9 Risk Disclosure

The Management Company shall ensure that effective risk control measures are in place for the protection of the Unit Holder's interests.

The objective of the risk control process is to endeavor to monitor and manage the various types of risks, including market risks, credit risks and operational risks, with a view to achieving the investment objective of the allocation plan.

- a) The target return / dividend range cannot be guaranteed and it should be clearly understood that the portfolio of the Allocation Plans is subject to market price fluctuations and other risks inherent in all such investments. The risks emanate from various factors that include, but are not limited to:

The Fund is subject to the following risks:

- i) **Equity Risk** - Companies issue equities, or stocks, to help finance their operations and future growth. The Company's performance outlook, market activity and the larger economic picture influence the price of a stock. Usually when the economy is expanding, the outlook for many companies is good and the stock prices may rise and vice versa.
- ii) **Government Regulation Risk** - Government policies or regulations are more prevalent in some securities and financial instruments than in others. Funds that invest in such securities may be affected due to change in these regulations or policies, which directly or indirectly affect the structure of the security and/or in extreme cases a governmental or court order could restrain payment of capital, principal or income.
- iii) **Credit Risk** - Credit Risk comprises Default Risk and Credit Spread Risk. Each can have negative impact on the value of the income and money market instruments including Sukuks etc.
- iv) **Default Risk** - The risk that the issuer of the security will not be able to pay the obligation, either on time or at all;
- v) **Credit Spread Risk** - The risk that there may be an increase in the difference between the return/markup rate of any issuer's security and the return/markup rate of a risk free security. 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 income and including money market instruments;

- vi) Country or Political Risk** – The uncertainty of returns caused by the possibility of a major change in the political or economic environment of the country such as break down of law and order, war, natural disasters, etc. and any governmental actions or legislative changes.
- vii) Price Risk** - The price risk is defined as when the value of the Fund rises and falls as a result of change in interest rates and market dynamics.
- viii) Liquidity Risk** –The risk where the entity may not be able to generate sufficient cash resources to settle its obligation in full as they fall due or can only do so on terms that are materially disadvantageous to the entity.
- ix) Settlement Risk** – At times, the Fund may encounter settlement risk in purchasing / investing and maturing / selling its investments which may affect the Fund’s performance etc.
- x) Reinvestment Rate Risk** –In a declining profit/ markup rate economic environment, there is a risk that maturing securities or coupon payments will be reinvested at lower rates, which shall reduce the return of the Fund compared to return earned in the preceding quarters.
- xi) Events Risk** - There may be adjustments to the performance of the Fund due to events including but not limited to, natural calamities, market disruptions, mergers, nationalization, insolvency and changes in tax law.
- xii) Redemption Risk** - There may be special circumstances in which the redemption of Units may be suspended or the redemption payment may not occur within six working days of receiving a request for redemption from the investor.
- xiii) Interest Rate Risk** – A rise or decline in interest rates during the investment term may result in a change in return provided to the investors.
- xvi) Distribution Taxation Risk:** Dividend distribution may also be liable to tax because the distributions are made out of the profits earned by the Fund, and not out of the profits earned by each Unit holder. Unit holders who invest in a fund before distribution of dividends may be liable to pay tax even though they may not have earned any gain on their investment as return of capital to investors upon distribution is also taxable.

## **2.10 Disclaimer**

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

### **Disclosure:**

There may be times when a portion of the investment portfolio of the Scheme / Allocation Plans under Scheme is not compliant either with the investment policy or the minimum investment criteria of the assigned ‘category’. This non-compliance may be due to various reasons including, adverse market conditions, liquidity constraints or

investment – specific issues. Investors are advised to study the latest Fund Manager Report specially portfolio composition and Financial Statements of the Scheme / Allocation Plans under Scheme to determine what percentage of the assets of the Scheme, if any, is not in compliance with the minimum investment criteria of the assigned category. The latest monthly Fund Manager Report as per the format prescribed by Mutual Funds Association of Pakistan (MUFAP) and financial statements of the Scheme / Allocation Plans under Scheme are available on the website of the Management Company and can be obtained by calling / writing to the Management Company.

### 3. OPERATORS AND PRINCIPALS

#### 3.1 Management Company

ABL Asset Management Company Limited (ABL AMC) is a Non-Banking Finance Company licensed to undertake Asset Management Services as per the NBFC Rules. 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:

Name	Number of Shares	Amount (Rupees)
Allied Bank Limited	49,999,993	499,999,930
Sheikh Mukhtar Ahmed	1	10
Mr. Mohammad Naeem Mukhtar	1	10
Mr. Muhammad Waseem Mukhtar	1	10
Mr. Tariq Mahmood	1	10
Mr. Kamran Nishat	1	10
Mr. M. Shakeb Murad	1	10
Mr. M. Jawaid Iqbal	1	10
<b>Total</b>	<b>50,000,000</b>	<b>500,000,000</b>

#### 3.2 Holding Company

Allied Bank Limited 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.

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 70 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. 89 billion, deposits in excess of Rs. 705 billion and total assets equaling Rs. 957 billion as at September 30<sup>th</sup>, 2015. 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 1,000 branches and more than 890 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 plus) and short-term rating to A1+ (A one plus).

Allied Bank Limited has been named as the "Strongest Bank by Balance Sheet in Pakistan" in the prestigious "Asian Banker Strongest Bank by Balance Sheet Ranking 2015". The award recognizes the strength, liquidity and sustainability of the Balance Sheet (2014) in a challenging market place, relative to peers in the industry. The Bank was also awarded the "Best Bank of the Year" and "Best Corporate Finance House (Equity & Advisor) of the Year 2014" by the prestigious CFA institute Pakistan.

### 3.3 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 Naeem Mukhtar	33100-9500762-5	Industrialist	3, Race course road, Civil line Faisalabad .	Director	1. Ibrahim Fibers Limited. 2. Ibrahim Agencies (Pvt.) Ltd. 3. Allied Bank Limited. NMF - LUMS
Mr. Muhammad Waseem Mukhtar	33100-0579090-9	Industrialist	3, Race course road, Civil line Faisalabad .	Director	1. Allied Bank Ltd. 2. Ibrahim Fibers Ltd. 3. Ibrahim Agencies (Pvt.) Ltd. 4. Arabian Sea Country Club
Mr. Tariq Mahmood	37405-3454575-9	CEO & President ABL	House # 210/10, Firdowsi Road, Lalkurti Rawalpindi Cantt	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 Director	1. Muller & Phipps Pakistan (Private) Limited. 2. Cyan Limited.
Mr.	42301-	Chairman	House #	Independent	1. Chairman-Bench Matrix (Pvt) Ltd.

Muhamma d Kamran Shehzad	092979- 5	Benchmatri x Pvt. Ltd.	111, Kh-e- Saadi, phase VII DHA, Karachi.	Director	2. Exide Battery 1) Mapout Modaraba Managem ent company
Mr. Farid Ahmed Khan	42201- 8134436 -5	CEO-ABL AMCL	7/2 Khayaban- e-Muhafiz, Phase-6, DHA, Karachi.	CEO/Directo r	1. FINCA Microfinance Bank Limited

### 3.3.1 Profile of Directors

**Sheikh Mukhtar Ahmed**, started his business career immediately after migrating from India at the time of Independence of Pakistan in 1947 and contributed to the industrial and business growth of Pakistan through his entrepreneurship skills and business acumen. He has over 55 years of experience in establishing and successfully managing various industrial and financial companies. Under his auspices, Ibrahim Group has emerged as a leading conglomerate of the country. He joined the Board of Allied Bank in 2004 and the ABL AMC Board in 2008.

**Mohammad Naeem Mukhtar**, is Chairman of the Board of Allied Bank since 2004. He has done his MBA from Cardiff Business School U.K., Post Graduate diploma in Textiles from U.K. and Chartered Textile Engineer (CText ATI) from The Textile Institute in Manchester, U.K. He has 27 years of experience of Finance and Industry. Besides Chairman of Board of Directors of Allied Bank, he is also the Chief Executive Officer of M/s Ibrahim Fibres Limited, Director of M/s Ibrahim Agencies (Pvt.) Limited and Member Board of Governors of National Management Foundation, the parent body of Lahore University of Management Sciences (LUMS).

**Muhammad Waseem Mukhtar**, holds a Master's degree in Total Quality Management (TQM) from University of Glamorgan, Wales, UK and has diversified experience of Finance, IT and Industry. He is on the Board of Allied Bank since 2004. His proactive strategic guidance played a vital role in technological up-gradation to enhance service quality across Allied Bank. He joined the Board of the ABL AMC in 2010.

**Mr. Tariq Mahmood**, is amongst one of the senior most serving bankers in the country with over 42 years rich banking experience. He completed his postgraduate degree in commerce in the year 1970 and obtained a certification in Islamic Banking in the year 2006, in addition to having attended various leadership and strategy workshops within the country as well as, abroad. Mr. Tariq started his career in 1971 with Habib Bank Ltd. In 2007, Mr. Tariq Mahmood joined Allied Bank as Senior Executive Vice President and Group Chief (Operations). He took over as Group Chief, Banking Systems Implementation Group, in 2012, responsible for overall transformation of the Bank's system from Unibank to Temenos 24. The Board of Directors of Allied Bank has appointed Mr. Tariq Mahmood as the Chief Executive Officer of the Bank, effective June 17, 2013.

**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.

**Kamran Shahzad** is former Deputy Governor of State Bank of Pakistan. His distinguished career spreads over a period of 38 years in Central and Commercial/ Banking and Finance. During his time at SBP Shahzad spearheaded banking sector reforms, privatization of State owned Institutions and development of Micro Finance amongst other initiatives.

**Farid Ahmed Khan, CFA** is the CEO of ABL Asset Management since 2010. He has been involved with capital markets for over 22 years and has a broad-based, global experience with bulge bracket firms in Fund Management, Investment Banking, Investment Research and Sales, Business Development & Project Finance. He joined ABL AMC from Credit Suisse, where he was the Country Manager of Credit Suisse Pakistan. Prior to that, he worked for MCB Bank, initially as Head of Investment Banking Group and later as the CEO of MCB Asset Management. Farid has extensive experience outside Pakistan, having worked at Morgan Stanley, ING Barings Securities and CLSA Emerging Markets in Kuala Lumpur, Singapore, London and Istanbul in a variety of senior positions. Farid also serves on the board FINCA Microfinance Bank and is also a member of Corporate Leaders Advisory Board of IBA, Karachi.

Farid is an MBA from IBA, Karachi and received his CFA charter in 1998.

### **3.3.2 Profile of Management**

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

Please refer to as explained above in Profile of Directors

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

Khalid brings with him a rich experience of more than 32 years. He has served Allied Bank for 25 years both in Corporate and Retail sectors and for last 7 years he is serving for ABL Asset Management Company. Before joining ABL AMC, he was the Head of Karachi City Region of Allied Bank, which is the largest region of Pakistan for ABL in terms of business. As Head of Karachi City Region 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 and 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.

As Core member of the team in ABL Asset Management Co, he is heading the Marketing and sales departments since inception of the company (2008) as Head of Business Development. He has worked hard in creating the entire corporate, retail and marketing departments with special emphasis on the awareness of mutual funds and its benefits to the masses. His main achievement as Head of Business Development is the development of largest retail structure for ABL AMC throughout Pakistan by distributing funds through over 1000 branches of Allied Bank.

**Mr. Saqib Matin, ACA, APA**  
**Chief Financial Officer & Company Secretary**

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. Muhammad Imran**  
**Chief Investment Officer**

Imran has over sixteen years of diversified experience in Treasury and Fund Management. He has held different senior positions in leading financial institutions. Before joining ABL Asset Management, he was Senior Fund Manager at MCB Asset Management Company Limited. Prior to that, he was associated with AMZ Asset Management as Head of Fixed Income Funds and was instrumental in establishing the company, developing its treasury systems and successful launching of different open ended funds. He also worked for Arif Habib Investment in Fixed Income Fund Management side and has also had successful stints at Saudi Pak Leasing Company Limited and Pakistan Emerging Ventures Limited. Devising strategies to earn profit from market inefficiencies is his key strength and his views on financial markets are much sought after by participants.

Mr. Imran is an MBA in Finance and member of Financial Market Association of Pakistan (FMAP).

**Mr. Mubeen Ashraf Bhimani**  
**Chief Internal Auditor**

Mubeen is a Chartered Accountant from Institute of Chartered Accountants of Pakistan and holds Bachelor's in Commerce from University of Karachi. He has around 7 years of post-qualification experience which includes working as Deputy Director (Monitoring & Inspection Wing, Supervision Department, Specialized Companies Division) at Securities and Exchange Commission of Pakistan, as Manager Internal Audit at Sui Southern Gas Company Limited and as Assistant Manager, Audit and Assurance at Deloitte Pakistan (Yousuf Adil Saleem & Company Chartered Accountants). He completed his articleship from Ernst & Young Pakistan (Ford Rhodes Sidat Hyder & Company Chartered Accountants). During his career, Mubeen has been actively involved in onsite inspections of Non-Banking Finance Companies including mutual funds and Modaraba sector.

Besides, he has also conducted external and internal audits of various financial institutions including banks, manufacturing, service and trading companies.

**Syed Hassan Mehdi**  
**Head of RS & Operations**

Hassan has over a decade experience of working with leading financial institutions. In the initial years of his career, he was associated with the Union Leasing, subsidiary owned by Union bank Limited where he was looking after credit admin area of the leasing portfolio. Later on, Hassan joined NBP Fullerton Asset Management Limited (NAFA), a subsidiary owned by NBP and Fullerton, Singapore. At NAFA he looked after the operations department and was instrumental in launching numerous funds managed by the company. Hassan's latest assignment is as Head of Registrar Services and Operations with ABL Asset Management Company (ABL AMC), subsidiary of Allied Bank Limited. At ABL AMC, he's the central force in launching of funds and supervising registrar services and operations. He plays additional role of handling client queries, working in close coordination with the Business Development Department.

**Mr. Muhammad Hassan Wali**  
**Head of Information Technology**

Hassan Wali joined ABL Asset Management Company Limited as Manager, Information Technology in May 2008. He holds a Master of Science in Information Technology. Prior to joining ABL AMC, Mr. Wali worked at Atlas Asset Management for three years. His IT exposure includes extensive experience spanning over 13 years in Software Development, Business Intelligence, Database Administration, IT planning , Budgeting, Infrastructure designing , Disaster Recovery, implementing ISO 27001 and implementing projects and procedure from conceptual stage to live systems.

**Syed Abid Ali**  
**Fund Manager**

Syed Abid Ali is the Fund Manager Equities at ABL AMC. Before taking this role, he has successfully led the Research department at ABL AMC for more than a year. Abid brings a rich experience of around eight years in Research with in depth understanding of Oil Marketing, Exploration & Production, Cement, Power and Petrochemical sectors. Prior to joining ABL AMC, he has worked for 6 years with Arif Habib Limited as an Assistant Vice President, where he focused on sell side research and assisted investment banking team on privatization and IPO mandates. Before joining AHL, he was working as an Equity Analyst with Taurus Securities Limited. Abid holds an MBA degree from Karachi University Business School.

**Faizan Saleem**  
**Fund Manager**

Faizan has over eight years of experience in the Portfolio Management & Investment Advisory. He is an MBA in Finance from SZABIST and has passed CFA Level II examination. Before joining ABL Asset Management, he was associated with UBL Fund Managers for 2 years as an Assistant Manager - Fixed Income Funds where he was the member of core investment team. Prior to UBL Funds, he worked with Akhai Capital Management as a Foreign Exchange Inter bank trader.



He joined ABL Asset Management in 2010 as a Senior Dealer and is responsible for assisting the fund management in strategy formulation, portfolio construction, assessment of existing portfolio and trading of different money market instruments for all fixed income funds managed by ABL AMC. Currently, he is looking after three Open ended Fixed Income Funds which are ABL Cash Fund (ABL CF), ABL Income Fund (ABL IF) & ABL Government Securities fund (ABL- GSF). He also looks after all the fixed income discretionary and non-discretionary portfolios.

### 3.4 Existing Schemes under Management and their performance -

#### ABL Income Fund (ABL-IF)

ABL-IF, an open end fixed income fund was launched on September 20, 2008 with an Initial fund size of Rs.1.84 billion. Since its inception ABL-IF AUM grew by 106% to Rs.3.79 billion as on October 31, 2015. The Fund has a low risk profile having low exposure in corporate debt instruments. The fund's portfolio primarily consists of placements with good rated banks/DFIs, investments in short term sovereign debt instruments and banking TFCs.

Launch Date	September 20, 2008
Nature of Fund	Open End
Category	Income fund
Trustee	CDC Pakistan Ltd
<b>Net Asset Value</b>	<b>Rs.3,796 million *</b>
Par Value per Share	Rs.10.00/-
N.A.V. per Share	Rs. 10.3229/- (Ex-Dividend)*
Listing	Karachi Stock Exchange
Benchmark	6-Month KIBOR
Rating	'A+(f)' by JCR – VIS

\*As of October 31, 2015

Date	30-Jun-09	30-Jun-10	30-Jun-11	30-Jun-12	30-Jun-13	30-Jun-14	30-Jun-15
NAV (PKR/unit)	10.0166	10.0164	10.0195	10.0289	10.0098	10.0409	10.0259
Distribution (PKR/unit)	1.0598	1.0544	1.1144	1.1138	0.9734	0.7631	1.437
Net Assets (PKR,000)	6,872,176	8,360,054	4,878,536	3,784,263	2,477,00	1,682.000	1,953,420



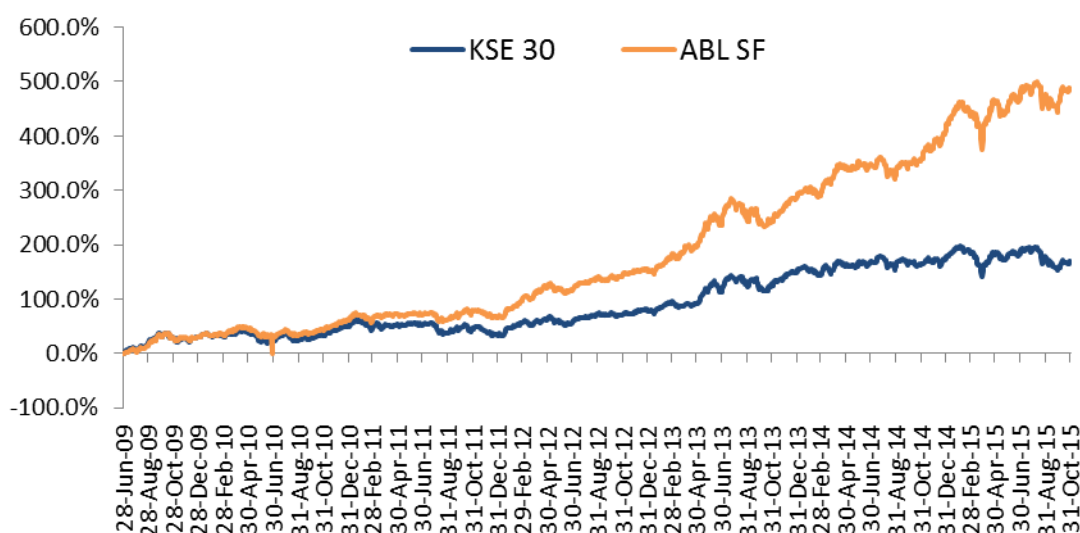
**ABL Stock Fund (ABL-SF)**

ABL-SF, an open end equity fund, was launched on June 28, 2009 with an Initial fund size of Rs.361.2 million. The Scheme has a high risk profile having direct exposure to the stock market. The Scheme’s portfolio primarily consists of quality blue-chip stocks.

Launch Date	June 28 <sup>th</sup> , 2009
Nature of Fund	Open End
Category	Equity
Trustee	CDC Pakistan Ltd
Net Asset Value	Rs.2,670.41 mn *
Par Value per Share	Rs.10.00/-
N.A.V per Share	Rs.13.7058/- *
Listing	Karachi Stock Exchange
Benchmark	KSE-30 index
Rating (Based on average Five years performance)	MFR 4-Star (JCR-VIS)

\*As of October 31, 2015

Date	30-Jun-09	30-Jun-10	30-Jun-11	30-Jun-12	30-Jun-13	30-Jun-14	30-Jun-15
NAV (PKR/unit)	9.9829	10.0134	10.0408	10.2491	15.975	11.4246	13.5337
Distribution (PKR/unit)	Nil	3.2813	2.928	2.4077	5.327	4.2571	0.2000
Net Assets (PKR,000)	218,499	376,158	642,032	255,749	783,390	1,114,210	2,256.49



**ABL Cash Fund (ABL-CF)**

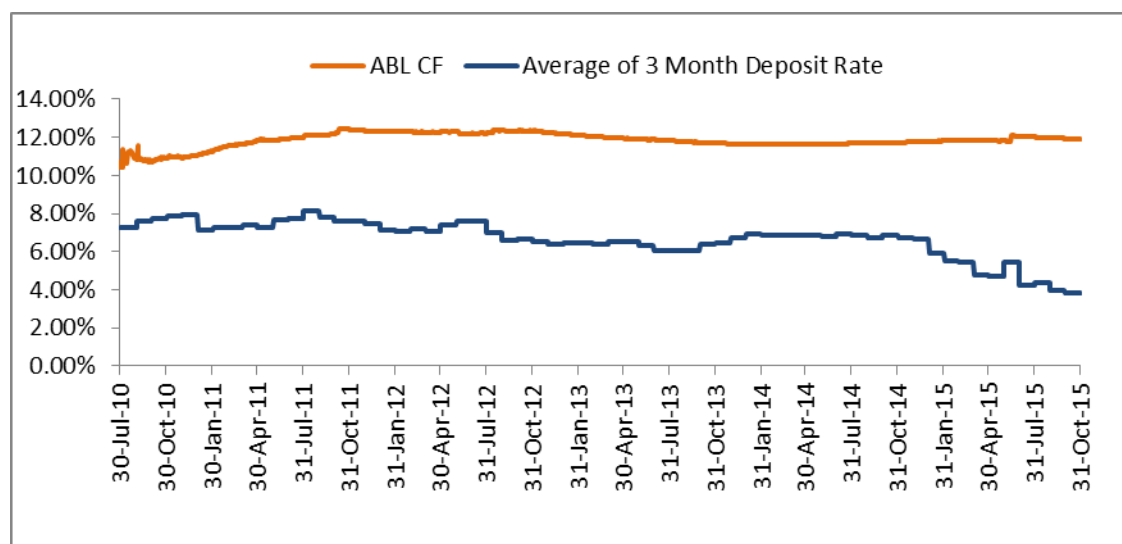
ABL-CF, an open end money market fund was launched on July 30, 2010 with an Initial fund size of Rs.1.78 billion. Since its inception ABL-CF AUM grew by 194% to Rs.5.24 billion as on October 31, 2015. The Fund has a low risk profile due to its low duration and

investment in high quality assets. The fund's portfolio primarily consists of placements with high rated banks/DFIs and investments in short term sovereign debt instruments.

Launch Date	July 30, 2010
Nature of Fund	Open End
Category	Money market
Trustee	CDC Pakistan Ltd
Net Asset Value	Rs. 5,238.73 million *
Par Value per Share	Rs.10.00/-
N.A.V. per Share	Rs. 10.2223/- (Ex-Dividend)*
Listing	Karachi Stock Exchange
Benchmark	50%- Avg. 3 month bank deposit rate & 50% -3M PKRV
Rating	'AA(f)' by JCR – VIS

\*As of October 31, 2015

Date	30-Jun-11	30-Jun-12	30-Jun-13	30-Jun-14	30-Jun-15
NAV (PKR/unit)	10.0188	10.0247	10.0077	10.0247	10.0203
Distribution (PKR/unit)	1.0298	1.0739	0.8955	0.772	0.9422
Net Assets (PKR,000)	10,650,817	16,385,230	13,952,627	15,395,720	6,351,790



\*Benchmark has changed from avg. 3 month bank deposits to 50% avg. 3 month bank deposit rate & 50% -3M PKRV (net of expenses) as of March 01, 2013

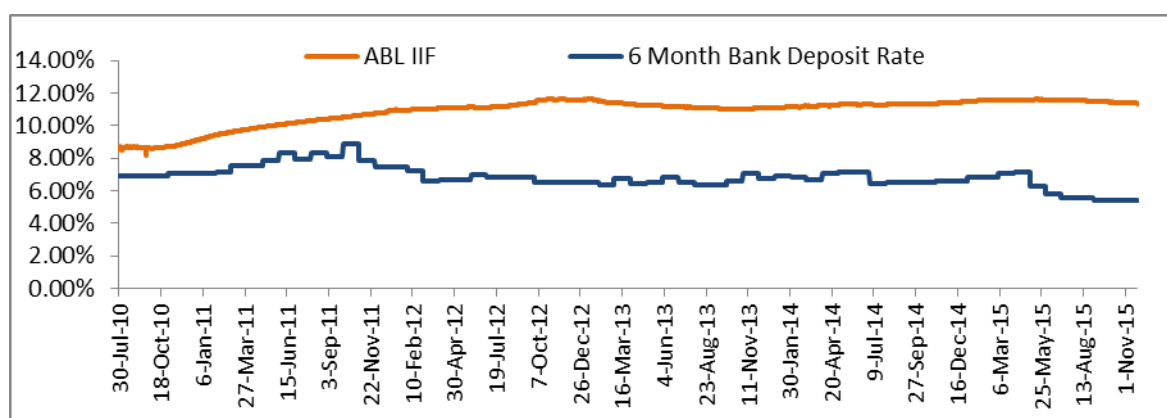
#### ABL Islamic Income Fund (ABL-IIF)

ABL-IIF, an open end Islamic money market fund was launched on July 30, 2010 with an Initial fund size of Rs.401 million. Since its inception ABL-IIF AUM grew by 356% to Rs.1,824 million as on October 31, 2015. The fund has been converted from money market fund to fixed income fund effective from October 01, 2011 to augment returns for unit holders.

Launch Date	July 30, 2010
Nature of Fund	Open End
Category	Islamic income fund
Trustee	CDC Pakistan Ltd
Net Asset Value	Rs. 1,823.49 million *
Par Value per Share	Rs.10.00/-
N.A.V. per Share	Rs. 10.2393/- (Ex-Dividend)*
Listing	Karachi Stock Exchange
Benchmark	Average of 6 Month Deposit rates of 3 Islamic Banks
Rating	A+(f) (JCR-VIS)

\*As of October 31, 2015

Date	30-Jun-11	30-Jun-12	30-Jun-13	30-Jun-14	30-Jun-15
NAV (PKR/unit)	10.0163	10.0245	10.0086	10.0253	10.0282
Distribution (PKR/unit)	0.8857	1.0498	0.9081	0.8423	0.8662
Net Assets (PKR,000)	816,606	1,059,763	1,172.06	1,270,260	1,832,420



#### ABL Government Securities Fund (ABL-GSF)

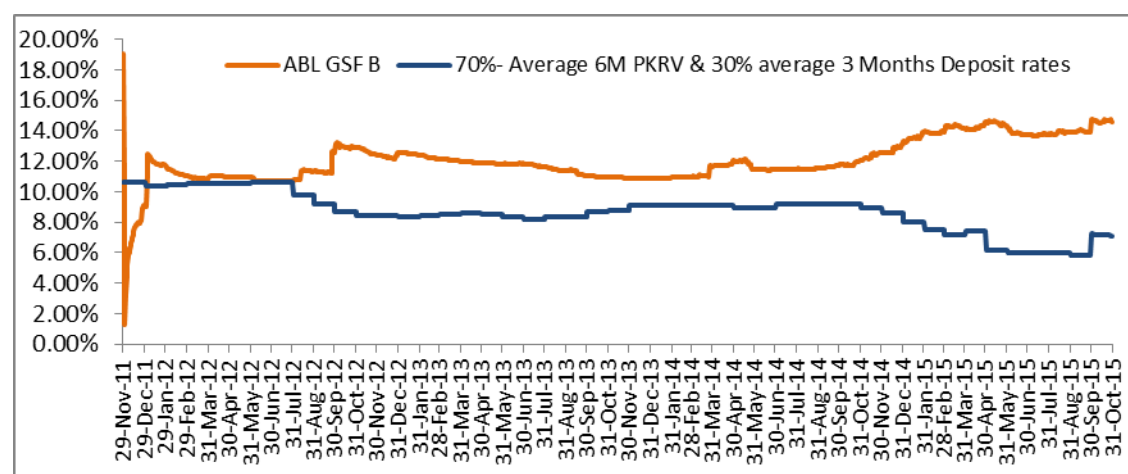
ABL-GSF, an open end Income fund was launched on November 30, 2011 with an Initial fund size of Rs.800 million. Since its inception ABL-GSF AUM grew by 14.18x to Rs.12.14 billion as on October 31, 2015. The fund's portfolio primarily consists of placements with good rated banks/DFIs and investments in sovereign debt instruments.

ABL FINANCIAL PLANNING FUND (OFFERING DOCUMENT)

Launch Date	November 30, 2011
Nature of Fund	Open End
Category	Income fund
Trustee	CDC Pakistan Ltd
Net Asset Value	Rs. 12,140.74 million *
Par Value per Share	Rs.10.00/-
N.A.V. per Share	Rs. 10.4081/- (Ex-Dividend)*
Listing	Karachi Stock Exchange
Benchmark	70% average 6m-PKRV & 30% average 3 Months - deposit rates of AA- & above rated banks
Rating	A+(f) (JCR-VIS)

\*As of October 31, 2015

Date	30-Jun-12	30-Jun-13	30-Jun-14	30-Jun-15
NAV (PKR/unit)	10.0246	10.0095	10.0412	10.0324
Distribution (PKR/unit)	0.5888	1.1385	0.8506	1.5242
Net Assets (PKR,000)	34,838,356	1,839,434	4,394,901	9,185,360



**ABL Islamic Stock Fund (ABL -ISF)**

ABL Islamic Stock Fund (ABL -ISF) is an Open-end, shariah compliant equity fund, launched on June 12, 2013 with an Initial fund size of Rs.532 million. Since its inception ABL-ISF AUM grew by 421% to Rs.2.77 billion as on October 31, 2015. The Scheme has a high risk profile having direct exposure to the stock market under Islamic principles. The Scheme's portfolio primarily consists of quality blue-chip stocks.

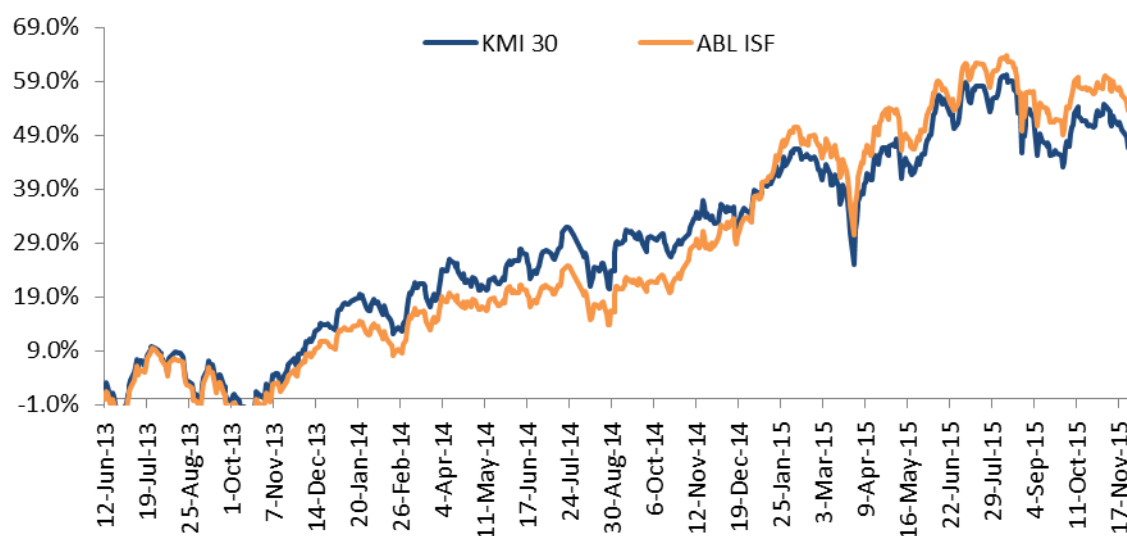
Launch Date	June 12, 2013
Nature of Fund	Open End
Category	Islamic Equity
Trustee	MCB Financial Services Limited
Net Asset Value	Rs. 2,769.85 million *
Par Value per Share	Rs.10.00/-

ABL FINANCIAL PLANNING FUND (OFFERING DOCUMENT)

N.A.V. per Share	Rs. 13.0996*
Listing	Karachi Stock Exchange
Benchmark	KMI-30
Rating (Based on One year weighted Average)	MFR 4-Star (JCR-VIS)

\*As of October 31, 2015

Date	30-Jun-13	30-Jun-14	30-Jun-15
NAV (PKR/unit)	9.6762	10.4246	12.9589
Distribution (PKR/unit)	Nil	2.0909	0.0330
Net Assets (PKR,000)	643	1,727,560	2,645,580



**ABL Islamic Principal Preservation Fund II (ABL –IPPF-II)**

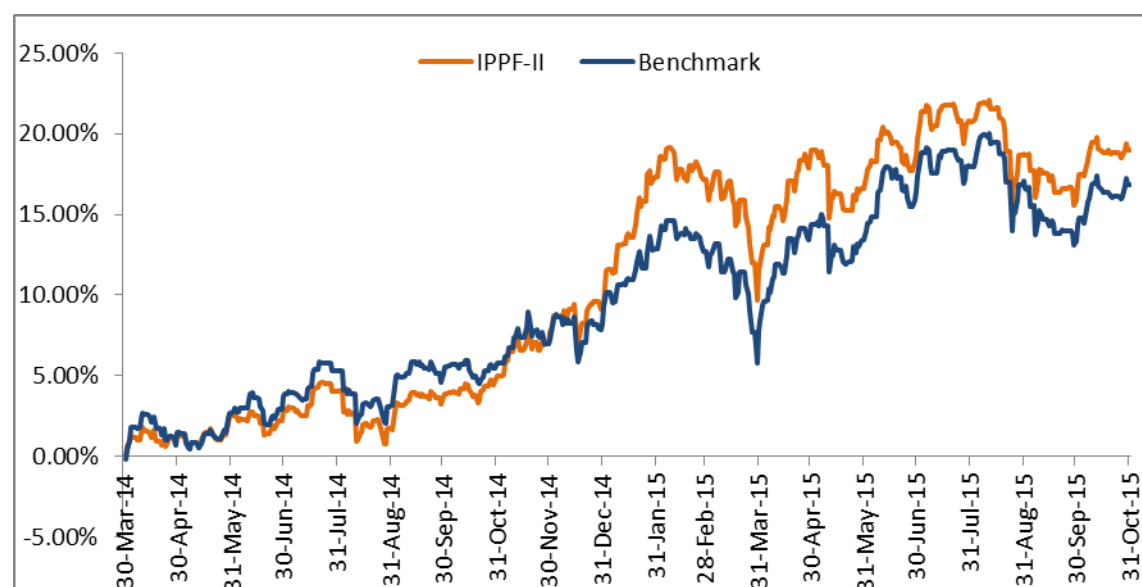
ABL Islamic Principal Preservation Fund II (ABL –IPPF-II) is an Open-end fund of funds scheme with a life span of 5 years, was launched on March 31, 2014 with an initial fund size of Rs.690 million. ABL-IPPF-II aims to provide higher risk adjusted return through dynamic asset allocation between Shariah Compliant Equity Scheme(s) and Shariah Compliant Income/Money Market Scheme(s) and balances with Islamic Banks or Islamic windows of Scheduled Commercial Banks while providing Principal preservation of the initial Investment value at maturity of the fund.

Launch Date	31-Mar-14
Nature of Fund	Open End
Category	Shariah Compliant Fund of Funds Scheme
Trustee	MCB Financial Services Limited
Net Asset Value	Rs. 1,148.01 mn*
Par Value per Share	Rs.10.00/-

N.A.V. per Share	Rs. 11.2887*
Listing	Islamabad Stock exchange
Benchmark	Weighted Average Daily Return of KMI - 30 Index and 3M Deposit
Performance Ranking	'CP2+ (JCR-VIS)

\*As of October 31, 2015

Date	30-Jun-14	30-Jun-15
NAV (PKR/unit)	10.1428	11.4728
Distribution (PKR/unit)	0.1346	0.2400
Net Assets (PKR,000)	1,029.890	1,148,490



### 3.5 Role and Responsibilities of the Management Company

The Management Company shall manage, operate and administer the Scheme in accordance with the Rules, Regulations directives, circulars and guidelines issued by SECP and this Deed and the Offering Document.

#### 3.5.1 Administration of the Scheme

The Management Company shall administer the Scheme/ Allocation Plans under the Scheme in accordance with the Rules, the Regulations, the Deed, this Offering Document, and the conditions (if any), which may be imposed by the Commission from time to time.

#### 3.5.2 Management of Fund Property

The Management Company shall manage the Fund Property in the interest of the Unit Holders in good faith, to the best of its ability and without gaining any undue advantage

for itself or any of its Connected Persons and group companies or its officers, and subject to the restrictions and limitations as provided in the Deed and the Rules and Regulations. Any purchase or sale of investments made under any of the provisions of the 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 Deed or the Rules and Regulations. The Management Company shall not be liable for any loss caused to the Trust or to the value of the Fund Property due to elements or circumstances beyond its reasonable control.

The Management Company shall comply with the provisions of the Regulations, the Deed and this Offering Document of the Scheme 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 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 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 willful act and / or omission or of its officers, officials or agents.

### **3.5.3 Appointment of Distributors**

The Management Company, shall from time to time under intimation to the Trustee appoint, remove or replace one or more suitable persons, entities or parties as Distributor(s) for carrying on Distribution Function(s) at one or more location(s) locally or internationally. The Management Company may also itself act as a Distributor for carrying on Distribution Functions and list of distributors would be available on official website of the Management Company.

The Management Company shall ensure, where it delegates the Distribution Function, that:

- (a) the Distributors to whom it delegates, have acquired registration with the Mutual Funds Association of Pakistan (MUFAP) as registered service providers and are abiding by the code of conduct prescribed by the Association; and
- (b) the written contract with the Distributors clearly states the terms and conditions for avoidance of frauds and sales based upon misleading information

### **3.5.4 Appointment of Investment Facilitator**

The Management Company may, at its own responsibility & cost, from time to time appoint Investment Facilitators to assist it in promoting sales of Units. An update list of investment facilitators appointed by the Management Company shall be made available at all times on the websites of the Management Company.

The Management Company shall ensure, where it appoints the investment facilitator, that:



- a. the investment facilitator have acquired registration with the Mutual Funds Association of Pakistan (MUFAP) as registered service providers and are abiding by the code of conduct prescribed by the Association; and
- b. the written contract with the Investment facilitator clearly states the terms and conditions for avoidance of frauds and sales based upon misleading information

### **3.5.5 Maintenance of Accounts and Records**

The Management Company shall maintain at its principal office, complete and 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/ Allocation Plan, all transactions for the account of the Scheme/ Allocation Plan, amounts received by the Scheme in respect of issue of Units, payments made from the Scheme on redemption of the Units and by way of distributions and payments made at the termination of the Scheme/ Allocation Plan. The Management Company shall maintain the books of accounts and other records of the Scheme/ Allocation Plan for a period of not less than ten years.

The Management Company shall ensure that no entry and exit from the Scheme (including redemption and re-issuance of Units to the same Unit Holders on different NAVs) shall be allowed other than the following manners, unless permitted otherwise by the Commission under the Regulations:

- a) cash settled transaction based on the formal issuance and redemption requests
- b) net off issuance and redemption transaction at same net asset value when redemption request is ready to disburse and rank at the top in the list of pending redemption requests (if any).

The Management Company shall clearly specify Cut-Off Timings (for acceptance of application forms of issuance, redemption, and conversion of Units of the Scheme) in this Offering Document, on its web site and at designated points. Such Cut-Off Timing shall uniformly apply on all Unit Holders.

The Management Company shall ensure all valid redemption request are paid based on ranking of the request in a queue.

### **3.6 Maintenance of Unit Holders Register**

- 3.6.1 A Register of Unit Holders may be maintained by the Management Company itself or such other company, as the Management Company may appoint after giving prior notice to the Unit Holders.
- 3.6.2 The office of the Transfer Agent/Registrar Services is located at 11-B, Lalazar, MT Khan Road, Karachi, where Register of Unit Holder will maintain.
- 3.6.3 Every Unit Holder will have a separate Registration Number. The Management Company shall use such Registration Number for recording Units held by the Unit Holder. Unit Holder's account identified by the registration number will reflect all the transactions in that account held by such Unit Holder.

### **3.7 Disclaimer**

The Management Company shall not be under any liability except such liability as may be expressly assumed by it under the Rules, 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 and the acts and omissions of all persons to whom it may delegate any of its functions as manager as if they were its own acts and omissions. 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 therefore 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.

### **3.8 Role of the Trustee**

- The trustee shall perform its role as specified in the Rules, Regulation and directives issued there under, this Deed and the Offering Document.
- 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 performance of its duties under this Trust Deed or in accordance with or pursuant to any request of the Management Company provided it is not in conflict with the provisions of this Trust Deed or the Rules and Regulations. Whenever pursuant to any provision of this Trust Deed, any instruction, certificate, notice, direction or other communication is required to be given by the Management Company, the Trustee may accept as sufficient evidence thereof:
  - a document signed or purporting to be signed on behalf of the Management Company by any authorized representative(s) whose signature the Trustee is for the time being authorized in writing by the Management Committee to accept; and
  - any Instructions received online through the software solution adopted by the Management Company/Trustee in consultation with each other shall be deemed to be instructions from the authorized representative(s)
- 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 of Force Majeure
- In the event of any loss caused due to any gross negligence or willful act and/or omission, the Trustee shall have an obligation to replace the lost investment forthwith with similar investment of the same class and issue together with all rights and privileges pertaining thereto or compensate the Trust to the extent of such loss. However 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.

#### **3.8.1 Obligations under Regulations and Constitutive Document**

The Trustee shall perform all the obligations entrusted to it under the Regulations, circulars, directives, the Deed and this Offering Document and discharge all its duties in accordance with the Rules, Regulations, the Trust Deed and this Offering Document. Such duties 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 under intimation to the Management Company. Provided that the Trustee shall be responsible for the willful 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 Fund Property where such loss has been caused by negligence or any reckless willful act or omission of the Trustee or any of its attorney (ies), or agents.

### **3.8.2 Custody of Assets**

The Trustee has the responsibility for being the nominal owner and for the safe custody of the assets of the Fund on behalf of the beneficial owners (the Unit Holders), within the framework of the Regulations, the Trust Deed and Offering Document issued for the Fund.

### **3.8.3 Investment of Fund Property at direction of Management Company**

The Trustee shall invest the Fund 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 Deed, this Offering Document(s), the Regulations, circulars, directives and the conditions (if any) which may be imposed by the Commission from time to time.

### **3.8.4 Carrying out instructions of the Management Company**

The Trustee shall carry out the instructions of the Management Company in all matters including investment and disposition of the Fund Property unless such instructions are in conflict with the provisions of the Deed, this Offering Document(s), the Regulations, the Circulars and Directives of SECP or any other applicable law.

### **3.8.5 Liabilities of the Trustee**

The Trustee shall not be under any liability except such liability as may be expressly assumed by it under the Rules, the Regulations and/or the Deed, nor shall the Trustee (save as herein otherwise provided) be liable for any act or omission of the Management Company or for anything except for loss caused due to its willful acts or omissions or that of its agents in relation to any custody of assets of investments forming part of the Fund Property. If for any reason it becomes impossible or impracticable to carry out the provisions of the Deed the Trustee shall not be under any liability therefor 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. The Trustee shall not be liable for any loss caused to the Trust or to the value of the Fund Property due to any elements or circumstances beyond its reasonable control.

### **3.9 Disclaimer**

The Trustee shall not be under any liability except such liability as may be expressly assumed by it under the Rules and Regulations and the Deed nor shall the Trustee be liable for any act or omission of the Management Company nor for anything except for loss caused due to its willful acts or omissions or that of its agents in relation to any custody of assets of investments forming part of the Trust Property. If for any reason it becomes impossible or impracticable to carry out the provisions of the Deed the Trustee shall not be under any liability therefore 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.

### **3.10 Transfer Agent/Registrar Services**

The Management Company will perform duties as the Transfer Agent/Registrar Services of the Fund until any further notice and intimation to the Trustee. The Management Company will be responsible for maintaining the Unit Holder's Register, preparing and issuing account statements, Unit Certificates and dividend advice and providing related services to the Unit Holders.

### **3.11 Custodian**

MCB Financial Services Limited will be performing the functions of the custodian of the Trust Property. The salient features of the custodial function are:

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

The Trustee may, in consultation with the Management Company, from time to time, appoint, remove or replace one or more Custodian(s) for performing the Custodian Function at one or more locations, on terms and conditions to be agreed between the Custodian and the Trustee and agreed by the Management Company for the safe keeping of any portion of the Trust Property.

### **3.12 Distributors/Facilitators**

3.12.1 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 (if they fulfill the requirement of regulations) or terminate the arrangement with any Distributor and intimate the Trustee and Commission accordingly. The Management Company may itself perform the functions of a Distributor either directly or through sub-distributors.

3.12.2 The Distributors will be responsible for receiving applications for Purchase, Redemption, Conversion or Transfer of Units etc. They will be interfacing with and providing services to Unit Holders, including receiving applications for change of address or other particulars or applications for issuance of duplicate certificates, requests for income tax exemption or Zakat exemption, etc. for immediate transmission to the Management Company or Transfer Agent as appropriate for further action. The Management Company shall remunerate the Distributors out of its resources and/or from Sales Load.

3.12.3 The Management Company may, at its sole discretion, 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 and/or from Front-end Load.

### **3.13 Auditors**

M. Yousuf Adil Saleem & Co.

Chartered Accountants  
Cavish Court, A-35, Block 7 & 8  
KCHSU Sharea Faisal, Karachi

- 3.13.1 They will hold office until the transmission of the reports and accounts, which will cover the period from commencement of the Trust up to the end of the Accounting Period and will, afterwards, be eligible for reappointment by the Management Company with the concurrence of the Trustee. However, an auditor may be reappointed for such terms as stipulated by the Regulations and/or the Ordinance, as amended from time to time. The appointment of Auditor and contents of the Auditor's report shall be in accordance with the provisions of the Rules and Regulations.
- 3.13.2 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.
- 3.13.3 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.
- 3.13.4 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, profit and loss account, cash flow statement and statement of movement in Unit Holders' Funds and on every other document forming part of the balance sheet and profit and loss account, including notes, statements or schedules appended thereto.
- 3.13.5 The contents of the Auditors report shall be as mentioned in the Regulations.

### **3.14 Legal Advisors**

**M/s. Bawaney & Partners**  
Office # 404, 4<sup>th</sup> Floor, Beaumont Plaza, Near PIDC, Karachi. Bankers

### **3.15 Bankers**

Allied Bank Limited  
Bank Alfalah  
Faysal Bank Limited  
Soneri Bank Limited  
NIB Bank Limited

### **3.16 Bank Accounts**

- a) <sup>9</sup>[The Trustee, at the request of the Management Company, shall open Bank Account(s) titled:

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<sup>9</sup> Substituted vide 2<sup>nd</sup> Supplemental Offering Document dated October 20, 2016. The substituted clause (sub-clause 3.16 (a)) read as follows:

- a) *The Trustee, at the request of the Management Company, shall open Bank Account(s) titled:*

1. MCBFSL Trustee ABL Financial Planning Fund-Conservative Allocation Plan
2. MCBFSL Trustee ABL Financial Planning Fund -Active Allocation Plan
3. MCBFSL Trustee ABL Financial Planning Fund -Strategic Allocation Plan

for the Unit Trust at designated Banks inside or outside Pakistan, subject to the relevant laws, Trust Deed, Rules and Regulations, for collection, investment, redemption or any other use of the Trust's Funds. The Management Company may also require the Trustee to open Bank Account(s) as Distribution Account(s) for dividend distribution out of the Unit Trust. Notwithstanding anything in the Deed, the beneficial ownership of the balances in the Accounts shall vest in the Unit Holders]

- b) All bank charges for opening and maintaining Bank Accounts for the Trust shall be charged to the respective Allocation Plan. 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.
- c) The amounts received from the Investors before the Initial Period shall be deposited in a Bank Account of the respective Allocation Plan and any income, profit etc. earned and/or accrued on the investments of that amount up to and including the day before the opening of Initial Period shall not form part of the Trust Property and shall be paid by the Management Company or the Trustee to those Investors participated before the Offering Period, either in cash or in additional Units as selected by those Investors, in proportion of their investments.
- d) The Trustee shall, if requested by the Management Company at its discretion also open a separate Account designated by the Management Company at designated Banks or window of Conventional Banks. These account(s) may be used for the purpose of collection of sale proceeds, where collections received on account of subscription of Units by investors of various unit trusts and the administrative plans that are managed by the Management Company shall be held prior to their being allocated and transferred to pertinent unit trust(s). Such account(s) may also be used for temporary parking for the purpose of redemption. Provided however, in relation to the other unit trusts managed by the Management Company mentioned above, there are similar provisions in the trust deeds of such Funds and have Trustee as common between them such. Such accounts shall be in the title of "**MCBFSL Trustee ABLAMC Funds**".

### 3.17 Rating of the Scheme

The Management Company will be obliged to obtain a performance ranking of the Scheme, once the Scheme becomes eligible as per the criteria of the rating agency, and such ranking shall be updated at least once every Financial Year and also published in the annual and quarterly reports of the Scheme as well as on the Management Company's website.

- 
1. *MCBFSL Trustee ABL Financial Planning Fund-Conservative Allocation Plan*
  2. *MCBFSL Trustee ABL Financial Planning Fund -Active Allocation Plan*

*for the Unit Trust at designated Banks inside or outside Pakistan, subject to the relevant laws, Trust Deed, Rules and Regulations, for collection, investment, redemption or any other use of the Trust's Funds. The Management Company may also require the Trustee to open Bank Account(s) as Distribution Account(s) for dividend distribution out of the Unit Trust. Notwithstanding anything in the Deed, the beneficial ownership of the balances in the Accounts shall vest in the Unit Holders*

### 3.18 Minimum Fund Size

The minimum size of an open end scheme shall be one hundred million rupees at all times during the life of the scheme. In case of after the initial public offering or subsequently at any time if the size of open end scheme falls below that minimum size of one hundred million rupees, the asset management company shall ensure compliance with the minimum fund size within three (3) months of its breach and if the fund size remains below the minimum fund size limit for conservative ninety (90) days the asset management company shall immediately intimate the grounds to the commission upon which it believes that the scheme is still commercially viable and its objective can still be achieved.

## 4. CHARACTERISTICS OF UNITS

### 4.1 Units

All Units of the Allocation Plans and fractions thereof represent an undivided share in the allocation Plan and rank pari passu as to their rights in the net assets, earnings, and the receipt of the dividends and distributions in their respective Allocation Plan. Each Unit Holder has a beneficial interest in the particular Type of Unit of the Allocation Plan, proportionate to the Units held by such Unit Holder under the pertinent Allocation Plan. For the convenience of investors, the Management Company may issue Units with different options for different arrangements as chosen by the investor from time to time, after seeking prior approval of the Commission and amending the Offering document.

### 4.2 Classes of Units

The Management Company may issue any of the following classes of Units for each of the Allocation Plans being offered by the Management Company:

- a) **Class "A" Units (Units for non-term-based Allocation Plans)** - Class "A" Units of an Allocation Plan shall be issued to Pre-IPO, IPO & post-IPO Investors of that Allocation Plan. Class "A" units may carry a Front-end load, however they will not have Contingent load.
- b) **Class "B" Units (for term-based Allocation Plans):** Class "B" Units of a term-based Allocation Plan will be issued to the Unit Holders of the pertinent term-based Allocation Plan during the subscription period (in Pre-IPO and IPO stages if applicable) of the plan. Class "B" units may carry Front-end load, a Contingent load.

**Note:** The offer of Class "B" Units for certain Allocation Plans may be opened only for specific time periods at the discretion of the Management Company and as per the terms and conditions of the Offering Document.

- (c) **Class "C" (Bonus Units for non-term-based Allocation Plans):** Class "C" units of an Allocation Plan are the Bonus Units for non-term-based Allocation Plans, which may be issued to the Unit Holders of certain Allocation Plans in case of bonus / stock dividend from time to time, net of any applicable taxes. These units shall not be charged with any Front-end Load and Contingent load.

- (d) **Class “D” (Bonus Units for term-based Allocation Plans):** Class “D” units of an Allocation Plan are the Bonus Units for term-based Allocation Plans, which may be issued to the Unit Holders of certain Allocation Plans in case of bonus / stock dividend from time to time, net of any applicable taxes. These units shall not be charged with any Front-end Load and Contingent load.
- (e) **Class “E” Units (Dividend re-Investment Units for non-term-based Allocation Plans):** Class “E” units of an Allocation Plan are the Units, which will be issued to the Unit Holders of non-term-based Allocation Plans in case of reinvestment of any Cash Dividends announced (as defined in clause 5.5) from time to time, net of any applicable taxes. These units shall not be charged with any Front-end Load and Contingent load.
- (f) **Class “F” Units (Dividend re-Investment Units for term-based Allocation Plans):** Class “F” units of an Allocation Plan are the Units, which will be issued to the Unit Holders of term-based Allocation Plans in case of reinvestment of any Cash Dividends announced (as defined in clause 5.5) from time to time, net of any applicable taxes. These units shall not be charged with any Front-end Load and Contingent load

Please refer to Annexure B for relevant features (applicable load) for various classes of units for different Allocation Plans.

Irrespective of the different classes of Units as set out above, all Units of an Allocation Plan issued from time to time shall rank pari passu inter se and shall have such rights as are set out in the Trust Deed and this Offering Document unless stated otherwise.

If a Unit Holder does not state his preference between getting a cash dividend or re-investing the dividend during the account opening stage, he will automatically be put in the dividend re-investment category. However, before a dividend is announced the Unit Holder can change this, opting for a cash dividend using a “Service Request Form.”

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

- (a) 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 of this Offering Document.
- (b) Units are issued after realization of subscription money
- (c) During the period the register is closed, the sale, redemption and conversion of Units will be suspended.
- (d) The Management Company may decline an applicant for issue of units 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 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. . 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:



- (a) Citizens of Pakistan resident in Pakistan. In respect of minors below 18 years of age, applications may only be made by their guardians.
- (b) 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.
- (c) 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.
- (d) 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.
- (e) Provident, Pension and Gratuity Funds constituted by organizations other than companies under Section 20 (h) of the Trusts Act 1882, (11 of 1882).
- (f) Insurance companies under the Insurance Ordinance, 2000.
- (g) Non-Profit Organization under Rule 213 (i) of the Income Tax Rules, 2002.

#### **4.4.2 How can Units be purchased?**

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

The procedure given below is designed for paper-based transactions. The Management Company at a later date after seeking approval of the Commission may introduce electronic/Internet based options for the transactions.

- (a) Before purchasing Units of the Fund an investor must open an account with Management Company using the Account Opening Form (Form 01) attached to this Offering Document.
- (b) In case of individuals, a photocopy of the Computerized National Identity Card (CNIC) or NICOP or Passport etc. of the applicant or any other form of identification acceptable to the Management Company needs to be furnished.
- (c) In case of a body corporate or a registered society or a trust the following documents would be required,
  - (i) Duly certified copy of the memorandum and articles of association/ Charter/ Byelaws or rules and regulations;
  - (ii) Duly certified copy of power of attorney and/or relevant resolution of the board of directors delegating any of its officers to invest the Funds and/ or to realize the Investment and;
  - (iii) Duly certified copy of the Computerized National Identity Card (CNIC) of the directors/trustees and officer(s) to whom the authority has been delegated.

- (d) In case of existing Unit Holders, if any of the documents (in a-c above) have previously been submitted with the Management Company and/or Transfer Agent, fresh submission of documents will not be required provided that submitted documents are acceptable to Management Company. However, the account number must be provided to facilitate linking.

Any change of name or address of any unit holder as entered in the Register shall forthwith notified in writing by relevant unit holder to the distributor company or transfer agent.

- (e) The Distribution Company and/or Management Company will be entitled to verify the particulars given in the Account Opening Form. In case of any incorrect information, the application may be rejected if the applicant fails to rectify the discrepancy.
- (f) If subsequent to receipt of the application by the Distributor, but prior to issue of the Units, the application is found by the Registrar or the Distributor to be incomplete or incorrect in any material manner, the Registrar or the Distributor will advise the applicant in writing to remove the discrepancy, in the meanwhile the application will be held in abeyance for fifteen days and in the event the discrepancy is not removed in the said fifteen days, the amount will be refunded without any profit or mark-up. However, in the event Units have been issued and a material discrepancy is discovered subsequent to that, the Registrar or the Distributor will advise the applicant in writing to remove the discrepancy within fifteen days and if the investor, in the opinion of the Registrar, 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.
- (g) The Investor Account Opening Form can be lodged with any Distributor or directly lodged with the Management Company. No other person (including Investment Facilitators) is authorized to accept the forms or payment.
- (h) The Management Company will make arrangements, from time to time, for receiving Account Opening Forms from outside Pakistan and will disclose these arrangements through its website and its Distributors and agents outside Pakistan.

#### **4.4.3 Joint Application**

- (a) 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 Account Opening Form and submit a copy of Computerized National Identity Card, NICOP, Passport and other identification document.
- (b) 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 of obligation by the Trustee and the Management Company.
- (c) In the event of death of the first Holder, the person first in the order of survivor(s) as stated in the Account Opening Form shall be the only person recognized by the Trustee and the Management Company to receive all notices and correspondences with regard to the accounts, as well as proceeds of any redemption requests or dividend payments. Such

person's acknowledgement of receipt of proceeds shall be considered as the valid discharge of obligation by the Trustee and the Management Company.

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 dividend payments in cases of doubts or disputes among the Joint Unit Holders and/or the legal heirs or legal representatives of the deceased.

#### 4.4.4 Purchase of Units

- (a) After opening an account an account holder may purchase Units of the Fund using the Investment Application Form attached to this Offering Document. Payment for the Units must accompany the form.
- (b) <sup>10</sup>[Application for Purchase of Units shall be made by completing the prescribed Investment Application Form and submitting it to the authorized branches of the Distributor or to the Management Company together with the payment by cheque, bank draft, pay order or online transfer as the case may be in favor of Trustee Bank Account and crossed "Account Payee only" as specified below;

**For Conservative Allocation Plan:**

IPO and Post-IPO: "MCBFSL Trustee – ABL Financial Planning Fund –Conservative Allocation Plan" Pre-IPO: "MCBFSL Trustee – ABL Financial Planning Fund –Conservative Allocation Plan – Pre-IPO"

**For Active Allocation Plan:**

IPO: "MCBFSL Trustee – ABL Financial Planning Fund –Active Allocation Plan"  
Pre-IPO: "MCBFSL Trustee – ABL Financial Planning Fund –Active Allocation Plan Pre-IPO"

The Account Holder may also make payment for Purchase of Units in favor of "**MCBFSL Trustee ABLAMC Funds**" provided that the account holder specifies name of the Allocation Plan and the Fund, along with relevant investment amount, in the Investment Application Form.

**For Strategic Allocation Plan:**

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<sup>10</sup> Substituted vide 2<sup>nd</sup> Supplemental Offering Document dated October 20, 2016. The substituted clause (sub-clause 3.16 (a)) read as follows:

*Application for Purchase of Units shall be made by completing the prescribed Investment Application Form and submitting it to the authorized branches of the Distributor or to the Management Company together with the payment by cheque, bank draft, pay order or online transfer as the case may be in favor of Trustee Bank Account and crossed "Account Payee only" as specified below;*

**For Conservative Allocation Plan:**

*IPO and Post-IPO: "MCBFSL Trustee – ABL Financial Planning Fund –Conservative Allocation Plan" Pre-IPO: "MCBFSL Trustee – ABL Financial Planning Fund –Conservative Allocation Plan – Pre-IPO"*

**For Active Allocation Plan:**

*IPO: "MCBFSL Trustee – ABL Financial Planning Fund –Active Allocation Plan"  
Pre-IPO: "MCBFSL Trustee – ABL Financial Planning Fund –Active Allocation Plan Pre-IPO"*

*The Account Holder may also make payment for Purchase of Units in favor of "**MCBFSL Trustee ABLAMC Funds**" provided that the account holder specifies name of the Allocation Plan and the Fund, along with relevant investment amount, in the Investment Application Form.*

IPO: "MCBFSL Trustee – ABL Financial Planning Fund –Strategic Allocation Plan"

Pre-IPO: "MCBFSL Trustee – ABL Financial Planning Fund –Strategic Allocation Plan Pre-IPO"

The Account Holder may also make payment for Purchase of Units in favor of "MCBFSL Trustee ABLAMC Funds" provided that the account holder specifies name of the Allocation Plan and the Fund, along with relevant investment amount, in the Investment Application Form.]

- (c) 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 with the prior approval of Commission.
- (d) Applicants must indicate their account number in the Investment Application Form except in cases where the Investor Account Opening Form is sent with the Investment Application Form.
- (e) The applicant must obtain a copy of the application signed and stamped by an authorized officer of the Distributor acknowledging the receipt of the application, copies of other documents prescribed herein and the demand-draft, pay-order, cheque or deposit slip as the case may be. Acknowledgement for applications and payment instruments can only be validly issued by Distributors.
- (f) The Distribution Company and/or Management Company will be entitled to verify the detail given in the Investment Form. In case of any incorrect information, the application may be rejected if the applicant fails to rectify the discrepancy (except for discrepancy in payment instrument, in which case application will be rejected immediately).
- (g) The Management Company will make arrangements, from time to time, for receiving Investment Request Forms and payments from outside Pakistan and will disclose these arrangements through its website and its Distributors and agents outside Pakistan.

#### **4.4.5 Minimum Amount of Investment**

Initially Units shall be issued at Par Value of **Rs 100/-** with a minimum investment size of **Rs.5,000/-** (Rupees Five Thousand only) and thereafter the minimum amount for investment would be of **Rs. 1,000/--** (Rupees One Thousand only) per transaction, at applicable NAV or purchase price, other than Bonus Units. The Management Company reserves the right to alter the minimum amounts stated hereinabove after giving thirty days prior notice to the Unit Holders. However, enhancement in current minimum monetary investments shall not take effect retrospectively.

#### **4.4.6 Determination of Purchase (Public Offer) Price**

- (a) Units offered during the Initial period will be as specified in clause 1.9.
- (b) After the Initial Period, the Purchase (Offer) Price for the Unit offered through Public Offering, shall be determined from time to time pursuant to the Sub clause (c) hereafter and shall be announced by the Management Company for Dealing Days during the period when the respective Allocation Plan is open for subscription.
- (c) The Purchase (Offer) Price of units of Allocation Plan(s) shall be equal to the sum of:

- (i) The Net Asset Value of the Allocation Plan(s) as of the close of the Business Day (Forward pricing);
- (ii) Any Front-end Load as disclosed in this Offering Document.
- (iii) Such amount as the Management Company may consider an appropriate provision for Duties and Charges; and
- (iv) Such amount as the Management Company may consider an appropriate provision for Transaction Costs.
- (v) Such sum shall be adjusted upward to the nearest paisa.

If such price exceed or falls short of the current value of the underlying assets by more than five percent based on information available, the Management Company shall defer dealing and calculate a new price and this new price would be applicable for dealing of units.

- (d) The Purchase (Offer) Price so determined shall apply to purchase requests, received by the Distributor or the Management Company during the Business Hours on the Dealing Day on which the completely and correctly filled purchase of Units application form is received.
- (e) .The Purchase (Offer) Price of the Units of the Allocation Plans open for subscription shall be separately calculated and announced by the Management Company on daily basis and shall be made available to the public at the office and branches of the Distributors and will also be published daily on the Management Company's and MUFAP's website.

#### **4.4.7 Allocation/ Issue of Units**

- (a) The Purchase Price determined at the end of the Dealing Day for Units of the Allocation Plan(s) shall apply to all Investment Request Forms, complete in all respects, received by the Management Company at its registered address or by the Distributor at its Authorized Branch(s) during Business Hours on that Dealing Day. Any Investment Request Forms received after Business Hours will be transferred to the next Dealing Day.
- (b) Units will be allocated at the Purchase Price as determined in clause 4.4.6 above and issued after realization of Funds in the bank account of the Fund.
- (c) The Transfer Agent shall send an account statement or report 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 of Unit Holders.
- (d) In case the Management Company announces a suspension of further issue of Units of an Allocation Plan under the Fund, it may allow existing Unit Holders of that Allocation Plan to continue acquiring Units against reinvestment of any cash distribution or bonus / stock dividend declared on the Units held in the pertinent Allocation Plan. Also, if issue of Units of an Allocation Plan is suspended, Units for other Allocation Plan(s) under the Fund may continue unaffected.

#### **4.4.8 Issuance of Physical Certificates**

- (a) Unit Certificates will be issued only if requested by the Unit Holder.

- (b) Unit Holder can apply for the issue of Certificate by completing the prescribed application form and submitting it to the relevant Distribution Company together with a fee upto **Rs.50/-** per Certificate or any other amount as determined by the Management Company from time to time.
- (c) The Certificate will be posted at the applicant's risk within 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 Unit Holder, if the relevant Unit or Units are jointly held.
- (d) The Certificate will be available in such denomination as Management Company and the Trustee decide from time to time. Unless, the Unit Holder has instructed to the contrary, the minimum number of Certificates will be issued.
- (e) A Unit or any fraction thereof shall not be represented by more than one Certificate at any one time.

#### **4.4.9 Replacement of Certificates**

- (a) 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.
- (b) 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.
- (c) Each new issue of Certificates will require payment of upto **Rs.50/-** per Certificate, subject to revisions of fee from time to time by the Management Company.

#### **4.4.10 Issuance of Units in Book Entry form in CDS**

Unit Holder may obtain Units in Book Entry form in CDS. The Issuance of Units in CDS shall be made in accordance with the procedure laid down in CDCPL Regulations.

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

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

All Unit Holders shall be eligible for redemption after the closure of the Initial Period.

After the Initial Period all Unit Holders are eligible to redeem the said Units (subject to applicable back-end/contingent load as specified in Annexure B).

Furthermore, the units shall not be redeemable during the book closure of any of the underlying Scheme, and no reallocation of Fund's Net Assets, shall take place during book closure of any of the underlying CIS.

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

- a. The Trustee shall at any time during the life of the Fund, on the instructions of the Management Company, authorize redemption of Units of Allocation Plan(s), out of the Fund Property of the respective Allocation Plan(s).
- b. Request for Redemption of Units of the Allocation Plan(s) shall be made by completing the prescribed redemption form and the same is received at the Authorized Branch or office of the Distributor on a Dealing Day during the

Business Hours as may be announced by the Management Company from time to time. The Distributor may retain a copy of the Redemption Form and a copy may also be supplied to the Registrar, if so required by the Management Company.

- c. In case of application for redemption by joint Unit Holders, unless otherwise specified by the joint holders, such application should be signed by all the joint Holders as per their specimen signatures provided at the time of opening of the account within the Unit Holder Register, through the investor account opening Form.
- d. The Distribution Company or the Registrar shall verify the particulars given in the application for Redemption of Units. The signature of any Unit Holder or joint Unit Holder on any document required to be signed by him under or in connection with the application for redemption of Units may be verified by Management Company or the Registrar or otherwise authenticated to their reasonable satisfaction. In case of submission of electronic on-line redemptions the Unit Holder's user ID and password will authenticate his identity.
- e. The Unit Holder will receive a note confirming the receipt of the application for redemption from the relevant Distribution Office.
- f. 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 Management Company or the Registrar or the Distributor to be incomplete or incorrect in any material manner, the Management Company or Registrar 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.
- g. The Management Company shall ensure all valid redemption request are paid based on ranking of the request in a queue.
- h. The amount payable on redemption shall be paid to the Unit Holder or first named joint Unit Holder by dispatching a cheque/ bank draft/ pay order for the amount to the registered address of the Unit Holder or may be paid to the Unit Holder through Electronic Bank transfer to the Unit Holder's designated bank account as mentioned in the Investor Account Opening Form or Redemption form within six Business Days from the date of presentation of the duly completed Redemption form, electronic or otherwise, at the Authorized Branch or office of the Distributor or the Management Company.
- i. The amount can also be paid to the third party upon instruction of the Unit Holder through Electronic Bank transfer to the Unit Holder's designated bank account as mentioned in the Investor Account Opening Form or Redemption form.
- j. No Money shall be paid to any intermediary except the Unit Holder or his authorized representative.
- k. The Management Company may make arrangements through branches of banks to facilitate redemption of Units of the Unit Trust. A request for redemption of

Units may also be made through the use of electronic means such as Internet or ATM facilities under prior arrangement with the Trustee and seeking prior approval of the Commission.

- l. The receipt of the Unit Holders for any amount payable in respect of the Units shall be a good discharge to the Trustee and the Management Company. In case of joint Unit Holders any one of them may give effectual receipt for any such moneys.
- m. Application for Redemption of Units will be received at the authorized offices or branches of the Distributor on all Dealing Days. Where redemption requests on any one Dealing Day exceed ten (10) percent of either the total number of Units outstanding, such redemption requests in excess of ten (10) percent may be deferred in accordance with the procedure elaborated in the Clause 4.11.
- n. On the occurrence of any circumstance specified in the Regulation or the Deed that may require the Fund should be suspended, the Management Company shall suspend the Sale and Redemption of Units and the intimation of suspension shall be made to the Unit Holders, the Trustee and the Commission according to the procedure laid down in the Regulation.

Unit Holder may redeem their Units held in Book Entry form in CDS. The Redemption of Units in CDS shall be made in accordance with the procedure laid down in CDCPL Regulations.

#### **4.6 Redemption of Units in Book Entry form in CDS**

Unit Holder may redeem their Units held in Book Entry form in CDS. The Redemption of Units in CDS shall be made in accordance with the procedure laid down in CDCPL Regulations.

#### **4.7 Purchase (Public Offer) and Redemption (Repurchase) of Units outside Pakistan**



- a) Subject to Foreign exchange control, SECP prior approval and other applicable laws, Rules and Regulations, in the event of arrangements being made by the Management Company for the Purchase (Public 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 include in addition to the Purchase (Public 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.
- b) 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 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. Provided however, neither the Management Company, nor the Trustee give any assurance or make any representation that remittance would be allowed by the State Bank of Pakistan at the relevant time
- c) 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 therefrom.

#### **4.8 Determination of Redemption (Repurchase) Price**

- 4.8.1 The Redemption (Repurchase) Price of any Allocation Plan shall be equal to the Net Asset Value of the pertinent Allocation Plan as of the close of Business Day (forward pricing) less:
- (a) Any Back-end/Contingent Load as per the details in this Offering Document; and;
  - (b) Such amount as the Management Company may consider an appropriate provision for Duties and Charges and other levies etc.; and
  - (c) Such amount as the Management Company may consider an appropriate provision for Transaction Costs;
  - (d) Such sum shall be adjusted downward to the nearest paisa

Level of all back end/contingent loads shall be disclosed in the Offering Document. An increase in Back End/contingent load will require 90 days prior notice to the Unit Holder or any other period as specified in the Regulations.

4.8.2 The Repurchase (Redemption) Price **of Units of Allocation Plans** so determined shall apply to redemption requests, complete in all respects, received by the Distributor or the Management Company during the Business Hours on the Dealing Day on which a correctly and properly filled redemption application is received.

4.8.3 The Redemption Price determined by the Management Company **of Units of Allocation Plans** shall be made available for every Dealing day to the public at the office and branches of the Distributors and will be published at Management Company's and MUFAP's website.

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

##### **4.9.1 Who Can Request Change?**

All Unit Holders are eligible to change their Unit Holder details if they so desire. For such change in particulars, a request shall be made via the Special Instructions Form (Form 06). These Forms may be obtained from Distributors or Investment Facilitators or from the Management Company or through its website. However, if Units are held in CDS account then request should be made through CDS Participant or the Investor Account Service (IAS) with which the account is maintained, according to the procedure laid down in CDC Regulations.

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

- (a) Some of the key information which the Unit Holder can change is as follows:
  - i. Change in address
  - ii. Change in Bank Account details
  - iii. Account Operating instructions
  - iv. Systemic Conversion Option
  
- (b) Fully completed Special Instructions Form / written application along with the required documents have 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.
- (c) The Distribution Company and /or Management Company will be entitled to verify the particulars given for change. In case of any incorrect information the application may be rejected if the applicant does not rectify the discrepancy.
- (d) The Unit Holder will be liable for any taxes, charges or duties that may be levied on any of the above changes. 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.
- (e) Unless the Joint Unit Holder(s) of Units have specified otherwise, all the Joint Unit Holder(s) shall sign the Special Instructions Form / written application for such Units.

##### **4.9.3 Transfer, Nomination, and Transmission Procedure**

- a. Unit Holder may, subject to the law, transfer any Units of Allocation Plan(s) held by them to any other person. The transfer shall be carried out after the Management Company/Transfer Agent has been satisfied that all the requisite formalities including the payment of any taxes and duties have been complied with.
- b. 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. Every instrument of transfer must be duly completed in all respects including affixation of transfer stamps of the requisite value.
- c. Where Certificates have been issued, the Management Company / Transfer Agent with the consent of the Trustee may dispense with the production of any Certificate that shall have become lost, stolen or destroyed upon compliance by the Unit Holder(s) with the like requirements to those arising in the case of an application by him for the replacement thereof as provided in this Offering Document. The Management Company or the Transfer Agent shall retain all instruments of transfer.
  - d. The Transfer Agent shall, with the prior approval of the Management Company or the Management Company itself 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 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 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 Transfer Agent and that every Certificate so destroyed was a valid Certificate duly and properly cancelled, provided that (i) this 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 impose 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. Reference herein to the destruction of any document includes reference to the disposal thereof in any manner. Complete list of unclaimed dividends will be maintained by AMCs and shall not be destroyed. Unit Holder may nominate any successor/ nominee for transmission, subject to all legal requirements, in case of the decease of Unit Holder.
  - e. Transmission of Units to successors in case of inheritance or distribution of the estate of a deceased Unit Holder shall be processed by the Transfer Agent or the Management Company itself as Registrar after satisfying as to all legal requirements such as intimation of death of deceased Unit Holder along-with certified copy of death certificate, succession certificate, original unit certificate (in case of physical certificate) etc. 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 Transfer Agent.
  - f. A Unit Holder may convert the Units in a Unit Trust Scheme managed by the Management Company into Units of another Unit Trust Scheme managed by the Management Company by redeeming the Units of first Scheme and issuance of Units of later Scheme(s) at the relevant price applicable for the day. The Transfer Agent or Management Company itself 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, has been received. The Management Company may impose a time limit before which conversion may not be allowed.
  - g. A Unit Holder may merge the Units which he/she has invested with two folio/registration numbers into one folio/ registration number. The 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, has been received.

#### **4.9.4 Partial Transfer**

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.

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

##### **4.10.1 Who Can Apply?**

- (a) All Unit Holders 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 website. However, if Units are held in CDS account then request should be made to the CDS Participant or the Investor Account Service (IAS) with which the account is maintained, according to the procedure laid down in CDC Regulations.
- (b) Any Unit Holder either singly or with Joint Unit Holder(s) (where required) may request the Management Company or Transfer Agent to record a pledge / lien of all or any of his / her / their Units in favor of any third party legally entitled to invest in such Units in its own right. The Management Company or Transfer Agent shall register a lien on any Unit 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 Management Company or 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. The pledge / lien / charge shall not be issued to facilitate Unit Holder(s) for obtaining any interest bearing loan or debt
- (c) 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.
- (d) 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 holder's bank account or posted to the registered address of Pledgee mentioned in the Pledge Form and/or Investor Account Opening Form submitted. In case of Units are pledged through Central Depository System, payments of cash dividends or the issuance of bonus Units goes to the Pledger as per Central Depositories Act.
- (e) 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.
- (f) Fully completed Pledge of Units Form has to be submitted by both Individuals and/or non-individuals 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.

- (g) 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.

#### **4.11 Temporary Change in Method of Dealing, Suspension of Dealing and Queue System**

##### **4.11.1 Temporary Change in the Method of Dealing**

Under the circumstances mentioned in Clause 4.11.2 & 4.11.3, Subject to compliance with Regulation (having regard to the interests of Unit Holders), the Management Company may request the Trustee to approve a temporary change in the method of dealing in Units.

A permanent change in the method of dealing shall be made after expiry of at least one month's notice to Unit Holders and with the approval of Trustee.

##### **4.11.2 Suspension of Fresh Issue of Units**

The Management Company may, under the following circumstances, suspend issue of fresh Units.

- The situation of Force Majeure as defined in this Offering Document;
- A situation in which it is not possible to invest the amount received against issuance of fresh Units 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.

Such suspension may however not affect existing Unit Holders of Allocation Plan(s) for the issue of bonus Units or reinvestment of cash distribution out of profits. The Management Company shall announce the details of circumstances at the time a suspension of fresh issue is announced. The Management Company shall immediately notify SECP and Trustee if issuance of Units of Allocation Plan(s) is suspended and shall also have the fact published, immediately following such decision, in the newspapers in which the Allocation Plans prices are normally published.

In case of suspension of redemption of Units of Allocation Plan(s) due to extraordinary circumstances the issuance of Units of the pertinent Allocation Plan shall also be kept suspended until and unless redemption of Units is resumed

In case of suspension of issuance /redemption of Units of Allocation Plan(s), the issuance/redemption of other Allocation Plan(s) may continue unaffected

Investment application form received on the day of suspension will not be processed and the amount received shall be returned to the investor.

##### **4.11.3 Suspension of Redemption of Units**

The Redemption of Units may be suspended during extraordinary circumstances/ Force Majeure.

Redemption requests received on the day of the suspension shall be rejected.

#### **4.11.4 Queue System**

In the event redemption requests on any day exceed ten percent (10%) of the Units of Allocation Plan, 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 of Allocation Plan. The Management Company shall proceed to sell adequate assets of the pertinent Allocation Plan and / or arrange Financing as it deems fit in the best interest of all Unit Holders of the pertinent Allocation Plan 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 Management Company shall provide all redemption requests duly timed and date stamped to the Trustee within 24 hours of receipt of any such request following the queue system. 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 of Allocation Plan, 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 of the Allocation Plan.

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

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. 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 under their respective Allocation Plans and determining the final Redemption Price for the Allocation Plans being offered under this Scheme. However, interim distributions of the proceeds may be made if the Management Company finds it feasible. In case of shortfall, neither the Trustee nor the Management Company shall be liable to pay the same.

### **5. DISTRIBUTION POLICY**

#### **5.1 Declaration of Dividend**

The Management Company shall decide as soon as possible but not later than forty-five days after the Accounting Date / interim period whether to distribute among unit holders, profits, in form of cash, if any, available for the distribution at the end of the Accounting Period and shall advise the Trustee of the amount of such distribution per Unit. The Fund will comply with regulatory and taxation requirements and the distribution policy may be amended accordingly.

The Management Company on behalf of the Scheme / Allocation Plan shall, for every accounting year, distribute by way of dividend to the Unit Holders, not less than ninety

per cent of the accounting income of the Collective Investment Scheme received or derived from sources other than realized and unrealized capital gains as reduced by such expenses as are chargeable to a Collective Investment Scheme under the Regulations.

For the purpose of this Clause the expression “accounting income” means income calculated in accordance with the requirements of International Accounting Standards (IAS) as are notified under the Companies Ordinance, 1984, the Regulations and the directives issued by SECP. Wherever the requirement of Regulations or the directives issued by SECP differs with the requirement of IAS, the Regulations and the said directives shall prevail.

## **5.2 Determination of Distributable Income**

The amount available for distribution in respect of any Accounting Period shall be the sum of all income other than capital gains, from which shall be deducted:

- the expenses, as stated in Clause 6.2 of this Offering Document; and
- any taxes of the Fund

All the 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 Fund Property under the pertinent Allocation Plan, provided that such amounts out of the sale proceeds of the Investments and all other receipts as deemed by the Management Company to be in the nature of the net realized appreciation may be distributable to the Unit Holders of the Allocation Plan by the Trustee upon instructions of the Management Company and shall thereafter cease to form part of the Fund Property of the Allocation Plan.

## **5.3 Payment of Dividend**

All payments for dividend shall be made through payment instruments or 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 with the approval of Commission and such payment shall be subject to the Regulations and any other applicable laws.

## **5.4 Dispatch of Dividend Warrants/Advice**

Dividend warrants/advices/payment instruments and/or Account Statements shall be dispatched to the Unit Holders or the charge-holders at their registered addresses.

## **5.5 Reinvestment of Dividend**

The Management Company shall give the Unit Holders the option at the time of opening of Unit Holder Account (via the Investor Account Opening Form) to have Cash Dividend announced for each Allocation Plan be reinvested on behalf of the investor through issuance of new units of the pertinent Allocation Plan, within the Unit Holder Register after deducting applicable taxes. The Unit Holders shall be entitled to change such option.

## **5.6 Unit issuance for reinvestment of Dividend**

The Management Company may decide to distribute, wholly or in part, any capital gains in the form of bonus / stock dividend, for each Allocation Plan under the Fund, if it is in the interest of Unit Holders and when an amount of not less than ninety percent of distributable income has already been distributed as cash. After the fixing of the rate of distribution per Unit of an Allocation Plan, the Management Company shall, under intimation to the Trustee, issue additional Class "C" & "D" Units of the pertinent Allocation Plan for Bonus / Stock Dividend and Class "E" & "F" units of the pertinent Allocation Plan for reinvestment of Cash Dividend in the name of the Unit Holders . The Class "C", Class "D", Class "E" and Class "F" units of an Allocation Plan would rank pari passu as to their rights in the Net Assets, earnings and receipt of dividend and distribution with the existing Units of the pertinent Allocation Plan from the date of issue of these Units. The account statement (electronic or physical) or Unit Certificate shall be dispatched to the Unit Holder within fifteen days of the issue of these Units.

#### **5.7 Closure of Register**

The Management Company may close the Register by giving at least seven (7) days' notice to Unit Holder provided that the time period for closure of register shall not exceed six (6) working days at a time and whole forty five days in a Financial Year. During the closure period, the sale, redemption, conversion of Units or transfer of Units will be suspended. Notice for closure of register should be published in two newspapers (Urdu and English language) having circulated all over Pakistan.

### **6. FEE AND CHARGES**

#### **6.1 Fees and Charges Payable by an Investor**

The following fees and charges shall be borne by the Investor:

##### **6.1.1 Front-end Load**

Front end Load is a part of Sales Load which may be included in the offer price of the Units. The remuneration of Distributors shall be paid from such Load and if the Front-end Load is insufficient to pay the remuneration of the Distributors, the Management Company shall pay the amount necessary to pay in full such remuneration and no charges shall be made against the Fund Property or the Distribution Account in this respect. Such payments may be made to the Distributors by the Management Company upon the receipt from the Trustee.

The Management Company may at its discretion charge different levels of Load as per Annexure B. Any change in Front-end Load shall be done through an addendum to the Offering Document after seeking prior approval of the Commission.

A Distributor located outside Pakistan may if so authorized by the Management Company and the Trustee retain such portion of the Front-end Load as is authorized by the Management Company and transfer the net amount to the Trustee, subject to the law for the time being in force.

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 sales or processing charge.



### **6.1.2 Contingent Load**

Contingent Load is deducted from the Net Asset Value (NAV) of Units of Allocation Plan in determining the Redemption Price for the Units of the pertinent Allocation Plan; provided however that different levels of Contingent Load may be applied to different classes of Units of different Allocation Plans, but Unit Holders of an Allocation Plan within a class shall be charged same level of contingent load. Management Company may change the current level of Contingent Load after giving 90 days prior notice to the Unit-Holders of the pertinent Allocation Plan through newspaper (either Urdu or English Newspaper) or via post or through electronic mail and the unit holders shall be given an option to exit at the applicable NAV without charge of contingent load as specified in the Regulation.

The current level of contingent Load is indicated in Annexure B.

### **6.1.3 Other Charges**

Transfer of Units from one owner to another shall be subject to a Processing charge of an amount not exceeding 1%\_percent of the Net Asset Value at the date the request is lodged, which shall be recovered from the transferee. 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.

Units issued to an Account holder through conversion from another scheme run by the Management Company shall be issued at a price based on the Net Asset Value of the Allocation Plan on that date.

### **6.1.4 Expenses borne by the Management Company and the Trustee**

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 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 Regulations and the Deed to be payable out of Trust Property.

Any cost associated with sales, marketing and advertisement of collective investments schemes shall not be charged to the collective investment schemes.

### **6.1.5 Remuneration of Distribution Company / Investment Agent / Investment Facilitator**

The Distribution Company employed by the Management Company will be entitled to a remuneration payable by the Management Company out of its own resources on terms to be agreed between the Management Company and the Distribution Company. The Investment Facilitator/Investment Adviser/Sales Agent employed by the Management Company will be entitled to a remuneration payable by the Management Company out of its own resources.

Distributors 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.

## **6.2 Fees and Charges Payable by the Fund**

Separate expense & income accounts may be set up for each Allocation Plan. The following expenses shall be borne by the Fund:

### **6.2.1 Remuneration of the Management Company**

The remuneration shall begin to accrue from the close of the Initial Offering Period. In respect of any period other than an Annual 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 in the Annual Accounting Period concerned.

Current level Management Fee is disclosed in **Annexure "B"**. Any increase in the current level of Management Fee, provided it is within the maximum limit prescribed in the Regulations shall be subject to giving a ninety (90) days prior notice to the unit holders and the unit holders shall be given an option to exit at the applicable NAV without charge of any exit load.

### **6.2.2 Remuneration of the Trustee**

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 than an Annual Accounting Period such remuneration will 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 in an Annual Accounting Period concerned. Any increase in the remuneration of the Trustee agreed to by the Management Company and approved by the Commission shall require ninety days prior notice to the unit holders. However, any decrease in remuneration of the Trustee shall not require such approval.

### **6.2.3 Formation Costs**

All preliminary and floatation expenses of the Fund including expenses incurred in connection with the establishment and authorization of the Fund, including execution and registration of the Constitutive Documents, issue, legal costs, printing, circulation and publication of the Offering Document, and all expenses incurred during and up to the Initial Offering Period subject to a maximum of one per cent of pre-IPO capital of the Fund or Rupees five million, whichever is lower, shall be borne by the Fund subject to the audit of expenses and amortized over a period of not less than five years or within the maturity of the Fund / Allocation Plan whichever is lower. This cost shall be reimbursable by a collective investment scheme to an AMC subject to the audit of expenses. The Formation Cost shall be reported by the Management Company to the Commission and the Trustee giving their break-up under separate heads, as soon as the distribution of the securities is completed.

Formation Costs shall be divided amongst the Allocation Plans according to ratios of their Pre-IPO.

#### **6.2.4 Other costs and expenses**

The following charges shall also be payable out of the Fund Property

- (i) Custody or Transaction Costs of investing and disinvesting of the Fund Property.
- (ii) All expenses incurred by the Trustee in effecting the registration of all property in the Trustee's name.
- (iii) Legal and related costs incurred in protecting or enhancing the interests of the Unit Holders.
- (iv) Bank charges, financing and financial costs;
- (v) Auditors' Fees and out of pocket expenses.
- (vi) printing costs and related expenses for issuing Fund's quarterly, half yearly and annual reports
- (vii) Fund performance ranking fee payable to approved rating agency.
- (viii) Listing Fee including renewals payable to the Stock Exchange(s) on which Units may be listed
- (ix) Fee pertaining to the Fund payable to the Commission.
- (x) Taxes, fees, duties if any, applicable to the Fund and on its income, turnover and/or its properties including the Sales Tax levied on Services offered by Asset Management Company (for management of Fund).
- (xi) Charges and levies of stock exchanges, national clearing and settlement company, CDC charges.
- (xii) Any other expenses as permissible under the Rules and Regulations from time to time and / or permitted by the Commission.

The Total expense ratio of the Fund shall not exceed 0.5% in case no management fee is charged and 2.5% in case management fee is charged.

### **7. TAXATION**

#### **7.1 Taxation on the Income of the Fund**

##### **7.1.1 Liability for Income Tax**

The following is a brief description of the Income Tax Ordinance, 2001, applicable in respect of the Fund. This section is for advice only and potential investors should consult their tax experts for their liability with respect to taxation on income from investment in the Fund. This part does not cover tax liability of non-Pakistani resident investors with respect to taxes in their own jurisdiction.

Under the Tax Law in Pakistan, the definition of a public company includes a trust formed under any law for the time being in force. 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:

- (i) Dividend Income Tax as applicable according to the relevant law;
- (ii) Capital Gains Tax as applicable according to the relevant law
- (iii) Return from all other sources / instruments are taxable at the rate applicable to a public company.

##### **7.1.2 Liability for Income Tax if Ninety Percent of Income is distributed**

Notwithstanding the tax rate given above, the income from the Fund will be exempted from tax if not less than 90% of the income for the year as reduced by capital gains

whether realized or unrealized is distributed amongst the Unit Holders as dividend. The Fund will distribute not less than 90% of its income received or derived from sources other than capital gains as reduced by such expenses as are chargeable to the Fund.

### **7.1.3 Withholding tax**

Under the provision of Clouse 47(B) of part (IV) of second schedule of the income Tax Ordinance 2001, the Fund's income from securities or instruments will not be subject to any withholding tax.

### **7.1.4 Zakat on Fund**

The Fund is Saheb-e-Nisab under the Zakat and Ushr Ordinance, 1980. The balance in the credit of bank account, or similar account with a bank standing on the first day of Ramzan-ul-Mubarak will be subjected to Zakat deduction @ 2.5%.

### **7.1.5 Taxation and Zakat on Unit Holders**

#### **Taxation on Income from the Fund of the Unit Holder**

The following is a brief description of the Income Tax Ordinance, 2001, applicable in respect of Unit Holder of the Fund. This section is for advice only and potential investors should consult their tax experts for their liability with respect to taxation on income from investment in the Fund. This part does not cover tax liability of non-Pakistani resident investors with respect to taxes in their own jurisdiction.

- a. Unit Holders of the Fund will be subject to Income Tax at specified rates on dividend income distributed by the Fund.
- b. The tax deducted on dividend at the specified rates will be the final tax (except for companies) and the payer will be required to withhold the amount of tax at source from payment of dividend except payment to the banking companies.
- c. Capital gain arising from sale/redemption/transfer of Units of the Fund will be subject to tax at the applicable tax rates as mentioned in Income Tax Ordinance 2001.
- d. 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.
- e. Unitholders may be liable to pay tax even though they may not have earned any gain on their investment as return of capital through distribution to investors is taxable as per Income Tax Ordinance, 2001.

### **7.1.6 Tax Credit to Unit Holders**

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.

### **7.1.7 Zakat**

Units held by resident Pakistani Unit Holders shall be subject to Zakat at 2.5% of the value of the Units under Zakat and Ushr Ordinance, 1980, (XVII of 1980), except those exempted under the said Ordinance. Zakat will be deducted at source from the

redemption proceeds. Above deduction will not be made if Unit Holder provides declaration in due course of time to the Management Company.

#### **7.1.8 Disclaimer**

The tax and Zakat information given above is based on the Management Company's tax advisor's interpretation of the law which, to the best of the Management Company's understanding, is correct. Investors are expected to seek independent advice so as to determine the tax consequences 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.

### **8. REPORTS TO UNIT HOLDERS**

#### **8.1 Account Statement**

The Management Company/Transfer Agent shall send directly to each Unit Holder an account statement each time there is a transaction in the account.

The Management Company/Transfer Agent shall provide account balance and/or account activities through electronic mode to Unit Holder, who opted for such service.

The Unit Holder will be entitled to ask for copies of his account statement on any Dealing Day within Business Hours by applying to the Management Company/Transfer Agent in writing.

#### **8.2 Financial Reporting**

- (a) The Management Company shall prepare and transmit the annual report physically in such form and manner as set out in Regulations as amended or substituted from time to time.
- (b) The Management Company shall prepare and transmit quarterly reports physically (or through electronic means or on the web subject to SECP approval) in such form and manner as set out in Regulations as amended or substituted from time to time.

#### **8.3 Trustee Report**

The Trustee shall report to the Unit Holder, to be included in the annual and second quarter Financial Reports issued by the Management Company to the Unit Holders, as to whether in its opinion the Management Company has in all material respects managed the Fund in accordance with the provisions of the Regulations, the Constitutive Documents 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.

#### **8.4 Fund Manager Report**

The Management Company shall prepare Fund Manager Report each month as per guideline issued by MUFAP and transmit the same to the Unit Holders and also made available at their web site latest by 10<sup>th</sup> of each month.

## **9. WARNING AND DISCLAIMER**

### **9.1 Warning**

- a. If you are in any doubt about the contents of this Offering Document, you should consult your bank manager, Legal advisor, or other financial advisor. The price of the Units of the Allocation Plan(s) and the income of the Allocation Plans (from which distributions to Unit Holders is made) may increase or decrease.
- b. Investment in Allocation Plans under is suitable for investors who have the ability to take the risks associated with financial market investments. Capital invested in the financial markets could in extreme circumstances lose its entire value. The historical performance of this Fund, other Funds managed by the Management Company, the financial markets, or that of any one security or transaction included in the Fund's portfolio will not necessarily indicate future performance.

### **9.2. DISCLAIMER**

- 9.2.1 The Units of the Fund are not bank deposits and are neither issued by, insured by, obligation of, nor otherwise supported by SECP, any Government Agency, Trustee (except to the extent specifically stated in this document and the Trust Deed) or any of the shareholders of the Management Company or any of the Pre-IPO Investors or any other bank or financial institution. The portfolio of the Fund is subject to market risks and risks inherent in all such investments.
- 9.2.2 Fund's target return/ dividend range cannot be guaranteed. Fund's Unit price is neither guaranteed nor administered/managed; it is based on the NAV that may go up or down depending upon the factors and forces affecting the capital markets and interest rates.

## **10. GENERAL INFORMATION**

### **10.1 Accounting Period / Financial Year of the Fund**

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 next day of the preceding accounting period.

Annual Accounting Period means the period commence on 1st July and shall end on 30th June of the succeeding calendar year.

### **10.2 Inspection of Constitutive Documents**

The copies of constitutive documents, such as the Deed and the Offering Document, can be inspected free of charge at the addresses given below, however such documents shall also be available on the web site of the Management Company:

**ABL Asset Management Company Limited**  
**11-B, Lalazar, M. T. Khan Road, Karachi**

**MCB Financial Services Limited**  
**16<sup>th</sup> Floor, MCB Tower, I. I. Chundrigar Road, Karachi**

### **10.3 Transfer of Management Rights of the Fund**

The management rights of the Fund may be transferred to another Management Company upon the occurrence of any of the following events in accordance with the procedure laid down in the Regulation, the Deed and the Directive issued by the Commission;-

- (i) the Management Company goes into liquidation, becomes bankrupt or has a liquidator appointed over its assets, or its license has been cancelled or does not hold valid license;
- (ii) where the Management Company is unable to remove the suspension of redemption of Units of the Fund within the fifteen business days of suspension and the Unit Holders representing at least three fourth in value of total outstanding Units of the concerned scheme pass a resolution or have given consent in writing that the scheme be transferred to another Management Company;
- (iii) If in the opinion of the Commission further management of the Fund by the existing Management Company is detrimental to the interest of the Unit Holders, the Commission may direct the Trustee to transfer the Fund to another Management Company.
- (iv) If the Management Company may retire voluntarily with the prior written consent of the Commission.

### **10.4 Extinguishment/Revocation of the Fund**

The Fund may be extinguished by the occurrence of any of the following events in accordance with the procedure laid down in the Regulation, the Deed and the Directive issued by the Commission;-

- (i) where the Management Company is unable to remove the suspension of redemption of Units of the respective Allocation Plan(s) under Fund within the fifteen business days of suspension of pertinent Allocation Plan(s) and the Unit Holders representing at least three fourth in value of total outstanding Units of the concerned respective Allocation Plan pass a resolution or have given consent in writing that the respective Allocation Plan be revoked;
- (ii) where the Management Company goes into liquidation, becomes bankrupt or has a liquidator appointed over its assets, or its license has been cancelled or does not hold valid license;
- (iii) in the opinion of the Management Company the pertinent Allocation Plan(s) is not commercially viable or purpose of the pertinent Allocation Plan(s) cannot be accomplished subject to the consent of Trustee;
- (iv) The Management Company subject to regulatory approval, may announce winding up of the pertinent Allocation Plan(s) under the Trust 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 of pertinent Allocation Plan(s) to meet such redemptions would jeopardize the interests of the remaining Unit Holder(s) of pertinent Allocation Plan(s) and that it would be in the best interest of all the Unit Holder(s) that the of pertinent Allocation Plan(s) under the Trust be wound up.

- (v) on occurrence of any event or circumstances which, in the opinion of the Trustee, requires the pertinent Allocation Plan(s) to be revoked; and
- (vi) where the Commission deems it necessary to revoke the pertinent Allocation Plan(s) under the Fund so directs either Trustee or the Management Company in the interest of Unit Holders of the pertinent Allocation Plan;

**10.5 Procedure and manner of Revocation of the Allocation Plan(s) under the Fund**

Revocation of the Allocation Plan(s) under the Fund shall be done in accordance with the procedures and in the manner as mentioned in the Regulations or through circulars / guidelines issued by the SECP from time to time.)

**10.6 Distribution of proceeds on Revocation**

In case of Revocation of the the Allocation Plan(s) under Fund the Trustee shall according to the procedure laid down in Regulations refund the net proceeds to the Unit Holders of pertinent Allocation Plan in proportion to the number of units held by them.

**10.7 <sup>11</sup>[REVOCAION AND LIQUIDATION OF “STRATEGIC ALLOCATION PLAN” AT END OF THE DURATION OF PLAN**

10.7.1 The Plan shall stand automatically dissolved after the end of the duration as specified in clause 2.2.13.3 (a) of this supplemental Offering document.

10.7.2 All Units in all forms (certificate and/ or electronic) shall stand automatically redeemed within Thirty (30) Business Days of the end of the duration of plan at the redemption price which shall be determined by the Management Company after completion of the realization of all Investments of Strategic Allocation Plan.

10.7.3 The redemption proceeds shall be distributed amongst the Unit Holders via cheque/pay order/electronic transfer that will be sent to their registered address or via online account transfer as per the information given in the Purchase Application Form. The Management Company may also give Unit Holders the option of investing their redemption proceeds in any other Scheme offered by the Management Company.]

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<sup>11</sup> Substituted vide 2<sup>nd</sup> Supplemental Offering Document dated October 20, 2016. Clause 10.7 shall be inserted.



**11. GLOSSARY**

Unless the context requires otherwise the following words or expressions shall have the meaning respectively assigned to them:

**“Accounting Date”** means the thirtieth day of June in each year and any interim date on which the financial statements of the Trust are drawn up. Provided that the Management Company may, with the written consent of the Trustee and after obtaining approval from the Commission and the Commissioner of Income Tax may change such date to any other date and such change shall be intimated to the Commission.

**“Account Opening / Investment Account Opening Form”** means standardized form prescribed by the Management Company to be duly filled by the investors at the time of opening an account with the Fund.

**“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 next day of the preceding accounting period.

**“Administrative Plans”** means investment plans offered by the Management Company and approved by the Commission, where such plans allow investors a specific investment strategy in any one or a combination of Schemes managed by the Management Company in accordance with the conditions specified by SECP.

**“Allocation Plan(s)”** mean(s) approved Plan(s) offered under the Scheme. Each Allocation Plan shall invest only in permissible Collective Investment Schemes and/ or other instruments as approved by the Commission.

**“Annual Accounting Period” or “Financial Year”** means the period commence on 1st July and shall end on 30th June of the succeeding calendar year.

**“Asset Management Company”** means an asset Management Company as defined in the Rules and Regulations.

**“Auditor”** means the Auditor of the Trust appointed by the Management Company, with the consent of the Trustee, as per the Regulations.

**“Authorized Branches”** means those Branches of Distributors or Distribution Companies which are allowed by the Management Company to deal in Units of the Funds managed by the Management Company.

**“Authorized Broker”** means those Brokers which are authorized to deal in Government Securities.

**“Authorized Investments”** means Authorized Investments as defined in the clause 2.2.3 of this Offering Document

**“Back-end Load”** means the charge 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 specified in this document.

**“Bank”** means institution(s) providing banking services under the Banking Companies Ordinance, 1962, or any other regulation in force for the time being in Pakistan, or if operating outside Pakistan, under the banking laws of the jurisdiction of its operation outside Pakistan.

**“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).

**“Broker”** means any person engaged in the business of effecting transactions in securities for the account of others.

**“Business Day”** means any day (business hours thereof as specified in the Offering Document) on which local Stock Exchanges and banks are open for normal business.

**“Certificate”** means the definitive certificate acknowledging the number of Units registered in the name of the Unit Holder issued at the request of the Unit Holder pursuant to the provisions of the Trust Deed.

**“Connected Person”** shall have the same meaning as assigned in the Rules and Regulations.

**“Constitutive Documents”** means the Trust Deed or such other documents as defined in the Regulations.

**“Contingent Load”** means Load payable by the Unit Holder at actual basis to the extent of loss incurred by fund due to disinvestments if 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) . Any Contingent Load received will form part of the Trust Property.

**“Custodian”** means a Bank, a Depository or an Investment Finance Company licensed under the Regulations, which may be appointed by the Trustee in consultation with the Management Company to hold and protect the Trust Property or any part thereof as custodian on behalf of the Trustee, and shall also include the Trustee itself if it provides custodial services for the Fund.

**“Cut-Off Time” / “Business Hours”** means the day time for dealing in Units of the Fund. The current Cut-Off Timing/Business Hours are mentioned in Annexure “B” of this Offering Document.

**“Dealing Day”** means every Business Day from Monday to Friday of every week. Units will be available for dealing (purchase, redemption, transfer, switching etc) on Dealing Days during Cut-off Time. Provided that the Management Company may with the prior written consent of the Trustee and upon giving not less than seven days’ notice in two widely circulated English or Urdu newspapers in Pakistan declare any particular Business Day(s) not to be a Dealing Day(s).

**“DFI”** means Development Financial Institution and includes the Pakistan Industrial Credit and Investment Corporation (PICIC), the Saudi Pak Industrial and Agricultural Investment Company Limited, the Pak Kuwait Investment Company Limited, the Pak Libya Holding Company Limited, the Pak Oman Investment Company (Pvt.) Limited, Investment Corporation of Pakistan, House Building Finance Corporation, Pak Brunei Investment Company Limited, Pak-Iran Joint Investment Company Limited, Pak-China Investment

Company Limited, and any other financial institution notified under Section 3-A of the Banking Companies Ordinance, 1962.

**“Distribution Account”** means the Bank Account (which may be a current, saving or deposit account) separately for each Allocation Plan 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) of pertinent Allocation Plans may be transferred. Income or profit, if any, including those accruing on unclaimed dividends, in this account shall be transferred to the main account of the respective Allocation Plan from time to time, as part of the Trust Property for the benefit of the Unit Holder(s) of that Allocation Plan.

**“Distributor / Distribution Company”** means Company(ies), Firm(s), Sole Proprietorship concern(s), individual(s), Banks or any other Financial Institution appointed by the Management Company under intimation to the Trustee for performing any or all of the Distribution Functions and who are registered with MUFAP as Registered Service Providers. The Management Company may itself also performs the Distribution Function.

**“Distribution Function”** means the functions with regard 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 Transfer Agent as appropriate;
- d. accounting to the Management Company for all: (i) payment instruments received from the applicants for issuance of Units; (ii) payments instruments 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.

**“Duties and Charges”** means in relation to any particular transaction or dealing all stamp and other duties, taxes, Government charges, 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.

**“Exposure”** shall have same meanings as provided in the Regulations.

**“Federal Government”** means the Federal Government of Republic of Pakistan.

**“Financial Institution”** means a Bank, Development Finance Institution, Non-Banking Finance Company, Modaraba or an institution registered under relevant laws to provide financial services within or outside Pakistan.

**“Financial Sector”** shall comprise of the savings and term deposits / certificates/ securities/ instruments issued by the entities of Banking Sector, Financial Services Sector, Life Insurance Sector and Non- Life Insurance Sector as classified by Karachi Stock Exchange and DFIs.

**“Force Majeure”** means any occurrence or circumstance or element which delays or prevents performance of any of the terms and conditions of this Deed or any obligations of the Management Company or the Trustee and shall include but not limited to any circumstance or element that cannot be reasonably controlled, predicted, avoided or overcome by any party hereto and which occurs after the execution of this Deed and makes the performance of the Deed in whole or in part impossible or impracticable or delays the performance, including but not limited to any situation where performance is impossible without unreasonable expenditure. Such circumstances include but are not limited to floods, fires, droughts, typhoons, earthquakes and other acts of God and other unavoidable or unpredictable elements beyond reasonable control, such as war (declared or undeclared), insurrection, civil war, acts of terrorism, accidents, strikes, riots, turmoil, civil commotion, any act or omission of a governmental authority, failure of communication system, hacking of computer system and transmissions by unscrupulous persons, closure of stock exchanges, banks or financial institutions, freezing of economic activities and other macro-economic factors, etc.

**“Formation Cost”** means preliminary expenses relating to regulatory and registration fees of the Scheme, flotation 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 this Offering Document, announcements describing the Scheme and all other expenses incurred until the end of the Initial Period.

**“Front-end Load”** means the Sales load which may be included in the offering price of the Units; provided however that different levels of Front-end Load may be applied to different investors, as determined by the Management Company.

**“Government Securities”** includes monetary obligations of the Government or a Provincial Government or 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 Security.

**“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.

**“Initial Period” or “Initial Offering Period”** will start from \_\_\_\_\_. Means a period determined by the Management Company during which Units will be offered as mentioned in clause 1.9 of this Offering Document.

**“Initial Price” or “Initial Offer”** means the price per Unit on the first day of the Initial Period determined by the Management Company.

**“Investment”** means any Authorized Investment forming part of the Trust Property.

**“Investment Facilitators/Advisors”** 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 investment facilitator/advisor is not authorized to perform the Distribution Functions. The Management Company shall compensate the Investment Facilitators.

**“Investment Form”** means a standardized form prescribed by the Management Company to be duly filled by the investor to purchase Units and will be stated in this Offering Document.

**“Life of the Fund”** means duration of the Fund. It starts from the day following realization of all investment proceeds raised till the close of the Initial Period. The Life of the Fund shall start no later than seven (7) seven business days from the close of Initial Offering Period.

**“Local Governments”** mean all the local / city governments in Pakistan.

**“Management Company”** is defined in the preamble hereto;

**“Net Assets of the Allocation Plan”**, means the excess of assets over liabilities of pertinent Allocation Plan being offered under the Fund, such excess being computed in the manner as specified in the Regulation.

**“Net Assets of the Scheme”** means the excess of assets over liabilities of all Allocation Plans combined together, such excess being computed in the manner as specified under Regulations.

**“Net Asset Value” or “NAV”** of the Allocation Plan means per Unit Value of the pertinent Allocation Plan(s) being offered under the Fund arrived at by dividing the Net Assets of the Allocation Plan(s) by the number of Unit(s) outstanding for such Allocation Plan(s). The NAV of each Allocation Plan shall be announced on each Dealing Day as per the directions of the Commission from **“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.

**“Non-Term-Based Allocation Plans”** means the allocation plans that follow an investment strategy independent of any set time period over which certain objective(s) is/ are to be achieved. Such plans are open for subscription perpetually. Investors may enter or exit these plans at any time. These Allocation Plans typically do not have contingent loads or restrictions on redemptions.

**“Offer Price or Purchase (Public Offer) Price”** means the sum to be paid by the investor for purchase of one Unit, such price to be determined pursuant to this document.

**“Offering Document”** means the prospectus or other document (issued by the Management Company with written consent of the Trustee and 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 Rules and Regulations and is circulated to invite offers by the public to invest in the Scheme.

**“Online”** means transactions through electronic data-interchange whether real time transactions or otherwise, which may be through the internet, intranet networks, fiber links and the like.

**“Ordinance”** means the Companies Ordinance, 1984.

**“Par Value”** means the face value of **Rs.100/-** for a Unit of the Fund.

**“Personal Law”** means the law of inheritance and succession as applicable to the individual Unit Holder.

**“Pledge Form”** means a standardized form prescribed by the Management Company to be duly filled by the investor to Pledge his/her Units and will be stated in this Offering Document.

**“Profit Distribution Date”** means the date on which the Management Company decides to distribute the profits (if any).

**“Provincial Governments”** mean the Provincial Governments of all four provinces of Pakistan.

**“Redemption Form”** means a standardized form prescribed by the Management Company to be duly filled by the investor to redeem Units and will be stated in this Offering Document.

**“Redemption Price or Repurchase Price”** means the amount to be paid to the relevant Holder upon redemption of that Unit, such amount to be determined pursuant to this document.

**“Register Function”** means the functions with regard to:

- a. Maintaining the Register, including keeping a record of change of addresses/other particulars of the Holders;
- b. Issuing account statements to the Holders;
- c. Issuing Certificate, including Certificates in lieu of undistributed income to Holders;
- d. Cancelling old Certificates on redemption or replacement thereof;
- e. Processing of applications for issue, redemption, transfer and transmission of Units, recording of pledges, liens and changes in the data with regard to the Holders;
- f. Issuing and dispatching of Certificates;
- g. Dispatching bank transfer intimation and distributing bonus Units or partly both and allocating Units to Holders on re-investment of cash dividends;
- h. Receiving applications for redemption and transfer/transmission of Units directly from Holder or legal representatives or through Distributor;
- i. Maintaining record of lien/pledge/charge; and
- j. Keeping record of change of addresses/other particulars of the Holders.

**“Regular Interval”** means monthly, quarterly, half yearly or annual periods.

**“Rules”** mean Non-Banking Finance Companies (Establishment and Regulation) Rules 2003 as amended from time to time.

**“Regulations”** mean Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the Schedules and Forms attached to it as amended/replaced from time to time.

**“Sales Load”** mean Front end load and Back end load and any processing charges or Commission (excluding Duties and Charges) not exceeding three percent of NAV or as may be allowed under the Regulations, which may be included in the offer price of all or certain class of Units or deducted from the NAV in order to determine the Redemption Price of certain classes of Units.

**“SECP” or “Commission”** means Securities and Exchange Commission of Pakistan established under Securities and Exchange Commission of Pakistan Act, 1997 and shall include its successor.

**“Special Instruction Form”** means a standardized form prescribed by the Management Company to be duly filled by the investor to change his/her particulars and will be stated in this Offering Document.

**“Stock Exchange”** means Stock Exchanges registered under the Securities and Exchange Ordinance, 1969.

**“Term-Based Allocation Plans”** means the allocation plans that follow an investment strategy designed to achieve its objective over a certain pre-defined time-period. Such plans are open for subscription for a limited time period only. Investors should stay invested in such plans till their maturity in order to benefit from their strategy / features. Redemption before maturity is discouraged through contingent load / exit fee.

**“Transaction Costs”** means the costs incurred or estimated by the Management Company to cover the costs (such as, but not restricted to, 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.

**“Transfer Agent/Registrar Services”** 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.

**“Transfer Form”** means a standardized form prescribed by the Management Company to be duly filed by the investor to transfer Units and will be stated in this Offering Document.

**“Trust Deed” or “Deed”** means the Trust Deed of the Fund executed between the Management Company and the Trustee along with all the exhibits appended hereto.

**“Trust” or “Unit Trust” or “Fund” or “Scheme”** means the Unit Trust constituted by the Trust Deed for continuous offers for sale of Units.

**“Trust Property under Allocation Plan”** means the aggregate proceeds of all units of the pertinent Allocation Plan issued from time to time after deducting Duties and Charges, and after deducting there from any applicable Front-end Load and includes Investment and all income, profit and other benefits arising wherefrom and all cash, bank balances and other assets and property of every description from the time being held or deemed to be held

upon trust by the Trustee for the benefit of the Unit Holder(s) of the pertinent Allocation Plan, pursuant to this Deed, but does not include any amount available for distribution in the Distribution Account. Contingent Load and any profit on the Distribution Account of the Allocation Plans shall also form part of the Fund Property of Allocation Plan.

**“Trust Property of the Scheme”** means the aggregate proceeds of all Units of all Allocation Plans issued from time to time after deducting Duties and Charges, and after deducting there from any applicable Front-end Load and includes Investment and all income, profit and other benefits arising wherefrom and all cash, bank balances and other assets and property of every description from the time being held or deemed to be held upon trust by the Trustee for the benefit of the Unit Holder(s) pursuant to this Deed but does not include any amount available for distribution in the Distribution Accounts of the Allocation Plans. Contingent Load and any profit on the Distribution Account of the Allocation Plans shall also form part of the Fund Property of the Scheme.

**“Unit”** means one undivided share in the Net Asset of the Allocation Plan(s) being offered under this Scheme and where the context so indicating a fraction thereof.

Words and expressions used but not defined herein shall have the meanings assigned to them in the Act and 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. The headings and table of contents are for convenience only and shall not affect the construction of the Trust Deed.



**ANNEXURE "A"**

**MCB Financial Services Limited - Trustee**

Tariff Structure for Trusteeship

**The Trustee remuneration shall consist of reimbursement of actual custodial expenses/charges plus the following Tariff:**

Trustee Tariff	
Upto Rupees One Billion	Rs.0.09% per annum of the Daily Average Net Assets
Over Rupees One Billion	Rs0.9 million plus 0.065% exceeding One Billion

**ANNEXURE “B”**

**<sup>12</sup>[Current Level of load**

**Current Level of Front End Load for A & B Class: up to 2% (Not applicable during Pre-IPO)**

*\*Management Company may waive the Front-end Load fully or partially at its own discretion to any investor*

*Note: No sales load will be charged if the investor approaches directly for investment or where Transactions are done online, through website of the AMC.*

**Current Back-end Load: Nil**

**Current Contingent Load:**

<b>Allocation Plan</b>	<b>% of applicable NAV</b>
Conservative	Nil
Active	Nil

<sup>12</sup> Substituted vide 3<sup>rd</sup> Supplemental Offering Document dated February 13, 2017. The substituted clause read as follows:

**Current Level load**  
**Effective from Close of Initial Period**

**Current Level of Front End Load for A & B Class: 0 up to 2%**

*\*Management Company may waive the Front-end Load fully or partially at its own discretion to any investor*

*Note: No sales load will be charged if the investor approaches directly for investment or where Transactions are done online, through website of the AMC.*

Current Back-end Load: Nil

**Current Contingent Load:**

<b>Allocation Plan</b>	<b>% of applicable NAV</b>
Conservative	Nil
Active	Nil
Strategic	-From Investment till 12 months      1.5% of NAV

**Current Level of Management Fee: 1.5% p.a.**

*\*No Management Fee will be charged if the Fund invests in CIS managed by the Management Company*

*Any change in the load structure and/or management fee shall be notified after prior approval of the Commission through an addendum to this annexure **and/ as per the NBFC Regulations.***

**Cut-Off Time” / “Business Hours**

*Any day on which local Stock Exchanges and banks are open for normal business in Pakistan*

*i. Current Cut-off Timing & Business Hours for dealing in Units:*

*Every Dealing Day – 9:00 am to 4:00 p.m.*

*ii. Current Cut-off Time for dissemination and announcement of NAV for Each Dealing Day: Latest by 10:30 a.m. on subsequent Dealing Day*

*Any change in the Cut-Off Timings/Business Hours including for the month of Ramadan shall be notified to investors/Unit-Holders via the Company’s website*

Strategic	-From Investment till 12 months	1.5% of NAV
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**Current Level of Management Fee:**

Criteria	% of applicable NAV
If the Fund invests in CIS managed by the Management Company	Nil
If the Fund invests in Cash and / or near Cash instruments not exceeding 90 days as permitted for the fund of funds category.	1 %
If the Fund invests in CIS managed by other asset management companies.	1.5%

Any change in the load structure and/or management fee shall be notified after prior approval of the Commission through an addendum to this annexure **and/ as per the NBFC Regulations.**

**Cut-Off Time” / “Business Hours**

Any day on which local Stock Exchanges and banks are open for normal business in Pakistan

i. Current Cut-off Timing & Business Hours for dealing in Units:

Every Dealing Day – 9:00 am to 4:00 p.m.

ii. Current Cut-off Time for dissemination and announcement of NAV for Each Dealing Day:

Latest by 10:30 a.m. on subsequent Dealing Day

Any change in the Cut-Off Timings/Business Hours including for the month of Ramadan shall be notified to investors/Unit-Holders via the Company’s website.]

**ANNEXURE “C”  
Management Company and Distribution Company**

Distribution Network	
BMA Financial Services Limited - www.bmafs.com	
Head Office	Contact Numbers
Level 8, Uni tower, I. I. Chundrigar Road, Karachi	UAN #: (92-21) 111-262-111 Fax #: (92-21) 246-4695
Branch Offices	Contact Numbers
<u>Lahore Office:</u> Office # 2, Level 2, Zohra Heights, 19-E, Main Market, Gulberg-II, Lahore	Tel #: (042) 357-88416-20 Fax #: (92-42) 357-88412
<u>Islamabad Office:</u> 104, 1st Floor, 82-East, Mohammad Gulistan Khan House, Fazel e Haq Road, Blue Area, Islamabad	Tel #: (92-51) 280-2351-2 & 4 Fax #: (92-51) 280-2356
Vector Consulting (Pvt.) Limited - www.vector.com.pk	
Head Office	Contact Numbers
Suite No. 1011-13, 10th Floor, Saima Trade Towers, Tower B, I. I. Chundrigar Road, Karachi	Tel #: (92-21) 3227-5175-90 Fax #: (92-21) 3227-5193
IGI Investment Bank Limited - www.igiinvestmentbank.com.pk	
Head Office	Contact Numbers
7 <sup>th</sup> Floor, Suite 701-713, The Forum, G-20, Block 9, Khayaban-e-Jami, Clifton, Karachi	Tel #: (92-21) 111-234-234 Fax #: (92-21) 111-567-567, 3530-1729
Branch Offices	Contact Numbers
<u>Lahore Office:</u> Ground Floor, 5 F.C.C., Syed Maratib Ali Road, Gulberg, Lahore	Tel #: (92-42) 111-234-234 Fax #: (92-42) 111-567-567
<u>Islamabad Office:</u> Mezzanine Floor, Razia Sharif Plaza, 90 – Blue Area, G-7, Islamabad	Tel #: (92-51) 111-234-234 Fax #: (92-51) 111-567-567
<u>Faisalabad Office:</u> 9 <sup>th</sup> Floor, State Life Building, Faisalabad	Tel #: (92-41) 254-0811-14, 254-0841-45 Fax #: (92-41) 254-0815
<u>Multan Office:</u> Mezzanine Floor, Abdali Tower,	Tel #: (92-61) 450-0180-81

ABL FINANCIAL PLANNING FUND (OFFERING DOCUMENT)

Abdali Road, Multan	Fax #: (92-61) 478-4403
Elixir Securities Pakistan (Pvt.) Limited - www.elixirsec.com	
Head Office	Contact Numbers
8th Floor, Dawood Centre, M. T. Khan Road, Karachi	Tel #: (92-21) 111-354-947 Fax #: (92-21) 3569-4696
Branch Offices	Contact Numbers
<u>Karachi Office:</u> Stock Exchange Office, 7th Floor, Room No. 714, KSE Building, Stock Exchange Road, Karachi	Tel #: (92-21) 3244-3445-6
<u>Lahore Office:</u> Office No. No. 2, Ground Floor, Rehman Business Centre, Gulberg 3, Lahore	Tel #: (92-42) 111-354-947 Fax #: (92-42) 3587-8237
<u>Islamabad Office:</u> House No. 68, Main Margalla Road, F-6/2 Islamabad	Tel #: (92-51) 227-2341-3 Fax #: (92-51) 227-2340
<u>Faisalabad Office:</u> 5th Floor, State Life Building, Liaquat Road, Faisalabad	Tel #: (92-41) 254-1001-4 Fax #: (92-41) 254-1005
Reliance Financial Products (Pvt.) Limited - www.reliancepakistan.com	
Head Office	Contact Numbers
96/1, Street-13, Khayaban-e-Sehar, Phase 6, DHA, Karachi	Tel #: (92-21) 3584-6233
Invest Capital Markets Limited - www.investcapital.com	
Head Office	Contact Numbers
C3C, 12th Lane, Ittehad Commercial, Phase-II, Ext. DHA, Karachi	Tel #: (92-21) 111-111-097 Fax #: (92-21) 3531-3887
Branch Offices	Contact Numbers
<u>Karachi Stock Exchange Office:</u> Suite No. 704, KSE Building, Stock Exchange Road, Karachi	Tel #: (92-21) 3244-6334-5 Fax #: (92-21) 3244-6336
<u>Lahore Office:</u> 16 – A, Main Gulberg, Jail Road, Lahore	Tel #: (92-42) 3577-6701-08 Fax #: (92-42) 3577-6708
<u>Islamabad Office:</u>	

ABL FINANCIAL PLANNING FUND (OFFERING DOCUMENT)

301, Muhammad Gulistan Khan House, 82E, Blue Area, Fazl-e-Haq Road, Islamabad	Tel #: (92-51) 111-111-097 Fax #: (92-51) 227-5202
Pyramid Financial Consultants (Pvt.) Limited	
Head Office	Contact Numbers
518, Progressive Plaza, Beaumont Road, Karachi	Tel #: (92-21) 3563-8266-67
Foundation Securities (Pvt.) Limited - www.fs.com.pk	
Head Office	Contact Numbers
Ground Floor, Bahria Complex 2, M. T. Khan Road, Karachi	Tel #: (92-21) 111-000-357 Fax #: (92-21) 3561-2262
<u>Lahore Office:</u> 11-F/1, Main Gulberg, Jail Road, Lahore	Tel #: (92-42) 3577-6821-29 Fax #: (92-42) 3577-6830
<u>Islamabad Office:</u> 1212, ISE Towers, Jinnah Avenue, Islamabad	Tel #: (92-51) 285-221-28 Fax #: (92-51) 289-5229
Metro Securities (Pvt.) Limited	
Head Office	Contact Numbers
36-F, Block 6, P. E. C. H. S., Karachi	Tel #: (92-21) 3454-0270-3 Fax #: (92-21) 3454-0274
AL Habib Capital Markets (Pvt.) Limited - www.ahcml.com.pk	
Head Office	Contact Numbers
GF-01, Techno City, Hasrat Mohani Road, Karachi	Tel #: (92-21) 3227-0808-13 Fax #: (92-21) 3227-0519-20
Branch Office	Contact Numbers
<u>Karachi Stock Exchange Office:</u> Room No. 642, 6th Floor, Karachi Stock Exchange Building, Stock Exchange Road, Karachi	Tel #: (92-21) 3242-4526, 3243-5050 Fax #: (92-21) 3243-4832
FundShop - Investment Solutions - www.fundshop.com.pk	
Head Office	Contact Numbers
First Floor, 163, Street 4, Cavalry Ground, Lahore Cantt. Lahore	Tel #: (92-42) 3575-3449 Fax #: (92-42) 3587-1083
Icon Securities (Pvt.) Limited - www.iconsecurities.com.pk	

ABL FINANCIAL PLANNING FUND (OFFERING DOCUMENT)

Head Office	Contact Numbers
Suite 7001, 7th Floor Business Plaza Off. I. I. Chundrigar Road, Karachi	Tel #: (92-21) 3246-6710-19 Fax #: (92-21) 3246-6725
Branch Office	Contact Numbers
<u>Karachi Stock Exchange Office:</u> Room No. 147, 3rd Floor, Karachi Stock Exchange Building, Stock Exchange Road, Karachi	Tel #: (92-21) 3241-3123 Fax #: (92-21) 3243-7094
Khabeer Financial Services (Pvt.) Limited - <a href="http://www.khabeer.com.pk">www.khabeer.com.pk</a>	
Head Office	Contact Numbers
1st Floor,  PIDC House, M. T. Khan Road, Karachi	Tel #: (92-21) 3566-2005, 3566-2009, 3521-6396 Fax #: (92-21) 3521-7725
Topline Securities Pakistan Limited - <a href="http://www.topline.com.pk">www.topline.com.pk</a>	
Head Office	Contact Numbers
306, Continental Trade Centre, Block 8, Main Clifton Road, Karachi	Tel #: (92-21) 3530-3330 Fax #: (92-21) 3530-3349

**ANNEXURE "D"**

**FORMS OF ABL FINANCIAL PLANNING FUND**