

Disclaimer: All investments in Mutual Fund are subject to market risk. 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 2.2 and Warnings in Clause 10 before making any investment decision.

ABL STOCK FUND

OFFERING DOCUMENT

AMENDED TILL October 06, 2016

To Be Managed by

ABL Asset Management Company Limited

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OFFERING DOCUMENT

ABL STOCK FUND (ABL-SF)

MANAGED BY

ABL Asset Management Company Limited

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

Date of Publication of this Offering Document June 18, 2009

Initial Offering Period June 25, 2009 to June 27, 2009 (both days inclusive)

“The investors are advised in their own interest to carefully read the contents of the Offering Document, in particular the Risk Disclosure in Clause 2.8, Disclaimer in Clause 2.9 and Warning in Clause 10 before making any investment decision”

ABL Stock Fund (the Fund/the Scheme/the Trust/the Unit Trust/ABL-SF) has been established as an open-end fund under the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (“Regulations”) vide a registered Trust Deed (the Trust Deed) dated April 23, 2009 entered into and between ABL Asset Management Company Limited, the Management Company, and Central Depository Company of Pakistan Limited, the Trustee.

REGULATORY APPROVALS AND CONSENTS

Approval of the Securities and Exchange Commission of Pakistan

The Securities and Exchange Commission of Pakistan (the Commission) has registered ABL-SF under Regulation 44 of the Regulations and has approved this Offering Document authorizing the offer of Units of ABL-SF under Regulation 54 of the Regulations.

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

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

Investors must recognize that all investments involve varying levels of risk. The portfolio of the Fund would primarily consist of investments listed as well as unlisted, that are subject to market fluctuations and risks inherent in all such investments. Neither the value of the Units of the Fund, nor the dividends declared by the Fund, is or can be assured. Investors are requested to read the Risk Disclosure in Clause 2.8, Disclaimer in Clause 2.9 and Warning in Clause 10 contained in this Offering Document.

Filing of the Offering Document

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

- i. Trust Deed of ABL-SF dated April 23, 2009, between ABL Asset Management Company Limited (ABL AMC) as the establisher and the Management Company and Central Depository Company of Pakistan Limited (CDC), as the Trustee.
- ii. Licence No. NBFC-II/1/ABL/AMS/01/2008 dated January 15, 2009 granted by the Commission to ABL AMC to carry out Asset Management Services;
- iii. The Commission's letter No.NBFC-II/DD/ABLAMC/423/09 dated April 10, 2009 approving the appointment of CDC as the Trustee to ABL-SF.
- iv. The Commission's letter No.NBFC-II/DD/ABLAMC/566/2009 dated May 26, 2009, registering ABL-SF as a notified entity under Regulation 44 of the Regulations.
- v. The Commission's letter No.NBFC-II/DD/ABLAMC/622/2009 dated June 17, 2009 , approving this Offering Document and authorizing ABL-SF under Regulation 54(1) of the Non Banking Finance Companies and Notified Entities Regulations 2008.
- vi. Letter from Messrs. A.F. Fergusons & Co., Chartered Accountants consenting to act as Auditors of ABL-SF.
- vii. Letter from Messrs. Bawaney & Partners, consenting to act as Legal Advisers of ABL-SF.

1. CONSTITUTION OF THE SCHEME

1.1 Constitution

The Fund is an open-end scheme, constituted by a Trust Deed entered into at Karachi on April 23, 2009 between:

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

Central Depository Company of Pakistan Limited (CDC), a public limited company incorporated under the Companies Ordinance, 1984, having its registered office at CDC House, 99-B, Block B, SMCHS, Main Shahrah-e-Faisal, Karachi.

1.2 Registered Address, Place and Date of Creation

The registered address of the ABL Asset Management Company Limited is 11-B, Lalazar, M.T. Khan Road, Karachi. The Trust Deed was executed on - April 23, 2009. The official web site address of ABL Asset Management Company Limited is www.ablamc.com

1.3 Trust Deed

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

1.4 Modification of Trust Deed

1.4.1 The Trustee and the Management Company acting together shall be entitled by Trust Deed supplemental to modify, alter or add to the provisions of the Trust Deed in such manner and to such extent as they may consider expedient for any purpose, subject only to the approval of the Commission . Provided that, the Trustee and the Management Company shall certify in writing that, in their opinion such modification, alteration or addition is required pursuant to any amendment in the Rules or the Regulations or to ensure compliance with any fiscal or statutory requirement or to enable the provisions of the Trust Deed to be more efficiently, conveniently or economically managed or to enable the Units to be dealt in or quoted on Stock Exchange or otherwise for the benefit of the Unit Holder(s) and that it does not prejudice the interests of the Unit Holder(s) or any of them or operate to release the Trustee or the Management Company from any responsibility to the Unit Holder(s).

1.4.2 The amended or supplemented Deed shall be binding on the Unit Holders(s) from the date of such amended or supplemented Deed. Where the Trust Deed has been amended or supplemented the Management Company shall notify the Unit Holder(s) immediately either through mail, advertising in the paper or by posting on its website regarding such alteration/amendments. Failure to notify the Unit Holder(s) immediately of any amended or supplemented Deed shall not prejudice the validity or enforceability of the amended or supplemented Deed against the Unit Holders(s)

1.4.3 The Management Company may, from time to time, with the consent of the Trustee frame Operational procedures for conducting the business of the Trust or in respect of any other matter incidental thereto; provided such procedures are not inconsistent with the provisions of the Trust Deed or this Offering Documents, the Rules and/or the Regulations.

1.4.4 If the Commission modifies the Rules and/or the Regulations to allow any relaxations or exemptions, these will be deemed to have been included in the Trust Deed without requiring any modification.

1.5 Modification of Offering Document:

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

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

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

1.6 Duration

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

1.7 Units

1.7.1 Initial Price

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

All Units and fractions thereof represent an undivided share in the Fund and rank pari passu as to their rights in the Net Assets, earnings, and the receipt of the dividends and distributions, subject to the Classes and Types of Units mentioned in Clause 4 hereafter. Each Unit Holder has a beneficial interest in ABL-SF proportionate to the Units held by such Unit Holder. For the convenience of investors, the Management Company may issue Units of different Classes and Types with different options as chosen by the investors. Consequently, Units of different Classes and Types may have differing applicable quantum of the Front-end Load added to the NAV for determining the Offering Price thereof and differing applicable quantum of Back-end Load deducted from the NAV for determining the Redemption Price.

1.7.2 Classes and Types of Units

The Management Company shall issue the Units of different Classes and Types, as mentioned hereafter.

1.7.2.1 Classes of Units

- i. Class "A" (Restricted/Core Units) issued to the Core Investors with no Front-end Load. Out of these, at least Fifty Million Rupees shall remain invested for at least two (2) years or life of the Scheme, whichever is lesser. However, such Units are transferable.
- ii. Class "B" Units being offered and issued during the Private Placement and IPO with no Front-end Load.
- iii. Class "C" Units being offered and issued after the IPO where a Front-end Load will be charged.

The Management Company may revise Front-end Load from time to time within the prescribed limits in the Rules and Regulations.

1.7.2.2 **Types of Units**

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

Further information available in Clause 4 of this Offering Document

Core Units

Class “A” (Restricted/Core Units)

Core Units shall be subscribed by the Core Investors for an aggregate amount of Rs. 100,000,000/- (Rupees One Hundred Million only) as prescribed in Regulation 44(3)(e)(ii) of the Regulations which shall be issued at the Initial Price and out of Rs. 100 million atleast Rs. 50 million shall remain invested in the scheme for atleast two years;

1.8 **Open-end Fund**

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

1.9 **Initial Offer**

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

1.10 **Transaction in Units after Initial Period**

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

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

2.1 **Investment Objective**

ABL-SF aims to provide higher risk adjusted returns to the investors by investing in diversified portfolio of equity instruments offering capital gains and dividends.

Benchmark

¹[The Benchmark for “ABL Stock Fund” will be KSE-100 index]

2.2 **Investment Policy**

ABL-SF will primarily invest in equity and equity related instruments. In case the Management Company expects the stock market to drop, based on the analysis of macroeconomic factors such as interest rates, economic growth rates, political climate, corporate earnings, stock market valuations, etc, the Management Company may temporarily allocate assets to other Authorized Investments, subject to the prescribed regulatory limits.

The Fund will decide level of exposure in equities on the basis of macro economic outlook and market attractiveness. Of the total equity investment, exposure to each individual sector will be decided on the basis of risk/return trade-off, sector valuations and growth prospects. The Fund will invest in those selective companies which offer best future dividend yields and capital gains’ potential.

The Fund’s investment policy is not restricted to “top down” strategy. It may also opt for “bottom up” strategy while setting total equity and sector allocation limits.

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

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

2.3 **Authorized Investments**

2.3.1 **Asset Allocation**

The investment restrictions that apply to ABL-SF and its investments in various asset classes are as follows:

Asset Class	Entity rating	Instrument Rating	Exposure Limit (% of NAV)
a. Listed Equity Securities	N/A	N/A	70% and above
b. Cash in Bank Accounts (excluding TDRs)	N/A	N/A	0-30%
c. Treasury Bills not exceeding 90 days maturity	N/A	N/A	0-30%

2.4 **Risk Control in the Investment Process**

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

¹ Substituted vide 7th Supplemental Trust Deed dated October 6, 2016 for “KSE-30 Index. The substituted clause read as follows: “The fund will benchmark with [KSE-30 index]”. It was substituted vide 2nd Supplemental Trust Deed dated May 19, 2010

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

2.5 Changes in Investment Policy

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

2.6 Management Company can alter Investment Mix

The Management Company can from time to time alter the weightages, subject to the specified limits as per clause 2.3.1 above, between the various types of investments if it is of the view that market conditions so warrant.

2.7 Investment Restrictions and Exposure Limits

The Fund shall follow the investment restrictions and exposure limits imposed by Regulations 37(7) and 58(1). In the event of any changes in the investment restrictions in the Regulations, restrictions applicable to ABL-SF shall automatically be applied. The present exposure limits and restrictions are given hereunder:

- i. The Management Company in relation to the Scheme shall not:
 - Affect a short sale in a security whether listed or unlisted;
 - Purchase any security in a forward contract;
 - Purchase any security on margin;
 - Apply any part of its assets to real estate, commodities or commodity contracts;
 - Invest in securities of the Asset Management Company;
 - Issue a senior security which is either stock or represents indebtedness without the prior written approval of the Commission;
 - Apply for de-listing from stock exchange, unless it has obtained prior written approval of the commission;
 - Invest in any security of a company if any director or officer of the Asset Management Company owns more than five percent of the total amount of securities issued by that company, or the directors and officers of the Asset Management Company collectively own more than ten percent of those securities;
 - Lend, assume, guarantee, endorse or otherwise become directly or contingently liable for or in connection with any obligation or indebtedness of any person; spread transaction through ready buy and future sale shall not be attracted by clause (j) provided risk management parameter are disclosed in this Offering Document of the scheme; and,
 - In any form borrow, except with the approval of the trustee, for meeting redemption requests and such borrowing shall not exceed fifteen percent or such other limit as specified by the commission of the total net asset value of an open end scheme at the time of borrowing and shall be repayable within a period of ninety days.
 - Pledge any of its securities held or beneficially owned by the Scheme except as allowed under the Regulations;
 - Make a loan or advance money to any person from the assets of the Scheme;
 - Participate in a joint account with others in any transaction on behalf of the Collective Investment Scheme except for collection account of the CIS managed by it;
 - Make any investment from the Scheme which will vest with the Asset Management Company or its group the management or control of the affairs of the investee company;
 - Enter, on behalf of Scheme, into transaction with any Broker, which exceed thirty per cent of the commission paid by Scheme in any one accounting year;

- ii. As per Regulation 55(9), the Scheme shall not invest more than twenty five (25) percent of its Net Asset value of the Scheme in securities of any one sector as per classification of the stock exchange(s).
- iii. As per Regulation 55(5), the exposure of the Scheme to any single entity shall not, at any time, exceed an amount equal to ten per cent of total net assets of the Scheme or ten per cent of issued capital of that company, whichever is lower.
- iv. The Management Company shall not take exposure of more than, - (a) thirty five per cent (35%) of Net Assets of the Scheme in any single group; and (b) ten per cent (10%) of Net Assets of Scheme in listed group companies of the asset management company and such exposure shall only be made through the secondary market.
- v. In the event, where exposure of the Scheme exceeds the limits laid down in clauses 2.7 above of this Offering Document due to corporate actions including taking up rights or bonus issue, and due to market price increase or decrease in net assets due to redemptions, the excess exposure shall be regularized within three months of the breach of limits unless the said period of three months is extended up to another three months by the commission on an application by the Asset Management Company;
- vi. The Scheme shall not invest in unlisted equity securities, unless an application for listing of such securities has been accepted by the pertinent Stock Exchange. Provided that the Scheme may make total investment in a pre-initial public offering (Pre IPO) upto fifteen percent of its Net Asset Value, subject to the investment limits prescribed under the Regulations.
- vii. The Scheme shall not rollover the investments in case the borrowing limits have already been exhausted and redemptions are pending for more than six days.

2.7.1 **Restriction of Transactions with Connected Persons**

- i. The Trust Property shall not be invested in any security of a company if any director or officer of the Management Company owns more than five (5) percent of the total amount of the securities issued or collectively the directors and officers of the Management Company own more than ten (10) percent of those securities.
- ii. The Management Company on account of the Fund shall not, without the prior approval of the Commission in writing, purchase from, or sell any security to the Management Company or the Trustee or to any director, officer or employee of the Management Company or Trustee or to any person who beneficially owns ten (10) percent or more of the equity of the Management Company or the Trustee, save in the case of such party acting as an intermediary.
- iii. []²
- iv. The Management Company on behalf of the Scheme shall not without the prior approval of the commission in writing, purchase from, or sell any securities to any connected person or employee of the Asset Management Company;
- v. All transactions carried out by or on behalf of the Scheme with Connected Person(s) shall be made as provided in the Constitutive Documents, and shall be disclosed in the Scheme's annual reports.
- vi. In case cash forming part of the Scheme's assets is deposited with the Trustee or the

² Omitted vide 1st Supplemental Offering Document dated April 28, 2010. The omitted clause {Sub-Clause 2.7.1(iii)} read as follows;
“For the purpose of sub-paragraphs (i) and (ii) above the term director, officer and employee shall include spouse, lineal ascendants and descendants, brothers and sisters.”

Custodian, which is a banking company or an NBFC, the return shall be paid on the deposit by the Trustee or Custodian at a rate that is not lower than the rate offered by the said banking company or NBFC to its other depositors on deposits of similar amount and maturity.

2.7.2 **Borrowing Restrictions**

- i Subject to any statutory requirements for the time being in force and to the terms and conditions contained herein the Management Company may make arrangements with Banks or other Financial Institutions for borrowing by the Trustee for the account(s) of the Scheme, provided that borrowing shall not be resorted, except for meeting redemption requests.
- ii The Trustee shall ensure that the borrowing limitations set out in the regulations and constitutive documents and the conditions under which the Scheme has been authorised are complied with. The Management Company on account of the Scheme managed by it shall not borrow, except with the approval of Trustee, for meeting redemption request and such borrowing shall not exceed fifteen per cent of the total Net Asset Value of the Scheme at the time of borrowing and shall be repayable within a period of ninety days or such other limit as may be provided in the Regulations. The financing documents shall be executed by the Trustee on behalf of the Fund. If subsequent to such borrowing, the Net Assets are reduced as a result of depreciation in the market value of the Trust Property or redemption of Units, the Management Company shall not be under any obligation to reduce such borrowing.
- iii The charges payable to any Bank or Financial Institution by the Trust against such borrowings on account of the Scheme as permissible shall not be higher than the normal prevailing bank charges or normal market rates.
- vi Neither the Trustee, nor the Management Company shall be required to issue any guarantee or provide security over their own assets for securing such borrowings from banks and financial institutions. The Trustee or the Management Company or their officers shall not in any manner be liable in their personal capacities for repayment of such loans or advances.
- v For the purposes of securing any such borrowing the Trustee may with the written approval 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.
- vi Neither the Trustee, nor the Management Company shall incur any liability by reason of any loss to the Trust or any loss that Unit Holder(s) may suffer by reason of any depletion in the Net Asset Value that may result from any borrowing arrangement made hereunder in good faith.

2.8 **Risk Disclosure**

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

- i. **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. When the economy is expanding, the outlook for many companies will be good and the value of their stocks should rise. The opposite is also true. Usually, the greater the potential reward, the greater would

be the risk. For small companies, startups, resource companies and companies in emerging sectors, the risks and potential rewards are usually greater. Some of the products and services offered by technology companies, for example, can become obsolete as science and technology advance.

- ii. **Currency Risk** - The Fund may be affected favorably or unfavorably by changes in currencies and exchange control regulations. The income earned by the Fund may also be affected by the fluctuations in foreign exchange rates.
- iii. **Return / Markup Rate Risk** – Bank Deposit and Government Treasuries generally pay a fixed rate of return/mark-up. The value of the fund, due to its holdings in these securities, will rise and fall as interest rates change. For example, when interest rates fall, the value of an existing treasury bill will rise and vice versa.
- iv. **Government Regulation Risk** - Government policies or regulations are more prevalent in some sectors than in others. Funds that invest in these sectors may be affected due to change in these regulations or policies, which directly or indirectly affect the earnings and/or the cash flows and/or any governmental or court orders restraining payment of capital, principal or income.
- v. **Voluminous Purchase/Redemption of Fund Units Risk** - Any significant transaction made by any investor could significantly impact a Fund's cash flow. If the third party buys large amounts of Units of a Fund, the Fund could temporarily have a high cash balance. Conversely, if the third party redeems large amounts of Units of a Fund, the Fund may be required to fund the redemption by selling securities at an inopportune time. This unexpected sale may have a negative impact on the performance of the investment.
- vi. **Counterparty Risk** - The risks with that the other party may not be able to fulfill its obligations.
- vii. **Liquidity Risk** - Some securities have limited market floats and hence are not actively traded in the secondary market or they may generally have a relatively small issue size. Investments in securities issued by such companies may be difficult to trade, which may cause the value of the Fund to rise or fall substantially as any buying or selling of such companies' securities may impact its prices.
- viii. **Market Risk** - This risk involves volatility in the secondary market prices of securities resulting from their dependence on market sentiment, speculative activity, supply and demand for the securities and liquidity in the market. The volatility in securities prices results in volatility in the NAV based price of the Unit of the Fund.
- ix. **Other Risks Involved** – Mismanagement of the investee company, third party liability whether through class action or otherwise or occurrence of other events such as strikes, fraud etc., in the company in which the investment is made or a breakdown of law and order, war, terrorist activity, natural disasters, etc, senior rights of creditors over the shareholders in the case of winding up, break-down of communication systems of the issuers, stock exchanges or general disruptions of satellite system. Prices of Units of the Fund and income from them may go up or down.

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

2.9 Disclaimer

The Units of the Trust are not bank deposits and are neither issued by, insured by, obligations of, nor otherwise supported by the Commission, any Government agency, the

Trustee, the Management Company (except to the extent specifically stated in this Offering Document and the Trust Deed) or any of the shareholders of the Management Company or any of the Core Investors or any other bank or financial institution.

3. OPERATORS AND PRINCIPALS

3.1 Management Company

Organization

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 Aftab Manzoor	1	10
Mr. Muhammad Yaseen	1	10
Mr. M. Jawaid Iqbal, CFA	1	10
Mr. M. Shakeb Murad	1	10
Mr. Samad Dawood	1	10
Mr. Anis ur Rahman, CFA	1	10
Total	50,000,000	500,000,000

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

3.2 Holding Company

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

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

Today the Bank stands on a solid foundation of over 65 years of its existence having a strong equity, assets and deposits base offering universal banking services with higher focus on retail banking. Allied Bank's equity amounted to Rs. 20.8 billion, deposits in excess of Rs. 297.5 billion and total assets equaling Rs. 366.7 billion as at December 31st, 2008. 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 766 branches in over 300 cities and towns. The bank leads the way by having the largest network of 502 ATMs in more than 145 cities and towns across Pakistan. ABL's turnaround in such a short span has been achieved on account of the Board's and the management's commitment to professionalism, adaption to changes, environmental challenges and urge for growth.

Based on its consolidated financial performance and significant improvement in areas of risk management and corporate governance, the Pakistan Credit Rating Agency (PACRA)

assigned the long term rating of Allied Bank to AA (double A) and short-term rating to A1+ (A one plus). JCR-VIS has also assigned a long term rating of ABL to AA- (double A minus) and short term rating to A1+ (A one plus) and a Corporate Governance Rating of 8 denoting high level of corporate governance.

3.3 Board of Directors of the Management Company

Name	Position	Other Directorships	Address
Sheikh Mukhtar Ahmed	Chairman	1. Director- Ibrahim Fibers Ltd. 2. CEO-Ibrahim Agencies (Pvt) Ltd. 3. Director- Allied Bank Ltd.	3, Race Course Road, Civil Lines, Faisalabad
Mr. Mohammad Aftab Manzoor	Director	1. CEO& President- Allied Bank Ltd. 2. Director – Habib Allied International Bank 3. Director – First Women Bank Ltd. 4. Director – Competitiveness Support Fund 5. Director – National Management Foundation (LUMS) 6. Director - Arabian Sea Country Club	House # 74/II, Street 16, Off Kh-e-Sehar, Phase VI, DHA, Karachi
Mr. M. Jawaid Iqbal	Director	1. President CFA – Association of Pakistan 2. Director – Nishat Power Ltd 3. SEVP & Group Head Corporate & Investment Banking Group – Allied Bank Ltd.	Navel Housing Scheme, House No.D/377, Zamzama Link Road, Clifton, Karachi.
Mr. Muhammad Yaseen	Director	Nil	C-47, Dawood Cooperative Housing Society KDA Scheme No.7, Off Stadium Road, Karachi.
Mr. Shakeb Murad	Director	Nil	House No.110/1, Main Khayabane-e-Badar Off Commercial Avenue, Phase VI, DHA, Karachi.
Mr. Samad Dawood	Director	1. Director – Dawood Hercules Chemicals Ltd. 2. Chairman – Central Insurance Company Ltd. 3. Director – Engro Chemicals Pakistan Ltd. 4. Director – Sui Northern Gas Pipelines Ltd.	House No.F/6, Dawood Colony, National Stadium Road, Karachi.
Mr. Anis ur Rahman	Director	Nil	House No.16B, 7 th Central Street, Phase-II, DHA, Karachi-75500

3.3.1 Profile of Directors

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

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

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

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

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

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

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

3.3.2 **Profile of Management**

Mr. Anis ur Rahman, CFA **Chief Executive Officer**

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

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

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

Syed Khalid Husain
Head of Business Development

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

Mr. Abdul Rasheed, CFA
Equity Fund Manager

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

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

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

Mr. Saqib Matin, ACA, APA
Chief Financial Officer

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

Syed Hassan Mehdi
Head of Registrar Services & Manager Operations

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

Mr. Hammad Ali Abbas
Fund Manager

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

3.4 Duties and Responsibilities of the Management Company

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

3.4.1 Primary Functions of the Management Company:

i. Fund Management

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

ii. Fund Manager and Investment Committee

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

iii. Investor Services

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

iv. Investor Records

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

v. Registrar Services

The Management Company shall carry out the responsibility of maintaining investors' records, issuing statements of accounts, issuing Certificates representing Units, processing redemption requests, processing dividend payments and all other related and incidental activities. The Management Company shall not remove the records or Documents pertaining to the Scheme from Pakistan to a place outside Pakistan without the prior written permission of the Commission and the Trustee. The Management Company shall

perform the function of Registrar/Transfer Agent. However, at its discretion the Management Company may outsource the Registrar Function to a third party.

vi. Distribution

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

The Management Company shall ensure, where it delegates the Distribution Function that the Distributors to whom it delegates, have acquired and are maintaining the associate membership of the association(s) constituted in consultation with the Commission and are abiding by the code of conduct prescribed by the association(s).

vii. Investment Facilitators

The Management Company may, at its own responsibility, from time to time appoint Investment Facilitators to assist it in promoting sales of Units. The Investment Facilitators shall be remunerated by the Management Company out of the Front-end Load or out of its own resources.

viii. Record Keeping

The Management Company has the primary responsibility for all record keeping, regular determination and announcements of prices and for producing and issuing financial reports from time to time. The Management Company shall provide the Trustee unhindered access to all records relating to the Scheme. 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, all transactions for the account of the Scheme, the amounts received by the Scheme in respect of issues of Units, payments made by the Scheme on redemption of Units and by way of distributions and payments made at the termination of the Scheme. The Management Company shall maintain the books of accounts and other records of the Scheme for a period of not less than ten years. The Management Company shall not remove the records or documents pertaining to the Scheme from its principal place to another place without the prior written permission of the Commission and the Trustee.

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

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

- ii. The Management Company shall comply with the provisions of the Regulations and the Trust Deed for any act or matter to be done by it in the performance of its duties and such acts or matters may also be performed on behalf of the Management Company by any officer(s) or responsible official(s) of the Management Company or by any nominee or agent appointed by the Management Company and any act or matter so performed shall be deemed for all the purposes of the Trust Deed to be the act of the Management Company. The Management Company shall be responsible for the acts and omissions of all persons to whom it may delegate any of its functions as manager as if these were its own acts and omissions and shall account to the Trustee for any loss in value of the Trust Property where such loss has been caused by its gross negligence or reckless or willful act and/or omission of its officers, officials or agents.
- iii. The Management Company may from time to time appoint, remove or replace the Registrar/Transfer agent under intimation to the Trustee.
- iv. The Management Company shall make available or ensure that there is made available to the Trustee such information as the Trustee may reasonably require in respect of any matter relating to the Scheme.
- v. The Management Company shall not be under any liability except such liability as may be expressly assumed by it under the Regulations and the Constitutive Documents, nor shall the Management Company (save as herein otherwise provided) be liable for any act or omission of the Trustee nor for anything except for its own gross negligence or willful breach of duty. If for any reason it becomes impossible or impracticable to carry out the provisions of the Constitutive Documents, the Management Company shall not be under any liability thereof or thereby and it shall not incur any liability by reason of any error of law or any matter or thing done or suffered or omitted to be done in good faith hereunder.
- vi. The Management company shall prepare and transmit within four months of closing of the accounting period of the Scheme to the unit holders, the Trustee, the Commission and stock exchanges, on which the units of the scheme are listed, the annual report as per the requirements set out in Schedule V of the Regulations, including;
 - (i) copy of the balance sheet and income statement;
 - (ii) cash flow statement;
 - (iii) statement of movement in Unit Holders' fund or Net Assets or reserves; and;
 - (iv) the Auditor's report of the Scheme;
- vii. The Management company shall prepare and transmit (physically or on the web subject to Commission's approval) within one month of the close of the first and third quarters and within two months of the close of second quarter of the Accounting Period of account of the Scheme, prepare and transmit to the Unit Holders, the Trustee, the Commission and Stock Exchanges, on which the units of the scheme are listed whether audited or otherwise:
 - (i) balance sheet as at the end of that quarter;
 - (ii) income statement;
 - (iii) cash flow statement;
 - (iv) statement of movement in Unit Holders' fund or Net Assets or reserves; and;
 - (v) statement showing the securities owned at the beginning of the relevant period, securities purchased or sold during such period, and the securities held at the end of such period together with value (at carrying and at market) and the percentage in relation to its own Net Assets and the issued capital of the person whose securities are owned for that quarter;
- viii. The Management Company shall maintain a Register of Unit Holder(s) of the Trust (either in physical or electronic form) through Registrar/Transfer Agent or itself and inform the Trustee and the Commission of the address where the Register is kept. The Management Company

shall not remove the records or documents pertaining to the Scheme from Pakistan to a place outside Pakistan without the prior written permission of SECP and the Trustee. The Management Company shall maintain the accounts, records and other documents pertaining to the scheme for a period not less than ten years.

- ix The Management Company shall with the consent of the Trustee, appoint at the establishment of the Trust and upon any vacancy an auditor, from the approved list of auditors circulated by the Commission from time to time, who shall be chartered accountants and independent of the auditor of the Management Company, as the case may be, and such auditor shall be appointed for a period as prescribed in the Regulations and the contents of the Auditor's report shall also be in accordance with the provisions of the Regulations.
- x The Management Company shall be obliged to obtain a rating of the Scheme, once the Scheme becomes eligible for ratings as per the rating criteria of the rating agency. Such rating shall be updated at least once every Accounting Period and also published in the annual and quarterly reports of the Scheme.
- xi The Management Company shall, from time to time, advise the Trustee of the settlement instructions relating to any investment/disinvestment transactions entered into by it on behalf of the Trust. The Trustee shall carry out the settlements in accordance with the dictates of the specific transactions unless they are not in conflict with the Trust Deed and the Regulations. The Management Company shall ensure the settlement instructions are given promptly after entering into the transaction so as to facilitate timely settlement and the Trustee, on its side, shall ensure that the settlement is handled in a timely manner in accordance with dictates of the transaction, subject to the Trust Deed and the Regulations.
- xii The Management Company shall provide the Trustee with regular reports indicating dividends, other forms of income or inflows, and any rights or warrants relating to the investments that are due to be received. The Trustee shall report back to the Management Company any such amounts or warrants that are received on such accounts from time to time.
- xiii Subject to Clause 3.4.2 (xv) hereafter, the Management Company may appoint investment advisors to assist in investing and managing the assets of the Fund or to invest and manage part or whole of the assets of the Fund at its own cost and discretion, provided that the Management Company will be responsible for all acts of such advisors.
- xiv The Management Company may in consultation with the Trustee further appoint advisors and professionals in offshore countries for making investments in offshore countries and/or for issuing Units to the investors in the offshore countries to determine the legal and regulatory requirements to be fulfilled by the Fund, the Management Company and the Trustee and their respective obligations in relation thereto. The fees of such advisors and professionals shall not be charged to the Fund.
- xv The Management Company shall develop criteria for appointing a diverse panel of Brokers and monitoring compliance thereof to avoid undue concentration with any single Broker and shall intimate the same to the Trustee
- xvi The Management Company shall nominate one or more of its officers to act as attorney(s) for performing the functions of Management Company and for interacting with the Trustee
- xvii The Management Company shall provide such other information and record to the Trustee as may be necessary for the Trustee to discharge obligations under the Regulations and the Deed.

3.5 Trustee

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

3.5.1 **Basic Role of the Trustee**

- i. The Trustee shall take into its custody or control and invest, hold and/or maintain the Scheme Property from time to time at the direction of the Management Company strictly in terms of the provisions contained and the conditions stipulated in the Trust Deed, the Offering Document, the Regulations and the conditions (if any) which may be imposed by the Commission from time to time. All registerable assets shall be registered in the name of or to the order of the Trustee. The Trustee shall invest the Trust Property from time to time at the direction of the Management Company strictly in terms of the provisions contained and the conditions stipulated in the Trust Deed, the Offering Document(s), the Regulations and the conditions (if any) which may be imposed by the Commission from time to time;
- ii. The Trustee has the responsibility to ensure timely delivery to the Management Company of statements of accounts and transaction advices for banking and custodial accounts in the name and under the control of the Trustee.
- iii. The Trustee has the responsibility for being the nominal owner and for the safe custody of the assets of the Trust on behalf of the beneficial owners (the Unit Holders), within the framework of the Regulations, the Trust Deed establishing the Trust and Offering Document issued for the Trust.
- iv. The Trustee shall have all the obligations entrusted to it under the Regulations, the Trusts Act 1882, Trust Deed and this Offering Document.
- v. The Trustee shall nominate one or more of its officers to act as attorney(s) for performing the Trustee's functions and for interacting with the Management Company.
- vi. The Trustee may in consultation with the Management Company appoint and may also remove and replace from time to time one or more bank(s) and/or other depository company, to act as the Custodian(s) for holding and protecting the Trust Property and every part thereof and for generally performing the custodial services at one or more locations and on such terms, as the Trustee and the Management Company may mutually agree and to be incorporated in custodial services agreement(s) to be executed between the Trustee and the Custodian(s). Provided however, the Trustee may also itself provide custodial services for the Trust with the approval of the Management Company at competitive terms as part of its normal line of business.
- vii. The Trustee shall comply with the provisions of the Trust Deed for any act or matter to be done by it in the performance of its duties and such acts or matters may also be performed on behalf of the Trustee by any officer(s) or responsible official(s) of the Trustee or by any nominee(s) or agent(s) appointed by the Trustee with the written approval of the Management Company, provided that the Trustee shall be responsible for the acts and omissions of all persons to whom it may delegate any of its duties, as if these were its own acts and omissions and shall account to the Trust for any loss in value of the Trust Property where such loss has been caused by gross negligence or any reckless act and/or omission of the Trustee or any of its directors, officers, nominees or agents.
- viii. The Trustee shall exercise all due diligence and vigilance in carrying out its duties and in protecting the interests of the Unit Holders. 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 the 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 the Trust Deed and the Regulations. Whenever pursuant to any provision of the Trust Deed, any certificate, notice, direction, instruction or other communication is to be given by the Management Company to the Trustee, the Trustee may accept as sufficient evidence thereof:

- (a) a document signed or purporting to have been signed on behalf of the Management Company by any person(s) whose signature(s) the Trustee is for the time being authorised in writing by the Management Company to accept;
 - (b) any instruction(s) received online through the software solution adopted by the Management Company in consultation with the Trustee for managing and keeping records of the funds managed by the Management Company and to the satisfaction of the Trustee.
 - (c) instructions given electronically to the Trustee based on distinctive users IDs and passwords allocated to authorised person(s) of the Management Company through a computerized system for which both the parties i.e. the Management Company and the Trustee have agreed in writing. In case of any error or omission occurring in electronic system due to system malfunction or any instruction(s) based on such system contain any error or omission due to the above malfunction, the Trustee and the Management Company not knowing the fact will act in the best interests of the Fund and the unit holders; or
 - (d) third party evidence where required (such as broker contracts and note), in relation to (a) and (b) above.
- ix. The Trustee shall not be liable for any loss caused to the Fund or to the value of the Trust Property due to any elements or circumstances beyond its reasonable control.
 - x. The Trustee shall be liable for any loss caused due to its acts or omissions or that of its agents in relation to any custody of assets or investment forming part of the property of the Scheme;
 - xi. The Trustee shall ensure that the Management Company has specified criteria in writing to provide for a diverse panel of Brokers at the time of offering of a Scheme and shall also ensure that the Management Company has been diligent in appointing Brokers to avoid undue concentration of business with any Broker;
 - xii. The Trustee shall carry out the instructions of the Management Company in all matters including investment and disposition of the Trust Property unless such instructions are in conflict with the provisions of the Trust Deed and/or this Offering Document or the Regulations and/or any other applicable law, provided, however if for any reasons, it becomes impractical or not possible to carry out any instructions or fulfill or effectuate any of the provisions of the Trust Deed, the Trustee shall not be responsible therefore and it shall neither incur any liability for anything done or omitted to be done in good faith, provided it has attempted to employ its best efforts and all available means to comply with the instructions. In such situation, the Trustee shall forthwith notify the Management Company in writing, highlighting such reasons.
 - xiii. The Trustee shall make available or ensure that there is made available to the Management Company such information as the Management Company may reasonably require from time to time in respect of the Trust Property and all other matters relating to the Trust.
 - xiv. The Trustee shall issue a report to the Unit Holder(s) included in the annual and second quarterly report whether in its opinion, the Management Company has in all material respects managed the Scheme in accordance with the provisions of the Regulations, this Offering Document and the Trust Deed and if the Management Company has not done so, the respect in which it has not done so and the steps the Trustee has taken in respect thereof.
 - xv. The Trustee shall ensure that (a) the sale, issue, re-purchase/redemption and cancellation of Units are carried out in accordance with the provisions of the Trust Deed, this Offering Document and the Regulations and (b) the methodology and procedures adopted by the Management Company in calculating the value of the Units are adequate and the pricing and valuation for sale, issue, repurchase, redemption and cancellation prices are carried out in accordance with the provisions of the Trust Deed, this Offering Document and the Regulations. In order to comply with this obligation, the Trustee shall have an unhindered access to the records and information maintained or available with the Management Company

or its agents.

- xvi. The Trustee shall ensure that the investment and borrowing limitations set out in the Trust Deed and the Regulations and the conditions under which the Scheme was registered are complied with.
- xvii. The Trustee shall arrange for an annual system audit by its auditors and provide the report to this effect to the Commission and the Management Company within four months of the close of the financial year of the Trustee.
- xviii. The Trustee shall be entitled to require the Auditors to provide such reports as may be agreed between the Trustee and the Management Company as may be considered necessary to facilitate the Trustee in issuing the certification required under the Regulations. The Trustee shall endeavor to provide the certification at the earliest date reasonably possible.
- xix. The Trustee shall, if requested by Management Company or if it considers necessary for the protection of Trust Property or safeguarding the interest of Unit Holder(s), institute or defend any suit, proceeding, arbitration or inquiry or any corporate or shareholders' action in respect of the Trust Property or any part thereof, with full powers to sign, swear, verify and submit pleadings and affidavits, to file documents, to give evidence, to appoint and remove counsel and to do all incidental acts, things and deeds through the Trustee's Authorised directors and officers. All reasonable costs, charges and expenses (including reasonable legal fees) incurred in instituting or defending any such action shall be borne by the Trust and the Trustee shall be indemnified against all such costs, charges and expenses, provided that no such indemnity shall be available in respect of any action taken against the Trustee for gross negligence or breach of its duties in connection with the Trust under the Trust Deed or the Regulations. For the avoidance of doubt it is clarified that notwithstanding anything contained in the Trust Deed, the Trustee and the Management Company shall not be liable in respect of any losses, claims, damages or other liabilities whatsoever suffered or incurred by the Trust arising from or consequent to any such suit, proceeding, arbitration or inquiry or corporate or shareholders' action or otherwise howsoever and (save as herein otherwise provided), all such losses, claims, damages and other liabilities shall be borne by the Trust.
- xx. The Trustee shall not be under any liability except such liability as may be expressly assumed by it under the Regulations and the Trust Deed nor shall the Trustee be liable for any act or omission of the Management Company, nor for anything except 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 Trust 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.
- xxi. The Trustee shall ensure that Units of the scheme have been issued after realization of subscription money, or act as provided in the Regulations. For this purpose, Management Company will provide the Trustee with the summary of Investments on regular basis.
- xxii. The Trustee shall Immediately inform the Commission if any action of the Management Company contravenes the Ordinance, the Rules, the Regulations, Constitutive Documents, guidelines, codes, circulars, directives or any other applicable laws; and
- xxiii. The Trustee shall comply with the directions of the Commission given in the interest of the unit holders;
- xxiv. The Trustee shall not invest in units of the Scheme.

3.6 Core and Pre-IPO Investors

i. Core Investor

Allied Bank Limited – Employees Superannuation (Pension) Fund as the Core Investor has subscribed an aggregate sum of Rs.100,000,000/- (Rupees One Hundred and Million only) towards the purchase of 10,000,000 Units of Rs.10/- each.

As per Regulation 44(3)(e)(ii) out of Rs. 100 million at least Rs 50,000,000/- (Fifty Million Only) of the Core Units are not redeemable for a period of first two (2) years from the date of the closure of the Initial Period. However, these Units are transferable during this two year period. The Registrar/Transfer Agent will mark these Units as such. Any transfer of these Core Units, during the first two (2) years of their issue, shall be affected only on the receipt by the Registrar/Transfer Agent of a written acceptance of this condition by the transferee.

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

3.7 Registrar/Transfer Agent

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

3.8 Custodian

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

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

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

3.9 Distributors/Investment Advisors/ Facilitators/Sales Agent

- i. 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 and the said change shall be notified to the Unit Holders. The Management Company may from time to time, appoint additional Distributors or terminate the arrangement with any Distributor and intimate the Trustee accordingly. The Management Company may itself perform the functions of a Distributor either directly or through sub-distributors.
- ii. The Distributors will be responsible for receiving applications for performing Distribution Functions, including receiving applications for issuance of Units and redemptions / transfer applications. They will also be interfacing with and providing other services to Unit Holders, including receiving applications for change of address and other particulars or application for issuance of duplicate certificates, requests for income tax exemption/Zakat exemption, etc. for immediate transmission to the Management Company or Registrar/Transfer Agent as appropriate for further action. The Management Company shall remunerate the Distributor out of its own resources and/or from Front-end Load.
- iii. The Distributors/Distribution Companies may appoint sub-distributors with prior approval of the Management Company to perform some aspects of the Distribution Functions but the

Management Company shall be responsible for all acts and omissions of their sub-distributors.

- iv. The Management Company may, at its sole responsibility, from time to time, appoint Investment Facilitators (Facilitators). The Facilitators' function is to identify, solicit and assist investors in investing in the Fund. The Management Company shall remunerate the Facilitators out of the Front-end load or its own resources.

3.10 Auditors

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

- i. The Auditors will hold office until the transmission of the reports and accounts, which will cover the period from commencement of the Trust up to Accounting Period and will be eligible for reappointment by the Management Company with the consent of the Trustee. However, an auditor may be reappointed for up-to five consecutive terms. Thereafter, that auditor may only be appointed after a break in appointment.
- ii. The Auditors shall have access to the books, papers, accounts and vouchers of the Trust, whether kept at the office of the Management Company, Trustee, Custodian, Transfer Agent or elsewhere and shall be entitled to require from the Management Company, Trustee and their Directors, Officers and Agents such information and explanations as considered necessary for the performance of audit.
- iii. 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.
- iv. The Auditors shall prepare a written report to the Unit Holders on the accounts and books of accounts of the Trust and the balance sheet and income and expenditure account, including notes, statements or schedules appended thereto.
- v. The contents of the Auditors report shall be in accordance with the provisions of the Regulations.

3.11 Legal Advisors

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

3.12 Bankers

Allied Bank Limited
United Bank Limited
Bank Alfalah Limited
Karachi.

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

3.12.1 Bank Accounts

The Management Company would perform all activities through the Trustee of the Fund.

- i. The Trustee, at the request of the Management Company, shall open Bank Account(s) titled “**CDC-Trustee ABL Stock Fund**” for the Unit Trust at designated Bank(s) inside or outside Pakistan, subject to the relevant laws, Rules and Regulations, for collection, investment, redemption or any other use of the Trust’s funds.
- ii. The Trustee shall also open additional Bank Account(s) titled “**CDC-Trustee ABL Stock Fund**” at various branches of such other Bank(s) as requested by the Management Company. These accounts shall be temporary collection accounts where collections shall be held prior to their being transferred to the main Bank Account of the Trust on a daily basis.
- iii. The Trustee shall, if requested by the Management Company open Bank Accounts titled “**CDC – Trustee ABL Stock Fund**” in offshore countries where the Investments are made on account of the Fund, if such Investments necessitate opening and operation of Bank Accounts by the Trustee. For this purpose, the Trustee shall be deemed to be authorized to sign and submit the prescribed account opening forms of such Banks, including custodial/sub-custodial services accounts and brokerage accounts with such Banks, custodians, sub-custodians, and brokers, as may be required to be appointed for offshore Investments of the Fund. The opening, operation and maintenance of such Bank Accounts, custodial/sub-custodial and brokerage services accounts in offshore countries shall always be subject to the approval of the SBP and the exchange control regulations, as well as any directives of the SBP and/or the Commission.
- iv. The Management Company will exercise due caution and diligence in appointing and arranging of such bank, brokerage houses and custodian/ sub-custodian in offshore countries as mentioned in (iii) above. For the purpose of making such arrangements in offshore countries, the Management Company may in consultation with the Trustee retain the services of advisors and professionals to ensure legal and regulatory compliances on part of the Management Company and the Trustee, as provided in Clause 6.2.1.vii hereafter. However the cost of the advisor and professionals shall not be charged to the Fund.
- v. The Management Company may require the Trustee to open separate Bank Accounts for the Trust to facilitate investments on account of the Trust and the receipt, tracking and reconciliation of income or other receipts relating to the investments. This account may also be used to facilitate redemptions and other Trust related (ancillary) transactions

- vi. The Management Company may also require the Trustee to open separate Bank Account(s) as Distribution Account(s) for each Dividend distribution out of the Unit Trust.
- vii. All bank charges for opening and maintaining Bank Accounts for the Trust shall be charged to the Fund.
- viii. 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.
- ix. The amounts received from the Core Investors (seed capital) and other investors during the Pre-IPO shall be deposited in separate Bank Accounts having title CDC-Trustee (ABL Stock Fund). Separate bank accounts for Local and Offshore Pre-IPO investors will be opened with a scheduled bank. The Management Company may from time to time deposit such Pre-IPO amounts with scheduled commercial banks having a minimum investment grade rating, rated by any credit rating agency listed/approved by the Commission and subsequently transfer such amounts to the main Bank Account of the Fund upon the close of the Initial Period of Offer. Any interest/markup, profit, etc. earned on such Pre-IPO bank deposits up to the close of the Initial Period, after deducting all expenses, shall be paid to the Core Investors and Pre IPO investors based on proportionate basis of their Pre-IPO subscription amounts and shall not form part of Trust Property. Such payments shall be made either in the form of cash or additional units as the management may decide.
- x. The Management Company shall not open or close or arrange to open or close any account with a bank, broker or depository for the Collective Investment Scheme without the approval of its Board
- xi. Notwithstanding anything in the Deed, the beneficial ownership of the balances in the Accounts shall vest in the Unit Holders except for those mentioned in clauses (iv) and (vii) above.
- xii. ³[The Trustee if requested by the Management Company shall also open separate Bank Account(s) titled “CDC -Trustee ABLAMC Funds” at various locations for collection of funds pursuant to any centralized funds collection system that may be introduced by the Management Company for all the unit trusts managed by the Management Company. These account(s) shall be a temporary allocation accounts, where collections received on account of subscription of Units by investors of various units trusts and Administrative Plans that are managed by the Management Company and under trusteeship of common Trustee shall be held prior to their being allocated and transferred to the Scheme on a daily basis by the Trustee. The Management Company may also require the Trustee to open separate accounts for temporary parking of redemption funds.]

3.13 Details of Performance of Schemes under Management

ABL-SF is the second Fund constituted by ABL AMC. Before, ABL AMC has launched ABL Income Fund.

Existing Funds under Management

ABL Income Fund (ABL-IF)

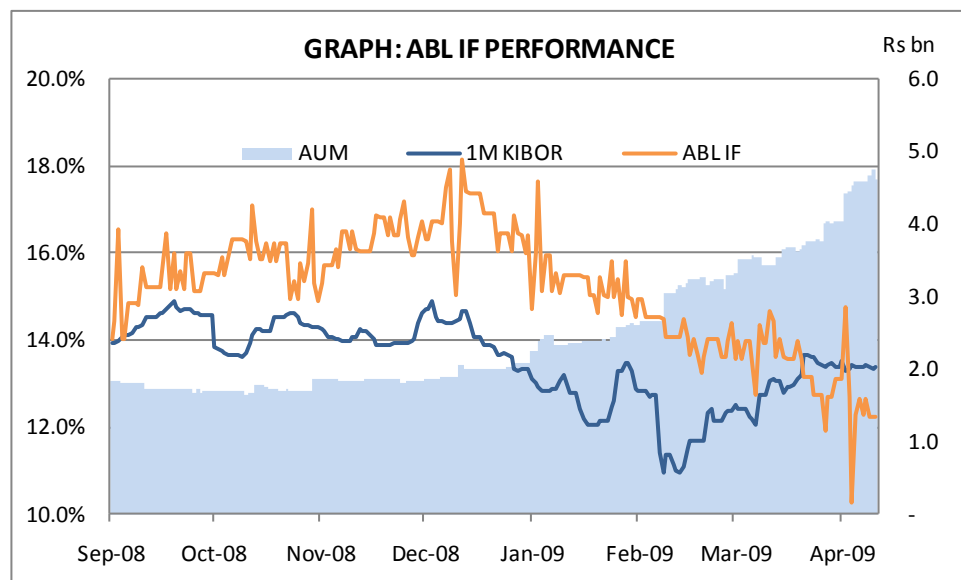
ABL-IF, an open end fixed income fund, was launched on September 20, 2008 with an Initial fund size of Rs.1.8 billion. The Fund has a low risk profile having no direct or indirect exposure to the stock market. ABL-IF's return since inception has been the highest amongst

³ Inserted vide 4th Supplemental Offering Document dated September 20, 2011.

it peers and attributable to zero exposure to TFCs and CFS, a stance still being maintained. The fund's portfolio primarily consists of placements with good rated banks/DFIs and investments in short term sovereign debt instruments. The fund was launched at a Par Value of Rs.10/- and has so far distributed Quarterly Dividends totaling to 7.627% of its NAV.

Launch Date	September 20, 2008
Nature of Fund	Open End
Trustee	CDC of Pakistan Ltd
Net Asset Value	Rs.4,729 million *
Par Value per Share	Rs.10.00/-
N.A.V. per Share	Rs.10.1152/- *
Listing	Karachi Stock Exchange
Benchmark	1-Month KIBOR
Rating	'A(f)' by JCR – VIS

*As of April 30, 2009



3.14 Performance of Companies where Directors are Holding Similar Offices

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

S.No.		2002	2003	2004	2005	2006	2007	2008
1	Ibrahim Fibres Limited.							
	EPS (Rs.)	1.7	1.5	2.8	1.4	4.8	4.9	5.10
	Shareholders Equity (Rs. in Million)	5,205	5,223	6,096	6,035	7,496	9,116	10,704
	Total Assets (Rs. in Million)	11,388	11,331	18,680	19,376	18,477	20,668	23,856
	Cash Dividend (%)	15	15	15	-	-	-	-
	Stock Dividend (%)	-	-	-	-	-	-	-
2	Allied Bank Limited.							
	EPS (Rs.)	(5.45)	1.97	0.36	5.74	8.16	7.57	6.43
	Shareholders Equity (Rs. in Million)	(5,267)	(4,869)	9,448	12,914	16,230	18,408	20,805
	Total Assets (Rs. in Million)	112,465	117,516	154,926	192,574	252,027	320,110	366,680
	Cash Dividend (%)	-	-	-	2.9	2.7	2.3	-
	Stock Dividend (%)	-	-	-	-	-	-	-
3	Dawood Hercules Chemicals Limited.							
	EPS (Rs.)	11.01	19.13	17.21	34.61	24.79	122.3	28.0
	Shareholders Equity (Rs. in Million)	4,490	6,365	7,834	9,355	9,273	18,889	17,383
	Total Assets (Rs. in Million)	5,089	9,403	12,300	12,787	16,163	29,223	25,630
	Cash Dividend (%)	95	100	105	85	80	30	-
	Stock Dividend (%)	50	-	-	15	-	20	-
4	Central Insurance Company Limited.							
	EPS (Rs.)	10.88	7.3	10.35	14.35	53.64	148.88	6.31
	Shareholders Equity (Rs. in Million)	472	511	579	755	1,458	4,115	4,187
	Total Assets (Rs. in Million)	552	713	773	1,360	1,585	4,304	4,343
	Cash Dividend (%)	80	40	60	40	50	50	-
	Stock Dividend (%)	20	10	20	10	-	20	-
5	Sui Nothern Gas Pipeline Limited.							
	EPS (Rs.)	3.44	3.67	4.18	4.98	6.78	4.88	4.55
	Shareholders Equity (Rs. in Million)	7,641	8,556	11,396	12,884	15,109	16,289	17,139
	Total Assets (Rs. in Million)	45,628	47,301	56,925	65,014	77,237	83,685	97,648
	Cash Dividend (%)	20	22	25	30	30	30	-
	Stock Dividend (%)	-	-	-	-	10	-	-
6	Engro Chemicals Pakistan Limited.							
	EPS (Rs.)	8.15	10.18	10.53	15.16	14.53	16.51	20.50
	Shareholders Equity (Rs. In Million)	5,330	6,199	6,586	7,376	9,370	15,741	23,084
	Total Assets (Rs. In Million)	14,238	12,865	13,185	14,112	15,981	38,415	60,289
	Cash Dividend (%)	75	80	85	110	90	70	10
	Bonus Dividend (%)	10	-	-	-	-	-	-
	Right Dividend (%)	-	-	-	10	-	15	60

4. CHARACTERISTICS OF UNITS

4.1 Classes of Units

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

- i. Class “A” (Restricted/Core Units) issued to the Core Investors with no Front-end Load. Out of these, atleast Fifty Million Rupees shall remain invested for atleast two (2) years or life of the Scheme, whichever is lesser . However, such Units are transferable.
- ii Class “B” Units being offered and issued during the Private Placement and IPO with no Front-end Load.
- iii Class “C” Units, which shall be offered and issued after the IPO Period with Front-end Load.

4.2 Units Features

4.2.1 The minimum amount of investment to open and maintain an account is Rs.5,000/-. The Management Company reserves the right to alter the minimum amounts stated hereinabove. If the investment is any investor’s account below the minimum level as a result of revised limits, changes in valuation, redemption, transfer or transmission, the Management Company may instruct the Registrar/Transfer Agent, under intimation to that investor, to close the account by redeeming the Units at the close of any accounting period at the price applicable to redemptions on such date. After the initial investment, Unit Holders of ABL-SF may add a minimum of Rs.1,000/- per transaction at their convenience. Units of ABL-SF (including fractions thereof) shall be issued against the amount received from the Unit Holder(s) in accordance with the procedure laid down in this Offering Document. The Management Company may alter the minimum amount required for opening, maintaining or adding to the account. Provided that in case of an upward change in the minimum amount required for maintaining the account or adding funds, the Management Company shall give seven days notice to Unit Holders.

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

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

- 4.2.2 The Registrar/Transfer Agent shall send an account statement to the Unit Holder each time there is an activity in the account. Such statements or report shall be sent by electronic means or ordinary mail to the Unit Holder’s address recorded in the register.
- 4.2.3 In case the Management Company announces a suspension of further issue of Units of ABL-SF, it may allow existing Unit Holders to continue acquiring Units out of any dividend declared on Units held under this option.
- 4.2.4 All Units and fractions thereof (up to four or more decimal places) represent an undivided share in the Scheme and rank pari passu as to their rights in net assets, earnings and receipt of dividends and distributions. Each Unit Holder has a beneficial interest in ABL-SF proportionate to the Units held by such Unit Holder. However, while maintaining the integrity of each Unit’s pari passu rights, the Management Company may, for the convenience of investors, issue Units with different features from time to time.
- 4.2.5 Unit Holders may obtain certificates they hold by paying a nominal fee of Rs.50/- per certificate. This fee may be revised from time to time by the Management Company. Requests for redemption, transfer or transmission of Units shall be processed only on the production of the certificate(s) if issued earlier. In the event of loss or defacing of certificates, the verification process shall be carried out to the satisfaction of the Management Company / Trustee /Registrar/Transfer Agent and the associated costs, if any, will be borne by the Unit Holder.
- 4.2.6 The Registrar/Transfer Agent may register a pledge / lien on any Units in favor of any third party with the specific authority of the Management Company. However, the pledge / lien shall be valid only if evidenced by a statement or letter issued by the Transfer Agent

indicating the Units marked in favor of the Pledgee. The onus for due process having been followed in registering a lien shall lie with the party claiming the lien. (Please see Clause 4.7 for details).

4.3 Purchase and Redemption of Units

- i. Units are purchased at the Offer Price and redeemed at the Redemption Price in accordance with the procedure set out in Clauses 4.4 and 4.5 of this Offering Document.
- ii. ⁴[Units are allocated and issued on realization of subscription money.]
- iii. During the period the register is closed, as mentioned in Clauses 4.8 and 5.8 of this Offering Document, the sale and redemption of Units will be suspended.
- iv. ⁵[In case a Unit holder wishes to convert the Units of a fixed income Collective Investment Scheme managed by the ABL Asset Management Company Limited (ABL AMC) into Units of ABL-SF, the Units of ABL-SF will be issued after realization of subscription money, but will be allocated upon receipt of application.]

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

4.4 Procedure for Purchase of Units

4.4.1 Who Can Apply?

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

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

⁴ Substituted vide 3rd Supplemental Offering Documents dated September 05, 2011. The Substituted clause {Sub-Clause 4.3(ii)} read as follows;
“Units are issued after realization of subscription money; however these are allocated up on receipt of application.”

⁵ Inserted vide 5th Supplemental Offering Document dated May 31, 2012.

- Provident, Pension and Gratuity Funds constituted by organizations other than companies under Section 20 (h) of the Trusts Act 1882, (11 of 1882).
- Insurance companies under the Insurance Ordinance, 2000.
- Non Profit Organization under Rule 213 (i) of the Income Tax Rules, 2002.

4.4.2 **Account Opening Procedure**

- i. The procedure herein below is designed for paper-based transactions. The Management Company may at a later date introduce electronic / web based options for the transactions.
- ii. Fully completed application form for purchase of Units, accompanied with the full amount for the investment and copies of the documents mentioned in the subparagraphs below should be delivered at any of the Authorized Branches of the Distribution Companies or the Management Company during the business hours till cut off time of 4.00 pm on each business day as announced by the Management Company from time to time. Currently only the Authorized Branches of the Distribution Companies and the Management Company as mentioned in Annexure “C” of this Offering Document are authorized to collect application and payment for the issue of Units as laid down in Clause 4.4.4 of this Offering Document.
- iii. In case of individuals, a photocopy of the Computerized National Identity Card (CNIC) of the applicant or any other form of identification acceptable to the Management Company, need to be furnished.
- iv. In case of body corporate or a registered society/ institutions/ corporate/ trusts attested copies of the following documents may be submitted:
 - a. Investors Name
 - b. List of Authorized Signatories along with copies of CNIC and their specimen signatures.
 - c. Instructions for Redemption.
 - d. Bank details.
 - e. Instructions for Dividend mandate, Zakat and Tax status.
 - f. Memorandum and Articles/ charter / bye-laws or rules and regulation.
 - g. Power of attorney and / or relevant resolutions of the board of directors delegating any of its officers to invest in the fund and / or to realize the investments and
 - h. Other relevant documents as may be required by the Registrar/Transfer Agent.
- v. In case of existing Unit Holders, if any of the documents have previously been deposited with the Management Company and /or Registrar/Transfer Agent, fresh submission of documents will not be required, provided that deposited documents are acceptable to Management Company. However, the account number must be provided to facilitate linking.
- vi. The applicant will receive a note confirming the receipt of the application form from an Authorized Officer of the Distributor or Management Company. Payment of Units can be made by cheque, pay order, demand draft, bank transfer as so desired.
- vii. Once the Investor Account has been opened, the Investor will be allotted a specific Registration/ Folio Number which can be used for all future transactions to facilitate reference and linking.
- viii. The Distribution Company and /or Management Company will be entitled to verify the particulars given in the application form. In case of any incorrect information the application may be rejected if the applicant fails to rectify the discrepancy.

- ix. If subsequent to receipt of the application by the Distributor, but prior to issue of the Units, the application is found by the Registrar/Transfer Agent or the Distributor to be incomplete or incorrect in any material manner, the Registrar/Transfer Agent or the Distributor will advise the applicant to remove the discrepancy; in the mean while the application will be held in abeyance for fifteen days. In the event the discrepancy is not removed in the said fifteen days, the amount will be refunded without any markup.
- x. However, in the event Units have been issued and a material discrepancy is discovered subsequent to that, the Registrar/Transfer Agent or the Distributor will advise the applicant in writing to remove the discrepancy within fifteen days. If the investor, in the opinion of the Transfer Agent, fails to remove the discrepancy without good cause, the Units shall be redeemed at the Redemption Price fixed on the date the Units are so redeemed. The Unit Holder shall not be entitled to any payment beyond the redemption value so determined.
- xi. ^{6 7}[Investors will be issued Units based on the Offer (Purchase) Price of the Scheme calculated on the basis of NAV as announced by the Management Company on the Business Day on which subscription amount realized, subject to receipt of correctly filled Investment Form at the Distributor (please refer to Clause 3.9 above) and/or Management Company before cut off time of 4.00 pm. However, the Investor will be provided the account statement within seven (7) Business Days after the said purchase amount of the Units purchased have been credited to the Fund Account and duly filled application form is received.

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

In case of non business day on the day of realization, NAV applicable on the next business day will be applied.]

4.4.3 **Joint Application**

⁶ Substituted vide 3rd Supplemental Offering Document dated September 05, 2011. The substituted clause {Sub-Clause 4.4.2 (xi)} read as follows;

"Investors will be allotted Units based on the Offer (Purchase) Price of the Fund, as announced by the Management Company, of the Dealing day on which correctly filled Investment Form is submitted to the Distributor (please refer to Clause 3.9 above) and/or Management Company before cut off time of 4.00 pm. However, the Investor will be provided the account statement within seven (7) Business Days after the said purchase amount of the Units purchased have been credited to the Fund Account.

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

⁷ Substituted vide 4th Supplemental Offering Document dated September 20, 2011. The substituted clause {Sub-Clause 4.4.2 (xi)} read as follows;

"Investors will be issued Units based on the Offer (Purchase) Price of the Scheme calculated on the basis of NAV as announced by the Management Company on the Business Day on which correctly filled Investment Form is submitted to the Distributor (please refer to Clause 3.9 above) and/or Management Company before cut off time of 4.00 pm based on realization of money. However, the Investor will be provided the account statement within seven (7) Business Days after the said purchase amount of the Units purchased have been credited to the Fund Account.

In the event a cheque is returned unpaid, the Management Company will assume the application for subscription as void and the Investor will be informed accordingly. The investor will be asked to submit new investment form along with fresh payment. Units will only be allotted and issued based on realization of the money."

- i. Joint application can be made by up to four applicants. Such persons shall be deemed to hold Units on first holder basis; however, each person must sign the application form and submit a copy of their Computerized National Identity Card or other identification document.
- ii. The first named Holder shall receive all notices and correspondence with respect to the account, as well as proceeds of any redemption, or dividend payments. Such person's receipt or payment into the person's designated bank account shall be considered as a valid discharge by the Trustee of its obligation.
- iii. In the event of death of the first Holder, the person first in the order of survivor(s) as stated in the application form shall be the only person recognized by the Trustee to receive all notices and correspondences with regards to the accounts, as well as proceeds of any redemption requests or dividend. Such person's acknowledgement of receipt of proceeds shall be considered as the valid discharge by the Trustee of its obligations.

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

4.4.4 **Application for Purchase of Units**

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

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

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

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

⁸ [Units are allocated and issued on realization of subscription money.]

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

4.5 **Procedure for Redemption of Units**

4.5.1 **Who Can Apply?**

All Unit Holders, other than the holders of Class "A" (Restricted/Core Units) Units are eligible to redeem the said Units. Holders of Class "A" Units will be eligible for redemption after the expiry of the period of two years from the date of the closure of the Initial Period;

⁸ Substituted vide 3rd Supplemental Offering Document dated September 05, 2011. The Substituted para in Sub-Clause 4.4.4 para four, read as follows;
"Units are issued after realization of subscription money; however these are allocated up on receipt of application."

however such units are eligible for transfer subject to the condition that the new transferee of such unit(s) agrees to the same condition for the balance period, if any.

4.5.2 **Redemption Application Procedure**

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

- i. Request for redemption can be made by completing the prescribed Redemption Form and endorsing the relevant Certificate, if issued and submitting the same to any of the Authorized Branches of the Distribution Companies or to the Management Company directly within business hours till cut off timings upto 4.00 pm on a Dealing Day. In case the Certificate is not issued, the applicant has only to complete the prescribed redemption form. The request for redemption would be honored after verifying the signature and other particulars of the Unit Holder from the Unit Holders' Register.
- ii. The Unit Holder will receive a note confirming the receipt of the application for redemption from the relevant Distribution Office.
- iii. The Distribution Company and /or Management Company will be entitled to verify the particulars given in the Redemption Form. In case of any incorrect information the application may be rejected if the applicant does not rectify the discrepancy.
- iv. If subsequent to receipt of the redemption application by the Distributor, but prior to the redemption of the Units, the application is found by the Registrar/Transfer Agent or the Distributor to be incomplete or incorrect in any material manner, the Registrar/Transfer Agent or the Distributor will advise the applicant to remove the discrepancy. In the meanwhile, the application will be held in abeyance for fifteen days. In the event the discrepancy is not removed in the said fifteen days, the application for redemption will be cancelled treating the same as null and void. The Unit Holder will then have to submit a fresh application for Redemption of Units.
- v. Units will be redeemed based on the Redemption Price of the Fund, as announced by the Management Company, of the Dealing Day, on which the correctly filled Redemption Form is submitted to the Distributor and/or Management Company before cut off time of 4.00 pm.
- vi. Unless otherwise instructed, payment of the redemption proceeds will be made by a cross cheque, in favor of Unit Holder's registered name or first named joint Holder in the event of Joint Holders, and will be sent to registered address of the Unit Holder or first named joint Holder, or if so authorized by all the joint holders, at the address of the Joint Holder who has signed the redemption form as provided, within six (6) Business Days of the receipt of a properly documented request for redemption of Units. However, if so authorized by the Unit Holder, payment of redemption proceeds will be made by transfer to the bank account number of the Unit Holder or first named joint holder in the event of Joint Holders. No money shall be paid to any intermediary except the Unit Holder/Joint Holder or his/their authorized representative(s).
- vii. In case the investor has requested encashment of Bonus Units then such Bonus Units will be redeemed at the ex-dividend Net Asset Value of the effective date of distribution.
- viii. Redemption of Fund Units may be suspended or put in queue due to exceptional circumstances. For detailed information about this please refer to Clause 4.8.2 and Clause 4.8.3 below.
- ix. Partial Redemption of Units covered by a single Certificate is not permitted. However Fund Unit Holders may apply for a splitting of the Certificate before applying for redemption.

4.5.3 **Joint Unit Holder(s)**

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

4.6 Procedure for Requesting Change in Unit Holder Particulars

4.6.1 Who Can Request Change?

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

4.6.2 Application Procedure for Change in Particulars

- i. The information submitted at the time of purchase of Units can be changed through the Special Instructions Form.
- ii. Some of the key information which the Unit Holder can change is as follows:
 - (a) Change in address
 - (b) Joint Holder details
 - (c) Nominee details
- iii. The Unit Holder can also issue the following instructions:
 - (a) Change in Bank Account details
 - (b) Account Operating instructions
 - (c) Frequency of profit payments
- iv. Fully completed Special Instructions Form has to be submitted by both Individuals and/or Institutional Investor(s). This Form should be delivered to any of the Authorized Branches of the Distribution Companies or may be submitted to the Management Company through an Investment Facilitator within business hours on a Dealing Day.
- v. The applicant must obtain a copy of the Special Instructions Form signed and duly verified by an Authorized Officer of the Distributor or Management Company if the Form is given to an Investment Facilitator.
- vi. The Distribution Company and /or Management Company will be entitled to verify the particulars given in the Special Instructions Form. In case of any incorrect information the application may be rejected if the applicant does not rectify the discrepancy.
- vii. The Unit Holder will be liable for any taxes, charges or duties that may be levied on any of the above changes that the Unit Holder may request via the Special Instructions Form. These taxes, charges or duties may either be recovered by redemption of Unit Holder equivalent Units at the time of the service request or the Management Company may require separate payment for such services.

4.6.3 Joint Unit Holder(s)

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

4.6.4 Partial Transfer

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

4.7 Procedure for Pledge / Lien / Charge of Units

4.7.1 **Who Can Apply?**

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

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

4.7.3 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 suchpledge/charge/lien by any party shall be at the entire discretion of such party and neither the Trustee nor the Management Company and the Transfer Agent shall take any responsibility in this matter.

4.7.4 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 mentioned in the Pledge Form and/or Account Opening Form submitted.

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

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

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

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

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

4.8.1 **Suspension of Fresh Issue of Units**

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

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

The Management Company shall announce the details of exemptions at the time a suspension of fresh issue of units is announced. Such suspension may however not affect existing Unit Holders, the issue of bonus Units as a result of profit distribution or the option to receive dividends in the form of additional Units. The Management Company shall immediately

notify the Commission if fresh issue of Units is suspended and shall also have the fact published, immediately following such decision, in the newspapers in which the Fund's prices are normally published.

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

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

4.8.3 **Suspension of Redemption of Units**

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

In case of suspension of redemption of the units of the Scheme, the Management Company shall also suspend issuance of fresh units of the Scheme until and unless redemption of units is resumed.

4.8.4 **Queue System**

In the event redemption requests on any day exceed ten (10) percent of the number of Units outstanding, 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 (10) percent of the Units in issue. The Management Company shall proceed to sell adequate assets of the Fund and/ or arrange borrowing as it deems fit in the best interest of the Unit Holder(s) and shall determine the redemption price to be applied to the redemption requests based on such action.. The requests in excess of the ten (10) percent shall be treated as redemption requests qualifying for being processed on the next Business 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 Business Day still exceed-ten (10) percent of the Units in issue , these shall once again be treated on first-come-first served basis and the process for generating liquidity and determining the Redemption Price shall be repeated and such procedure shall continue till such time the outstanding redemption requests come down to a level below ten (10) percent of the Units then in issue.

Where a queue system is invoked, 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.

4.8.5 **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. The Management Company may terminate the Scheme, if the Net Assets at any time fall below Rupees one hundred million. In such an event, the Queue System, if already invoked, shall cease to apply and all Unit Holders shall be paid after selling the assets and determining the final Redemption Price. However, interim distributions of the proceeds may be made if the Management Company finds it feasible.

4.9 Issue and redemption of Units in extraordinary circumstances

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

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

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

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

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

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

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

4.10.3 The Purchase (Offer) Price shall be equal to the sum of the Net Asset Value (NAV) as of the close of the Dealing Day, Transaction Cost, any Front-End Load not exceeding 5% of the Net Asset Value (Please refer to Annexure "B" for the current level of load) The Purchase (Offer) Price so determined for a Dealing Day shall apply to purchase requests, complete in all respects, received by the Distributor and / or Management Company before the cut-off time of 4:00 PM on that Dealing Day.

4.10.4 The Redemption Price shall be equal to the Net Asset Value (NAV) as of the close of the Dealing Day less Transaction Cost, any Back-End Load not exceeding 5% of the Net Asset Value (Please refer to Annexure "B" for the current level of load) The Redemption Price so determined for a Dealing Day shall apply to redemption requests, complete in all respects, received by the Distributor and / or Management Company before the cut-off time of 4:00 PM on that Dealing Day. However, the Back-end Load may not be deducted from the NAV for such units that are being converted in another scheme being managed by the Management Company.

- 4.10.5 The Management Company shall, on each Business Day, determine and announce the Net Asset Value based prices of the Units by 6:30 pm. Under certain circumstances as provided in this Offering Document, the Management Company may suspend the announcement of the prices.
- 4.10.6 The Management Company shall publish the Purchase (Offer) and Redemption (Repurchase) Prices in at least one daily newspaper widely circulated in Pakistan.
- 4.10.7 The prices determined, as described hereinabove shall be subject to adjustment for any taxes payable in the jurisdiction of the transaction.
- 4.10.8 In respect of investments held in foreign currencies, the same will be translated in Pakistan Rupees using the closing buying spot rates declared by recognized banks in Pakistan at each balance sheet date, as per the generally accepted accounting principles and the NBFC Regulations

4.11 Purchase (Offer) and Redemption (Repurchase) of Units Outside Pakistan

- i. Subject to foreign exchange control and other applicable laws, Rules and Regulations, in the event of arrangements being made by the Management Company for the Purchase (Offer) of Units to persons not residing in Pakistan or for delivery in any country outside Pakistan, the price at which such Units may be issued may, at the discretion of the Management Company, include in addition to the Purchase (Offer) Price as hereinbefore provided a further amount sufficient to cover any exchange risk insurance, any additional stamp duty or taxation whether national, local or otherwise leviable in that country in respect of such issue or of the delivery or issue of Certificates, or any additional costs relating to the delivery of certificates or the remittance of money to Pakistan or any other cost in general incurred in providing this facility.
- ii. In the event that the Redemption Price for Units shall be paid in any country outside Pakistan, the price at which such Units may be redeemed may at the discretion of the Management Company include as a deduction to the Redemption Price as hereinbefore provided a further amount sufficient to cover any exchange risk insurance and any additional stamp duty or taxation whether national, local or otherwise leviable in that country in respect of such payment or redemption or any bank or other charges incurred in arranging the payment or any other cost in general incurred in providing this facility.
- iii. The currency of transaction of the Trust is the Pakistan Rupee and the Management Company, Trustee or any Distributor are not obliged to transact the purchase or redemption of the Units in any other currency and shall not be held liable, save as may be specifically undertaken by the Management Company, for receipt or payment in any other currency or for any obligations arising there from.
- iv. Neither the Trustee, nor the Management Company shall be responsible for arranging remittances of funds from the offshore countries to Pakistan and from Pakistan to offshore countries or for payment of any bank charges and other levies, if any in relation to issue and redemption of Units outside Pakistan.

4.12 Transfer, Transmission and Conversion Procedure

- i. Unit Holder may, subject to the law, transfer any Units held by them to any other account holder. The transfer shall be carried out after the Registrar/Transfer Agent has been satisfied that all the requisite formalities including the payment of any taxes and duties have been complied with. A Unit shall be transferable only in its entirety.
- ii. Both the transferor and the transferee must sign every instrument of transfer and the transferor shall be deemed to remain the Holder of the Units transferred until the name of the transferee is entered in the register on respect thereof. Every instrument of transfer must be duly completed in all respects including affixation of transfer stamps of the requisite value. Where Certificates have been issued the Trustee may dispense with the production of any Certificates where the Certificates have been lost, destroyed, subject to compliance by the transferor with like requirements to those arising in the case of an application by him/her for the replacement

of thereof as provided in this Offering Document or the Trust Deed. The Registrar/Transfer Agent shall retain all instruments of transfer.

- iii. The Registrar/Transfer Agent, shall with the prior approval of the Management Company and the Trustee, shall be entitled to destroy all instruments of transfer or the copies thereof, as the case may be, which have been registered at any time after the expiration of twelve years from the date of registration thereof and all the Certificates which have been cancelled at any time after the expiration of three years from the date of cancellation thereof and all registers, statements and other records and documents relating to the Trust at any time after the expiration of six years from transmission to the Trust. The Trustee or the Management Company or the Registrar/Transfer Agent shall be under no liability, whatsoever, in consequence thereof and it shall conclusively be presumed in favor of the Trustee or the Management Company or the Transfer Agent that every Unit of Transfer so destroyed was a valid and effective instrument duly and properly registered by the Trustee or the Management Company or the Registrar/Transfer Agent and that every Certificate so destroyed was a valid Certificate duly and properly cancelled, provided always (i) the aforesaid provision shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document may be relevant; (ii) nothing in this sub-clause shall be imposing upon the Trustee or the Management Company or the Transfer Agent any liability in respect of the destruction of any document earlier than as aforesaid or in any case where the conditions of provision (i) above are not fulfilled and (ii) reference herein to the destruction of any document includes reference to the disposal thereof in any manner.
- iv. Transmission of Units to successors in case of inheritance or distribution of the estate of a deceased Unit Holder shall be processed by the Registrar/Transfer Agent after satisfying as to all legal requirements. The legal costs and taxes, if any, shall be borne and paid by the transferees. However, the processing fee shall not be payable by successors or the beneficiaries of the estate in the case of transmission. The Management Company shall pay the relevant processing fee to the Registrar/Transfer Agent.
- v. A Unit Holder may convert the Units of a Collective Investment Scheme managed by the Management Company into Units of another Collective Investment Scheme managed by the same Management Company. The Transfer Agent shall carry out the conversion after satisfying that all the requisite formalities have been fulfilled and payment of the applicable taxes, fees and/or load, if any, have been received. The Management Company may impose a time limit before which conversion may not be allowed.
- vi. Unit Holder may merge the Units when he/she has invested with two folio/registration numbers and wishes to merge both the Units into one registration number/ Folio number/ABL AMC Account Number. The Registrar/Transfer Agent shall carry out the merger after satisfying that all the requisite formalities have been completed and payment of applicable taxes and fee, if any, have been received.
- vii. The sale, redemption and transfer of Units and any other dealings in the Units may be carried out On-line, with the consent of the Trustee (which consent shall not be unreasonably withheld or delayed), to the extent permitted by and in accordance with applicable law.

5. DISTRIBUTION POLICY

5.1 Distribution Policy

The Fund shall distribute at least 90% of the accounting income received or derived from sources other than un realized capital gains as reduced by such expenses as are chargeable to the Scheme under the Regulations.

The net amount available for distribution at the end of the financial year (or such interim period as may be decided by the Management Company), shall comprise of the revenues earned by the Fund including the net impact of the revenue collected and paid out in the NAV calculation through Purchase (Offer) and Redemption (Repurchase) of Units

5.2 Declaration of Dividend

The Management Company shall decide as soon as possible, but not later than 45 days after the Accounting Date whether to distribute among Unit Holders, profits, either in form of bonus Units or cash dividend, if any, available for distribution, including interim distributions at the end of Accounting Period, and shall advise the Trustee of the rate of such distribution per Unit. Such profits may be distributed in cash, bonus units, or a combination of both.

5.3 Determination of Distributable Income

The amount available for distribution in respect of any Accounting Period shall be determined by the Management Company and shall be the sum total of:

- i. The total income earned on the Trust Property during such Accounting Period including all amounts received in respect of dividend, mark-up, profit, etc.
- ii. All receipts deemed by the Management Company to be in the nature of capital accruing from Investments shall not be regarded as available for distribution but shall be retained as part of the Trust Property, provided that such amounts out of the sale proceeds of the Investments and all other receipts deemed by the Management Company to be in the nature of the net realized appreciation may be distributable to the Unit Holders by the Trustee upon instructions of the Management Company and shall thereafter cease to form part of the Trust Property once transferred to the Distribution Account.
- iii. Net realized appreciation as set out in (b) above from which shall be deducted expenses as set out in Clause 6.2 below and such other adjustments as the Management Company may determine in consultation with the Auditors, subject to the Rules and Regulations and the provisions of the Income Tax Ordinance.

5.4 Reinvestment of Dividend

Dividends shall be automatically reinvested in additional Units, however a Unit Holder may instruct the Management Company in writing by completing the prescribed form not to reinvest the future dividends to which he/she will be entitled. In such an event future dividends shall be paid by way of transfer to his designated bank account. Unit Holders may opt to receive the amount equivalent to their share of the annual cash distribution in the form of additional Units. In such an event, the Management Company shall at the end of the financial year (or the relevant period in the event of an interim distribution) cause to issue such number of Units to the Unit Holder that approximately equates the value of the Cash Dividend for the period. The issue price shall be determined on the basis of the NAV of June 30th or Profit distribution Date after appropriation of income of that year/ relevant period, but without any charge of the front-load normally deducted from the offer price. The issuance of the bonus Units shall be made, net of any taxes, charges and duties that the Management Company or the Trustee is obliged to recover from the Unit Holder.

- 5.4.1 A Unit Holder may in writing at the time of purchase of Units or at a later date instruct the Management Company to reinvest the future dividends to which he/she will be entitled into the Fund Units.
- 5.4.2 The Purchase (Offer) Price for the Units to be issued under Clause 5.4.1 above will be the NAV at the Distribution Date after the adjustment of the announced dividend.

5.5 Bonus Units

The Management Company may decide to distribute, wholly or in part the distributable income in the form of stock dividend (which would comprise of the Bonus Units of the Trust) if it is in the interest of Unit Holders. The Bonus Units would rank pari passu as to their rights in the Net Assets, earnings and receipt of dividend and distribution with the existing Units from the date of issue of these Bonus Units. The account statement or Unit Certificate shall be dispatched to the Unit Holder within fifteen days of the issue of Bonus Units. The Unit Holder(s) have the option to encash the Bonus Units at ex-dividend Net Asset Value as on June 30 of the relevant period.

5.6 Payment of Dividend

All payments for dividend shall be made by transfer of funds to the Unit Holder's designated bank account or the charge-holder's designated bank account in case of lien / pledge of Units as the case may be or through any other mode of payment and such payment shall be subject to NBFC Regulations.

5.7 Dispatch of Dividend Warrants/Advice

Dividend warrants/advice and/or Account Statements shall be dispatched to the Unit Holders or the charge-holders at their registered addresses as per the Rules and Regulations.

5.8 Closure of Register

The Register may be closed in consultation with the Trustee for such period as the Management Company may from time to time determine and after giving at least seven (7) calendar days notice to Holders, provided that it is not closed for more than forty-five (45) days in any calendar year, not exceeding six (6) days at a time for any single purpose.

6. FEE AND CHARGES

6.1 Fees and Charges Payable by an Investor

6.1.1 Sales and Processing Charges (Front-end Load)

The Unit Purchase Price can include Front-end Load of a maximum of five percent (5%) of the Purchase (Offer) Price. The current level of Front End Load is as indicated in Annexure B. The issue price applicable to bonus Units issued by way of dividend distribution or issue of Units in lieu of cash distribution shall not include any Front-end Load. Transfer of Units from one owner to another shall be subject to a processing charge of an amount not exceeding one percent (1%) of the Net Asset Value at the date the request is lodged before cut-off time of 4:00 pm on the Dealing Day to the Authorized Distributor, or Management Company, which shall be recovered from the transferee. The taxes, charges or duties may be recovered by redemption of equivalent Units at the time of the transfer or may be recovered separately. However, the processing charge shall not be payable by successors in the case of inheritance or distribution of the estate of a deceased Unit Holder.

6.1.2 Remuneration of Distribution Company / Investment Agent / Investment Facilitator

- i. The Distribution Company or any Investment Facilitator/ Sales Agent employed by the Management Company will be entitled to a remuneration payable by the Management Company out of its own resources and/or from any Load on terms to be agreed between the Management Company and the Distribution Company/Investment Facilitator/Sales Agent.
- ii. Payments to the Distribution Company shall be made on the instructions of the Management Company and shall not be charged to the Trust Property. The remuneration due to the Distribution Company shall be paid within fifteen (15) calendar days of the end of the calendar months.
- iii. Distributors/Investment Facilitators or Sales Agents located outside Pakistan may, if so authorized by Trustee and the Management Company, be entitled to remuneration (from Management Company's own resources) on terms to be agreed between them and the Management Company, subject to the law for the time being in force.

6.1.3 Redemption Processing Charge (Back-end Load)

The Unit Redemption Price is calculated after deducting a processing charge not exceeding 5% percent from the Net Asset Value of the Unit. The back-end load shall form part of the Trust Property.

6.2 Fees and Charges Payable by ABL Stock Fund

The following expenses will be borne by the Fund:

6.2.1 Remuneration of the Management Company

- i. The Management Company shall be entitled to be paid monthly in arrears, accrued remuneration duly verified by the trustee, a remuneration of an amount not exceeding three (3) percent per annum of the average daily Net Assets during the first five years of the scheme and two (2) percent per annum of the average daily Net Assets there after, or such other amount as may be specified by the Commission from time to time and provided that the remuneration so calculated shall not exceed the maximum remuneration allowed under Regulations.
- ii. The remuneration shall begin to accrue from the close of the Initial period. In respect of any period other than an Accounting Period such remuneration shall be prorated on the basis of the actual number of days for which such remuneration has accrued in proportion to the total number of days accrued in the Accounting Period concerned.

- iii The remuneration due to the Management Company shall be paid in arrears within 15 (fifteen) Business Days after the close of each calendar month and after the receipt of invoice by the Trustee.
- iv In consideration of the foregoing and save as aforesaid the Management Company shall be responsible for the payment of all expenses incurred by the Management Company from time to time in connection with its responsibilities as Management Company of the Trust. The Management Company shall not make any charge against the Unit Holder(s) or against the Trust Property or against the Distribution Account for its services or for its expenses, except such expenses as are expressly authorized under the provisions of the Regulations and the Trust Deed to be payable out of Trust Property.
- v The Management Company shall bear all expenditures in respect of its secretarial and office space and professional management, including all accounting and administrative services provided in accordance with the provisions of the Trust Deed.
- vi The Management Company shall however not make any further material charge against the Unit Holder(s) nor against the Trust Property nor against the Distribution Account for its services nor for expenses, except such expenses or fees as are expressly authorized under the provisions of the Rules and the Trust Deed.
- vii The fees payable on offshore investments to an international fund manager/advisor as per clause 3.4.2 (xiv) above appointed by the management company, if any, the management fees shall be paid directly to such international fund manager/advisor by the management company which shall be the responsibility of the management company and shall not be charged to the Fund.

6.2.2 **Remuneration of the Trustee**

- i. 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 a full calendar month such remuneration will be pro-rated on the basis of the actual number of days for which such remuneration has accrued in proportion to the total number of days in the calendar month concerned.
- ii. Such remuneration shall be paid to the Trustee within fifteen (15) Business Days after the end of each calendar month after the receipt of invoice from the Trustee.
- iii. In consideration of the foregoing and save as aforesaid and the Trustee shall be responsible for the payment of all expenses incurred by the Trustee from time to time in connection with their duties as Trustee of the Trust. The Trustee shall not make any charge against the Holders or against the Trust Property or against the Distribution/ Redemption Account for their services or for their expenses, except such expenses as are expressly authorized to be paid out of the Trust Property under the provisions of the Regulations and the Constitutive Documents.
- iv. The Trustee shall bear all expenditures in respect of their secretarial and office space and professional management, including all accounting and administrative services provided in accordance with the provisions of the Trust Deed and the Regulations.
- v. Any increase in the remuneration of the Trustee agreed to by the Management Company shall require the approval of the Commission.
- vi. The Trustee shall however not make any further material charge against the Unit Holder(s) nor against the Trust Property nor against the Distribution Account for its services nor for expenses, except such expenses or fees as are expressly authorized under the provisions of the Regulations and the Trust Deed to be payable out of Trust Property.

6.2.3 **Expenses of the Management Company and 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 Trust Deed. Neither the Management Company nor the Trustee shall make any charge against the Unit Holders nor against the Trust Property nor against the Distribution Account for their services nor for expenses, except such expenses or fees as are expressly authorized under the provisions of the Rules, Regulations and the Deed to be payable out of Trust Property.

6.2.4 Other costs and expenses to be charged to and borne by the Trust.

- i. Remuneration of the Management Company;
- ii. Remuneration of both local and international trustee or custodian
- iii. Brokerage and Transaction Costs related to investing and disinvesting of the Trust Property.
- iv. Legal and related costs incurred in protecting or enhancing the interests of the Scheme or the collective interests of the Unit Holders.
- v. Bank charges and financing costs; provided that the charges payable to any bank or financial institution against financings on account of the Scheme as permissible under Clause 2.6 (i), shall not be higher than the normal prevailing bank charges or normal market rates.
- vi. Auditors' fees and related expenses
- vii. Any fees payable to the Commission
- viii. Formation cost not exceeding one per cent of the pre-initial public offering capital or Five Million rupees, whichever is lower which shall be subject to audit and reimbursable to the Management Company over a period of not less than five years.
- ix. Any printing costs and related expenses for issuing the collective investment scheme's quarterly, half-yearly and annual reports, etc
- x. Hedging costs including forward cover, forward purchase or option purchase costs
- xi. Annual fee payable to the Commission under Regulation 62 of the Regulations;
- xii. Taxes, fees, cess, duties and other charges applicable to the Scheme on its income or its properties, including taxes, fees, cess, duties and other charges levied by foreign jurisdiction on investments outside Pakistan
- xiii. Rating fees of the Scheme payable to the approved rating agency.
- xiv. Charges and levies of stock exchanges, National Clearing Company Limited, CDC charges, Capital Value Tax, Laga, Scheme's dividend/redemption of units transfer charges as payable to bank at time of transfer of funds to Unit Holder and such other levies and charges.
- xv. Listing fee payable to the Stock Exchange including renewals.
- xvi. Expenses incurred by trustee in effecting registration of all registerable assets in the name of the trustee;
- xvii. Other expenses directly related to Scheme as may be permitted by the Commission.

The expenses referred to in clause 6.2.4 shall be reported to the Commission and the Trustee giving their break-up under separate heads, as soon as the distribution of the securities is completed.

7. TAXATION

7.1 Taxation on the Income of the Fund

7.1.1 Liability for income tax

Under the Tax Law in Pakistan, the definition of a public company includes a Unit Trust whose units are widely available to the public and any other Trust as defined in the Trusts Act, 1882. The Fund will be regarded as a public company liable to a tax rate applicable to a public company.

The income of the Fund will accordingly be taxed at the following rates currently. Any change in the tax law from time to time will apply.

- Dividend income received from a company shall be taxed at an income tax rate of 10%.
- Capital gain arising on sale of securities listed on any Stock Exchange(s) in Pakistan is exempt from tax up to June 30, 2010.
- Income from Term Finance Certificates or Corporate Paper(s), Government Securities, return on deposits / certificates of investment/deposit with banks / financial institutions, money market transactions, profit and loss sharing accounts with banks or any other income not mentioned above is taxable at the rate applicable to a public company (as per Income Tax law).

7.1.2 Liability for Income Tax if 90% of the Income is distributed

Notwithstanding the tax rates given above, the income from the Fund will be exempted from tax if 90% or more of the income other than unrealized gains as reduced by such expenses as are chargeable to a Collective Investment Scheme is distributed amongst the Unit Holders as dividend. Further under the provisions of Clause 47 (B) of Part (IV) of the Second Schedule to the Income Tax Ordinance 2001 the Fund's income from dividend, profit on debt, brokerage and commission is exempt from withholding tax under relevant provision of Law.

Under finance Act 1989, (V of 1989) as amended by Finance Act 2006, read with Circular # 02 of 2006 dated July 1, 2006 a capital value tax at a rate of 0.02% of the purchase value of Modaraba certificates or any instrument of redeemable capital as defined in the Companies Ordinance, 1984 (XLVII of 1984) or shares of a public company listed on a registered stock exchange in Pakistan shall be charged on purchase of the same. This tax will be collected by the stock exchange concerned and will be payable by the fund on any purchase transaction.

7.1.3 Zakat

The Fund is Sahib-e-Nisab under Zakat and Ushr Ordinance, 1980.

7.2 Taxation on Unit Holders

Disclaimer: The information set forth below is included for general information purposes only. In view of individual nature of tax consequences, each investor is advised to consult with his or her tax advisor with respect to the specific tax consequences of investing in the Fund.

7.2.1 Income Tax

Unit Holders of the Fund will be subject to Income Tax on dividend income at the rate of 10% of gross amount of dividend.

The rate of tax so specified will be the final tax (except for companies, as defined in Income Tax Ordinance, 2001) and the payer (Trustee) will be required to withhold the amount of tax at source.

Unit Holders who are exempt from income tax may obtain exemption certificate from the Commissioner of Income Tax and provide the same to the Management Company and / or Transfer Agent and on the basis of Exemption Certificate income tax will not be withheld. In terms of the provisions of the Income Tax Ordinance, 2001, the withholding tax shall be deemed to be full and final liability in respect of such distribution except for companies, as defined in Income Tax Ordinance, 2001.

7.2.2 Capital Gains

Capital Gains in disposition of Units in the Fund will be subject to capital gains tax at the applicable tax rate. The Units of the Fund will be listed on the Stock Exchange(s). Consequently, subject to such listing, the Capital Gain on disposal of the Units shall be exempt from tax up to Tax Year ending on 30th day of June 2010. Any changes in tax law from time to time shall apply.

7.2.3 Tax Credit

Unit Holders other than a company shall be entitled to a tax credit under Section 62 of the Income Tax Ordinance, 2001, on purchase of new Units. The amount on which tax credit will be allowed shall be lower of (a) amount invested in purchase of new Units, (b) 10% of the taxable income of the Unit Holder, and (c) Rupees Three hundred thousand, and will be calculated by applying the average rate of tax of the Unit Holder for the tax year. If the Units so acquired are disposed within 12 months, the amount of tax payable for the tax year in which the Units are disposed shall be increased by the amount of tax credit.

7.2.4 Zakat

Units held by Sahib-e-Nisab as per Zakat and Ushr Ordinance, 1980 shall be subject to Zakat at 2.5% of the Par value of the Units or repurchase value of units whichever is lower as on valuation date in each Zakat year under Zakat and Ushr Ordinance, 1980, (XVII of 1980), except those exempted under the said Ordinance. Zakat will be deducted at source from the dividend amount or from the redemption proceeds.

7.3 Dividends

The Management Company shall distribute at least 90% of the amount available for distribution or any other payout ratio as bonus Units or cash dividends in order to avail Tax Exemption or any other benefits.

7.4 Disclaimer

The tax and zakat information given above is based on the Management Company's tax adviser's interpretation of the law, which to the best of the Management Company's understanding is correct but Investors are expected to seek independent advice so as to determine the taxability arising from their investment in the Units of the Trust. Furthermore, tax and zakat laws, including rates of taxation and of withholding tax are subject to amendments from time to time. Any such amendments in future shall be deemed to have been incorporated herein.

The entire information in Clause 7 is based on the current taxation status. The exemptions and rates of taxation are subject to change from time to time.

8 REPORTS AND ACCOUNTS

8.1 Financial Year of ABL Stock Fund

The Accounting Period will commence from the date on which the Trust Property is first paid or transferred to the trustee to June 30th, and from July 01st to June 30th for all the following years.

8.2 Financial Reporting

The following reports will be sent to the Unit Holders:

- i. The Management company shall prepare and transmit within four months of closing of the accounting period of the Scheme to the unit holders, the Trustee, the Commission and stock exchanges, on which the units of the scheme are listed, the annual report as per the requirements set out in Schedule V of the Regulations, including;
 - (i) copy of the balance sheet and income statement;
 - (ii) cash flow statement;
 - (iii) statement of movement in Unit Holders' fund or Net Assets or reserves; and;
 - (iv) the Auditor's report of the Scheme;
- ii. The Management company shall prepare and transmit (physically or on the web subject to Commission's approval) within one month of the close of the first and third quarters and within two months of the close of second quarter of the Accounting Period of account of the Scheme, prepare and transmit to the Unit Holders, the Trustee, the Commission and Stock Exchanges, on which the units of the scheme are listed whether audited or otherwise:
 - (i) balance sheet as at the end of that quarter;
 - (ii) income statement;
 - (iii) cash flow statement;
 - (iv) statement of movement in Unit Holders' fund or Net Assets or reserves; and;
 - (v) statement showing the securities owned at the beginning of the relevant period, securities purchased or sold during such period, and the securities held at the end of such period together with value (at carrying and at market) and the percentage in relation to its own Net Assets and the issued capital of the person whose securities are owned for that quarter;
- iii. The Management Company shall maintain a Register of Unit Holder(s) of the Trust (either in physical or electronic form) and inform the Trustee and the Commission of the address where the Register is kept.
- iv. The Trustee shall issue a report to be included in the annual and second quarter report of the Scheme, to be sent to Unit Holders whether, in his opinion, the Management Company has in all material respects managed the Scheme in accordance with the provisions of the Constitutive Documents, the Rules and Regulations, and if the Management Company has not done so, the respects in which it has not done so and the steps that the Trustee has taken in respect thereof.

9 SERVICE TO UNIT HOLDERS

9.1 Availability of Forms

All the Forms mentioned and/or included in this Offering Document will be available at the Authorized Branches of the Distribution Companies as well as from the Management Company or on its web site at www.ablamc.com.

9.2 Register of Unit Holders

9.2.1 A Register of Unit Holders may be maintained by Registrar/Transfer Agent Department of the Management Company presently having its office at Transfer Agent Department, ABL Asset Management Company Limited, 11-B, Lalazar, M.T. Khan Road, Karachi or such other company, as the Management Company may appoint after giving prior notice to the Unit Holders.

9.2.2 Every Unit Holder will have a separate Registration/Folio Number. The Management Company shall use such Registration/Folio Number for recording Units held by the Unit Holder. Unit Holder's account identified by the Registration/Folio number will reflect all the transactions in that account held by such Unit Holder.

9.2.3 The Holder will be entitled to ask for copies of his account statement thereof on any Business Day within business hours by applying to the Transfer Agent in writing and providing such fee that the Management Company may notify from time to time.

9.2.4 The Register shall be conclusive evidence as to the Units held by each Unit Holder.

9.3 Information in the Register

The Register will normally contain the following major information:

9.3.1 About Unit Holders

- i. Name of Unit Holder / Joint Unit Holders;
- ii. Address of Unit Holder / first named Joint Holder;
- iii. Computerized National Identification Number(s) of Unit Holder/ Joint Unit Holders and or identification number of passport if applicable;
- iv. Father's or Husband's name of Unit Holder in case of individual;
- v. Occupation of the Unit Holder;
- vi. Tax status of the Unit Holder;
- vii. Bank details;
- viii. Zakat status of the Unit Holder(s);
- ix. Record of signature of Unit Holder/ Joint Holders;
- x. Particulars of Nominee(s);

9.3.2 About Units

- i. Type and Class;
- ii. Certificate number, if applicable;
- iii. Dates of purchase / redemption / transfer;
- iv. Number of Units held by the Unit Holder; and
- v. Information about lien / pledge / charge on Units.

9.3.3 Instructions

- i. Instruction about reinvestment or payment of dividend or the encashment of bonus Units;
- ii. Instructions for redemption application;
- iii. Information and instruction about Pledge of Units / lien;
- iv. Information and instruction about Nominee(s) in case of death of Unit Holder;

- v. Bank details for Redemption / Dividend mandate.

9.3.4 Request for Changes

All existing Unit Holders or those who have purchased Fund Units as per Clause 4.4 above are eligible to change their Unit Holder details if they so desire. Such change in particulars and requests can be made via Special Instruction Form, as attached in Annexure “D” of this Offering Document. These Forms may be obtained from Distributors or Investment Facilitators or from the Management Company or through our web site. The Transfer Agent, who on being satisfied therewith and on compliance with such formalities (including in the case of a change of name the surrender of any Certificate previously issued to such Holder and the payment of the fee) shall alter the Register or cause it to be altered accordingly and in the case of a change of name shall issue a new Certificate if required to such Holder.

9.4 Account Statement

The Registrar/Transfer Agent may send directly to each Unit Holder an account statement upon transaction in the account at the option of the Unit Holders.

9.5 Certificates

- 9.5.1 Unit Certificates will be issued only to Unit Holder(s) if requested.
- 9.5.2 Unit Certificate(s) will be issued only if requested by Unit Holder(s) together with a fee at the rate of Rs.50/- per Certificate or any other amount as determined by the Management Company from time to time.
- 9.5.3 The issued Certificate would be sent through postal or courier service at the applicant’s risk within twenty one (21) Business Days after the request for the Certificate has been made, to the address of the Unit Holder or to the address of the first named Joint Holder / Principal Account Holder, if the relevant Unit or Units are jointly held.
- 9.5.4 Certificate(s) will not be issued for fractional Units.
- 9.5.5 In the case of Units held jointly the Transfer Agent shall not issue more than one Certificate for the Units held by such Joint Holder(s) and delivery of such Certificate to the first named Joint Holder/Principal Account Holder named first therein shall constitute sufficient delivery to all Joint Holders. All payments required under this Offering Document (i.e. redemption and dividend) will be made to first name Joint Holder/Principal Account Holder.
- 9.5.6 Certificates shall be issued in such form as may from time to time be agreed between the Management Company and the Trustee. A Certificate shall be dated, shall bear the name and address of the Management Company and the Trustee, shall bear a serial number and shall specify the number of Units represented thereby and the name and address of the Holder as appearing in the Register. The Certificates shall be signed by the authorized officers of the Management Company, the Trustee and the Registrar, as provided in the Clause 32.7 of the Trust Deed.
- 9.5.7 ⁹ [Notwithstanding anything to the contrary contained herein, where the Units are declared as CDS Eligible Securities, all matters concerning issuance, transfer, pledge and redemption of such Units issued in book entry form or deposited in to the CDS shall be dealt with in accordance with the provisions of the Central Depository Company of Pakistan Limited Regulations as amended from time to time.]

9.6 Replacement of Certificates

⁹ Inserted vide 4th Supplemental Offering Document dated September 20, 2011.

- 9.6.1 The Transfer Agent or Management Company may replace Certificates, which are defaced, mutilated, lost or destroyed on application received by them from the Unit Holder on the prescribed form on the payment of all costs and on such terms as to evidence, indemnity and security as may be required. Any defaced or mutilated Certificate must be surrendered before a new Certificate is issued.
- 9.6.2 The Unit Holder shall on application on prescribed form be entitled to consolidate the entire holding in the Fund into one (01) Certificate upon surrender of existing Certificates.
- 9.6.3 Each new issue of Certificates will require payment of Rs.50/- per Certificate, subject to revisions of fee from time to time by the Management Company.

9.7 Pledge/Lien of Units/Charge

For details about Pledge / Lien of Units / Charge please refer to Clause 4.7 above.

9.8 Nomination

Subject to any Personal Laws that may be applicable to a Unit Holder, a single Unit Holder can nominate a successor to receive the Units upon his death by filling in the relevant portion of the Investment Form (or may request a nomination or change in nomination through the Special Instruction Form). Nominee(s) can be nominated only by single Unit Holder when there are no Joint Holders. The maximum number of Nominee(s) can be two (2) in number with their respective shares mentioned in percentage against their respective names. Such nomination shall however not restrict the Management Company or the Trustee or the Transfer Agent from demanding succession certificate from appropriate court of law and they shall not be liable in any manner in case of any disputes among the legal heirs of the deceased.

9.9 Financial Information

9.9.1 Auditors Certificate on Core Investors' Investment in the Units of the Fund is attached.

9.9.2 Auditors Certificate on the Net Asset Value of the Fund is attached.

9.10 Formation Cost

All preliminary and floatation expenses of the Fund including expenses in connection with authorization of the Scheme, execution and registration of the Constitutive Document, issue, legal costs, printing, circulation and publication of the Offering Document, marketing of the Fund and inviting investment therein and all expenses incurred during the period leading up to the Initial Period, shall be borne by the Fund and amortized over a period of not less than five years. Such cost will not exceed one percent (1%) of amount received during Pre-IPO or Rs. 5 million whichever is less.

10 WARNINGS

10.1 Offering Document

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

10.2 Fluctuation in Price and Income

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

10.3 Disclaimer

The investor must recognize that all investments involve varying level of risk. Neither the value of Units in the Fund nor the dividend declared by the Fund can be assured. The historical performance of this Fund, the financial market or that any one security or transaction included in the Fund's portfolio does not necessarily indicate future performance. Investors are advised to read Risk Disclosure and disclaimer as mentioned in this Offering Document in Clause 2.8 and Clause 2.9 above for more information concerning risk.

11 GENERAL INFORMATION

11.1 Inspection of Constitutive Documents

The copies of constitutive documents, such as Trust Deed and this Offering Document, can be inspected free of charge at the addresses given below:

ABL Asset Management Company Limited

11-B, Lalazar, M.T. Khan Road,
Karachi, Pakistan

Central Depository Company of Pakistan Limited

CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shahra-e-Faisal,
Karachi, Pakistan.

11.2 Date of Publication of Offering Documents

The Offering Document has been published on June 18, 2009. The Management Company accepts responsibility for the information contained in the Offering Document as being accurate at the date of publication.

12 REVOCATION OF ABL STOCK FUND

- 12.1 The Management Company, after the prior written approval of the Commission, shall give at least three months notice to the unit holders and Trustee if it intends to have the registration of the Scheme managed by it cancelled:
- 12.2 At the end of notice period given under Regulation, the Commission may by an order in writing cancel the registration of the Scheme.
- 12.3 Upon representation to the Commission, by three fourth in value of the total unit holders of the Scheme, or if in the opinion of the Commission further continuation of the registration of the Scheme will be detrimental to the interest of the unit holders, the Commission may cancel the registration of such Scheme; provided that the registration of the Scheme shall not be cancelled without providing an opportunity of being heard to the Asset Management Company and the Trustee
- 12.4 In case of cancellation of registration, the Management Company shall revoke the Scheme and refund the proceeds to the unit holders in such manner and within such time as may be specified by the Commission.
- 12.5 Notwithstanding anything contained in any other provision, where in the opinion of the Commission or the Management Company any delay in the revocation of a Scheme is detrimental to the interest of the unit holders, the Commission may direct the immediate revocation of the Scheme without first canceling the registration or providing an opportunity of being heard to the Management Company in such manner and within such time as may be specified by the Commission.
- 12.6 Where the Commission grants approval under Regulation or cancels the registration of the Scheme or orders the revocation of the Scheme, all issuance and redemption of units of the Scheme shall stand suspended immediately.
- 12.7 In case of revocation of the Scheme all unit holders shall be treated *pari passu*.

13 DISTRIBUTION OF PROCEEDS ON REVOCATION OF ABL STOCK FUND

- 13.1 Upon the Trust being terminated the Management Company shall suspend the Sale and Redemption of Units forthwith and proceed to sell all Investments then remaining in the hands of the Trustee as part of the Trust Property and shall repay any borrowing effected by the Trust together with any mark-up remaining unpaid. Provided that in case of shortfall, neither the Management Company nor the Trustee shall be liable for the same.
- 13.2 The Trustee on the recommendation of the Management Company shall from time to time distribute to the Unit Holder(s) pro rata to the number of Units held by them respectively all net cash proceeds derived from the realization of the Trust Property after making payment as mentioned in Clause 13.1 above and retaining such sum as considered or apprehended by the Management Company for all costs, charges, expenses, claims and demands. In case there is any deficit, the Management Company or the Trustee shall not be liable thereof and in case there is any surplus remaining in the hands of the Trustee, the same shall be distributed amongst the Unit Holders pro rata to the number of Units held by them.

14 DEFINITIONS

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

- 14.1** “**Accounting Date**” means the 30th day of June in each year, provided that the Management Company, with the written consent of the Trustee and after obtaining approval of the Commissioner of Income Tax and under intimation to the Commission may change such date to any other date.
- 14.2** “**Accounting Period**” means a period ending on and including an Accounting Date and commencing in case of the first such period on the date on which the Trust Property is first paid or transferred to the Trustee and in any other case from the end of the preceding Accounting Period.
- 14.3** “**ABL Stock Fund**” or “**ABL-SF**” or “**Trust**” or “**Unit Trust**” or “**Fund**” or “**Scheme**” means the Unit Trust constituted by the Trust Deed for continuous offers for sale of Units.
- 14.4** “**Auditor**” means a firm of Chartered Accountants that is appointed by the Management Company with the consent of Trustee, as the auditor for the Fund who shall be independent of the auditor of the Management Company and Auditor of the Trustee in accordance with the Regulations.
- 14.5** “**Authorised Branch and Branches**” means those branches of the Distributors authorised by the Management Company to perform the Distribution Function.
- 14.6** “**Authorised Investment**”

ABL-SF is an equity fund and its “Authorized Investments” include the following:

- Listed equity securities;
 - Cash and/or near cash instruments including cash in bank accounts (excluding TDRs);
 - Treasury bills not exceeding 90 days maturity;
- 14.7** “**Back-end Load**” means the charge or commission (excluding Duties and Charge) not exceeding 5% of the Net Asset Value, deducted from the Net Asset Value in determining the Redemption Price; provided however that different levels of Back-end Load may be applied to different classes of units as per the Offering Document. Back-end load shall form part of Trust Property.
- 14.8** “**Bank**” means a banking company licensed under the Banking Companies Ordinance, 1962 or any other regulation for the time being in force and shall include a bank incorporated outside Pakistan and carrying on banking business in Pakistan as a scheduled bank.
- 14.9** “**Bank Accounts**” means those account(s) opened and maintained for the Trust by the Trustee at Banks, the beneficial ownerships in which shall vest in the Unit Holder(s).
- 14.10** “**Broker**” means any person licensed by the Commission and engaged in the business of effecting transactions in securities for the account of others.
- 14.11** “**Business Day**” means a day on which Local Stock Exchanges are open for business.
- 14.12** “**Certificate**” means the definitive certificate acknowledging the number of Units registered in the name of the Holder issued at the request of the Unit Holder pursuant to the provisions of the Trust Deed.
- 14.13** “**Commission**” is the Securities and Exchange Commission of Pakistan.
- 14.14** “**Connected Person**” shall have the same meaning as in the Regulations.

- 14.15** “**Constitutive Documents**” means the Trust Deed that is the principal document governing the formation, management or operation of the trust, the offering document and all material agreements in relation to the Trust.
- 14.16** “**Core Units**” mean such Units of the Scheme that are issued to Core Investors at Par Value with the condition that these are not redeemable for a period of two years from the date of issue. However, such restricted Units are transferable with this condition and shall rank pari passu with all other Units save for this restriction. Any transfer of these Core Units, during the first two years of their issue, shall be affected only on the receipt by the Registrar/Transfer Agent of a written acceptance of this condition by the transferee. Particulars of the Core Units shall be included in the Offering Document that shall be issued for the Trust.
- 14.17** “**Core Investors**” shall be issued with Core Units representing their subscriptions. Particulars of the Core Investors shall be included in the Offering Document that shall be issued for the Trust.
- 14.18** “**Custodian**” means: (a) Bank(s), the Central Depository Company of Pakistan Limited, or any other Depository for the time being which may be appointed by the Trustee with the approval of the Management Company to hold and protect the Trust Property or any part thereof as custodian on behalf of the Trustee; and/ or (b) the Trustee, if performing custodian functions with the approval of the Management Company.
- 14.19** “**Distribution Account**” means the account (which may be a current, saving or deposit account) maintained by the Trustee with a Bank as directed by the Management Company in which the amount required for distribution of income to the Unit Holder(s) shall be transferred. Interest, income or profit, if any, including those accruing on unclaimed dividends, in this account shall be transferred to the main account of the Fund from time to time, as part of the Trust Property for the benefit of the Unit Holder(s).
- 14.20** “**Distributor / Distribution Company**”, “**Distribution Companies**” means a Company or companies or firm or a Bank or any other financial institution appointed by the Management Company in consultation with the Trustee for performing any or all of the Distribution Functions and shall also include the Management Company itself, if it performs the Distribution Function. Distributor should acquire the associate membership of the Association constituted in consultation with the Commission and shall abide by the code of conduct prescribed by the Association(s).
- 14.21** “**Distribution Date**” means the date on which the Management Company decides to distribute the profits (if any).
- 14.22** “**Distribution Function**” means the functions with regards to:
- a. receiving applications for issue of Units together with the aggregate Offer Price for Units applied for by the applicants;
 - b. issuing receipts in respect of (a) above;
 - c. interfacing with and providing services to the Holders including receiving redemption/ transfer applications, conversion notices and applications for change of address or issue of duplicate Certificates for immediate transmission to the Management Company or the Registrar/Transfer Agent as appropriate;
 - d. accounting to the Trustee for all: (i) moneys received from the applicants for issuance of Units; (ii) payments made to the Holders on redemption of Units; and (iii) expenses incurred in relation to the Distribution Function;
 - e. The above functions may be performed electronically, if appropriate systems are in place.
- 14.23** “**Duties and Charges**” means in relation to any particular transaction or dealing all stamp and other duties, taxes, zakat, Government charges, brokerage, bank charges, transfer fees, registration fees and other duties and charges in connection with the increase or decrease of the Trust Property or the creation, issue, sale, transfer, redemption or purchase of Units or

the sale or purchase of Investment or in respect of the issue, transfer, cancellation or replacement of a Certificate or otherwise which may have become or may be payable in respect of or prior to or upon the occasion of the transaction or dealing in respect of which such duties and charges are payable, but do not include the remuneration payable to the Distribution Company or any commission payable to agents on sales and redemption of Units or any commission charges or costs which may have been taken into account in ascertaining the Net Asset Value.

- 14.24** “**Exposure**” shall have the same meaning as in the Regulations
- 14.25** “**Federal Government**” means the Federal Government of Islamic Republic of Pakistan.
- 14.26** “**Financial Institution**” means a development finance institution, non banking finance company, modaraba or an institution registered under relevant laws to provide financial services within or outside Pakistan
- 14.27** “**Formation Cost**” means preliminary expenses relating to regulatory and registration fees of the Scheme, including floatation expenses of the Scheme, expenses relating to authorization of the Scheme, execution and registration of the Constitutive Documents, legal costs, printing, circulation and publication of the Offering Document, announcements describing the Scheme, inviting investment therein and all other expenses incurred until the end of the Initial Period.
- 14.28** “**Front-end Load**” means the sales and processing charge or commission (excluding Duties and Charges) not exceeding five per cent (5%) or such other percentage of the Net Asset Value which may be included in the Offer Price of the Units.
- 14.29** “**Government Securities**” means securities and other instruments issued and to be issued by any Federal and/ or Provincial Government of the Islamic Republic of Pakistan and/or the State Bank of Pakistan, including but not limited to Federal Investment Bonds, Pakistan Investment Bonds and any securities/instruments replacing or substituting the foregoing from time to time.
- 14.30** “**Holder**” or “**Unit Holder**” means the investor for the time being entered in the Register as owner of a Unit including investors jointly so registered pursuant to the provisions of the Trust Deed.
- 14.31** “**Initial Period**” means a period determined by the Management Company not exceeding ninety (90) days during which Units will be offered at the Initial Price in terms of the Offering Document, inclusive of the offering to the Core Investors.
- 14.32** “**Initial Price**” means the price of Rs.10/- (Rupees Ten) per Unit during the Initial Period determined by the Management Company.
- 14.33** “**Investment**” means any Authorised Investment forming part of the Trust Property.
- 14.34** “**Investment Facilitators/ Advisors/ Sales Agents**” means an individual, firm, corporate or other entity appointed by the Management Company to identify, solicit and assist investors in investing in the Scheme. The Management Company shall compensate the Investment Facilitators/ Advisors/ Sales Agents out of the Front-end Load collected by it in the Offer Price and /or from Management Fee.
- 14.35** “**Net Assets**” means the excess of assets over liabilities of the Fund, such excess being computed in the manner specified in the Regulations.
- 14.36** “**Net Asset Value**” or “**NAV**” means per Unit value of the Trust arrived at by dividing the Net Assets by the number of Units outstanding.

- 14.37** “**Offer Price**” means the sum to be paid to the Trustee for the benefit of the Trust for issuance of one Unit, such price to be determined pursuant to Clause 4.10.3 of this Offering Document.
- 14.38** “**Offering Document**” means the prospectus, advertisement or other document (approved by the Commission) which contains the investments and distribution policy, unit structure(s) and all other information in respect of the Unit Trust, as required by the Regulations and is circulated to invite offers by the public to invest in the Scheme and shall include Supplementary Offering Document(s) published or circulated by the Management Company with the approval of the Commission.
- 14.39** “**On-line**” means transactions through electronic data-interchange whether real time transactions or otherwise, which may be through the internet, intranet networks and the like.
- 14.40** “**Ordinance**” means the Companies Ordinance, 1984.
- 14.41** “**Par Value**” means the face value of a Unit as defined in the Offering Documents.
- 14.42** “**Pre IPO**” means the period preceding the Initial Period during which investments are made in the Scheme by the Pre-IPO Investors.
- 14.43** “**Pre IPO Investor(s)**” mean(s) the investors who make investments in the Scheme before the Initial Period.
- 14.44** “**Redemption Account**” means the account(s) (which may be a current, saving or deposit account(s)) maintained by the Trustee with any bank having an investment grade rating and approved by the Management Company in which the amount required for redemption of Units to the Holders may be transferred.
- 14.45** “**Redemption Price**” means the amount to be paid to the relevant Unit Holder(s) upon redemption of that Unit, such amount to be determined pursuant to Clause 4.10.4 of this Offering Document
- 14.46** “**Register**” means the Register of the Unit Holder(s) kept pursuant to the Regulations and the Trust Deed.
- 14.47** “**Registrar/Transfer Agent**” means a company including a Bank that the Management Company shall appoint for performing the Registrar Functions. The Management Company may itself perform the Registrar Function.
- 14.48** “**Registrar Functions**” means the functions with regard to:
- a) maintaining the Register, including keeping a record of change of addresses/ other particulars of the Unit Holder(s);
 - b) issuing account statements to the Unit Holder(s);
 - c) issuing Certificate, including Certificates in lieu of undistributed income to Unit Holder(s);
 - d) canceling 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 Unit Holder(s);
 - f) issuing and dispatching of Certificates;
 - g) dispatching income distribution warrants, and bank transfer intimation and distributing bonus Units or partly both and allocating Units to Holders on re-investment of dividends;

- 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.
 - j) keeping record of change of addresses/other particulars of the Holders.
- 14.49** “**Regulations**” mean Non-Banking Finance Companies and Notified Entities Regulations, 2008, as amended or substituted from time to time and inclusive of any specific or general relaxations in respect of applicability of such Regulations granted or to be granted by the Commission.
- 14.50** “**Rules**” mean Non-Banking Finance Companies (Establishment and Regulation) Rules 2003 as amended or substituted from time to time.
- 14.51** “**SBP**” means State Bank of Pakistan.
- 14.52** “**Stock Exchange**” means Stock Exchanges registered under the Securities & Exchange Ordinance, 1969.
- 14.53** “**Subscription Day**” means every Business Day provided that the Management Company may with the prior written consent of the Trustee and upon giving not less than seven (7) days notice in the two (2) widely circulated English and Urdu newspapers declare any particular Business Day or days not to be a Subscription Day.
- 14.54** “**Transaction Costs**” means the costs incurred or estimated by the Management Company to cover the costs (such as, but not restricted to, brokerage, Trustee charges, taxes or levies on transactions, etc.) related to the investing or disinvesting activity of the Trust’s portfolio, *inter alia*, necessitated by creation or cancellation of Units, which costs may be added to the NAV for determining the Offer Price of Units or to be deducted from the NAV in determining the Redemption Price. The element of Transaction Costs taken into account in determining the prices and collected so, shall form a part of the Trust Property.
- 14.55** “**Trust Property**” means the aggregate proceeds of the sale of all Units at Offer Price and any Transaction Costs recovered in the Offer or back-end load recovered in the Redemption price after deducting there from or providing there against the value of Redemption, Front-end (as provided in the Offering Document), Duties and Charges applicable to the purchase or redemption of Units and any expenses chargeable to the Scheme; and includes the Investment and all income, profits, shares, securities, deposits, right and bonus shares, cash, bank balances, dividends, fees, commissions, receivables, claims, contracts, licenses, privileges and other benefits arising there from and all cash and other movable or immovable assets and properties of every description, whether accrued or accruing, for the time being held or deemed to be held upon trust by the Trustee for the benefit of the Unit Holder(s) pursuant to the Trust Deed and shall include the income, profit, interest etc earned on the amount credited to the Distribution Account but shall not include any amount standing to the credit of the Distribution Account and the income earned on the investments of the Core Investors (seed capital) and Pre-IPO Investors up to the date of the close of the Initial Period which shall not form part of the Trust Property.
- 14.56** “**Unit**” means one undivided share in the Trust, and where the context so indicates, a fraction thereof.
- 14.57** “**Zakat**” has the same meaning as in the Zakat and Ushr Ordinance, 1980.

Words and expressions used but not defined herein shall have the meanings assigned to them in the Rules and Regulations. Words importing persons include corporations, words importing the masculine gender include the feminine gender, words importing singular include plural and words “**written**” or “**in writing**” include printing, engraving, lithography or other means of visible reproduction.

15. ARBITRATION

In the event of any disputes arising out of the Trust Deed or this Offering Document between the Management Company on the one part and the Trustee on the other part, including as to the respective rights and obligations of the Management Company and the Trustee, as well as those relating to the interpretation of the terms and conditions of the Trust Deed and/or the Offering Document relating to the Unit Trust, the same shall be referred to arbitration by two arbitrators, one to be appointed by the Management Company and the other to be appointed by the Trustee. In the event of lack of consensus between the two arbitrators, the matter shall be referred to an umpire, to be selected by the two arbitrators before commencement of the reference. The unanimous decision of both the arbitrators, or the decision of the umpire, as the case may be, shall be final and binding upon both the Parties. The arbitrators and the umpire shall be selected from amongst, senior partners of renowned firms of chartered accountants, or senior partners of renowned Law Firms, or senior bankers or senior members of the Karachi Stock Exchange (Guarantee) Limited, (who may even be the heads of corporate members). The venue of the arbitration shall be Karachi. The arbitration shall be conducted in accordance with the Arbitration Act, 1940.

Subject to Arbitration Clause above applicable between the Management Company and the Trustee inter se, each party, including the Unit Holders, irrevocably submit to the exclusive jurisdiction of the courts at Karachi.

ANNEXURE A

Central Depository Company of Pakistan Limited Tariff Structure for Trusteeship of Open-end Mutual Funds (Unit Trusts)

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

Net Assets	Tariff
Up to Rupees One Billion	Rupees 0.7 million or 0.20% p.a. of NAV, whichever is higher.
Exceeding Rupees One Billion	Rupees 2.0 million plus 0.10% p.a. of NAV exceeding Rs.1,000 million

ANNEXURE B¹⁰

[Current Fee Structure

Effective from August 5, 2013

Current Front End Load **0% to 2.00%**

Current level of Back-end Load **Nil**

Current level of management fee (All Class of Units) **“3.00% p.a.”**

Any change in the load and fee structure, provided it is within the maximum limit, shall be notified through an addendum to this annexure and/or by publication in a widely circulated newspaper, as and how the Commission may direct]

¹⁰ Substituted vide 6th Supplemental Offering Document dated July 30, 2013. The substituted annexure (Annexure B) read as follows;

*Current Level of Front-end and Back-end Loads
Effective from Close of Initial Period*

<i>% of NAV</i>	
<i>Front-end Load for C Units:</i>	<i>3.00%</i>
<i>Back End Load for all Units</i>	<i>3.00%</i>

ANNEXURE C

Management Company and Distribution Companies

Management Company:

Management Company of the Fund is ABL Asset Management Company Limited. Forms and other information of the Fund can be collected from the following address of the Management Company or from branches of the respective Distribution Companies:

ABL Asset Management Company Limited

11-B, Lalazar, M.T. Khan Road,
Karachi Pakistan

For further information call:

111 ABL AMC

Website: www.ablamc.com

Distribution Companies:

ABL AMC has appointed the following Distribution Companies. Forms and other relevant information are available at their respective branches.

Allied Bank Limited		
Karachi		
Branch	Branch Contact No.	Address
Clifton Branch	021-5371136	Shop No 3&4, Ground Floor, Shaheen Centre, Clifton Karachi
S.I.T.E. Branch	021-2567396	B/12C, S.I.T.E. Karachi
Hyderi Branch	021-6705885	Sooqulaman Apartment Block G, North Nazimabad
Zamzama Branch	021-5872504	Shop No 6/F, Ground Floor, Mall Square, Main Zamzama D.H.A Karachi
Foreign Exchange Branch	021-2412149	Ground Floor Karachi House I.I Chundrigar Road, Karachi
Hassan Square Branch	021-4983237	B & H House, Near Civic Centre Hassan Square Gulshan-e-Iqbal Karachi
Shahrah-E-Faisal Branch	021-4324057-58	Ground Floor Amber Tower Shahrah-e- Faisal
Karimabad Branch	021-6802364	Al-Faisal Market Block 4, Federal B Area Shahrah-e-Pakistan, Karachi
Zaib-Un-Nisa. Street Branch	021-5678779, 5676501, 5215378	Main Zaib-un-Nisa Street Opposite English Boot House Karachi
Tariq Road. Branch	021-4554409, 4554981	Plot No. 25-C, 26-C, Block 2 P.E.C.H.S, Main Tariq Road Karachi
Khayaban- E- Badar Branch	021-5853995, 5348280	Plot No. 23-C, off 26th street Main Khayaban-e-Badar Commercial Area Phase V D.H.A
Cloth Market Branch	021-2430353, 2430973	Shop No 2,3 and 4 Ground Floor, Sindh Cloth Market Branch, M.A. Jinnah Road Karachi
Korangi Industiral Area Branch	021-5068823	Ground Floor KATI Building Brooks Roundabout Korangi Industrial Area Karachi
Bath Island Branch	021-5875639	COK, Bath Island branch, Clifton, Karachi
Lahore		
Branch	Branch Contact No.	Address
Y-Block DHA Branch	042-5723754	Y-Block D.H.A Lahore
Kashmir Road Branch	042-6370918	8-Kashmir Road Lahore
Mall Road Branch	042-7248342	59- The Mall Lahore
PAF Base Branch	042-9220593	PAF Base Sarfaraz Rafiqui Road Lahore
Brandreth Road Branch	042-7667703	Main Brandreth Road Lahore

Islamabad		
Branch	Branch Contact No.	Address
Blue Area Branch	051-2828806	ABL Building Blue Area Islamabad
I-8 Markaz Branch	051-4437687	Zaki Centre Sector I-8 Islamabad
F-6 Markaz Branch	051-2826498	Super Market F-6 Islamabad
G-11 Markaz Branch	051-2213276	G-11 Markaz Islamabad
F-10 Markaz Branch	051-2290421	F-10 Markaz Islamabad
Rawalpindi		
Branch	Branch Contact No.	Address
Chaklala Branch Cantt	051-5766093	Main Commercial Area Chaklala Scheme 3 Rawalpindi Cantt.
Adamjee Road Branch	051-5510001	Main Adamjee Road Rawalpindi
Multan		
Branch	Branch Contact No.	Address
Chowk Rasheed Branch	061-6211804	1051/F Khanewal Road near Chowk Rasheedabad Multan
Abdali Road Branch	061-4516914, 4546695	Nawai Waqt Building Main Abdali Road Multan
Multan Cantt Branch	061-4583294, 4782729	90 Aziz Shaheed Road Multan Cantt
Nawan Sheher Branch	061-4573100, 4570705	LMQ Road Nawan Sheher Branch Multan
Shah Rukn-e-Alam Branch	061-4552551, 4550600	F-Block Shah Rukn-e-Alam Colony Multan
Faisalabad		
Branch	Branch Contact No.	Address
Jail Road. Branch	041-8813202	Main Jail Road Akberabad Faisalabad
Hyderabad		
Branch	Branch Contact No.	Address
Civic Centre Branch	022-9200527- 28	Ground Floor Civic Centre Building Hyderabad
Quetta		
Branch	Branch Contact No.	Address
Jinnah Road Branch	2821220, 2836365	Main M.A. Jinnah Road Quetta

Flow (Pvt.) Limited - www.flowlimited.com	
Head Office	Contact Number
403, Trade Tower, Abdullah Haroon Road, Karachi	(92-21) 568-5950, 568-5971, 568-50415-16 Fax #: (92-21) 568-3397

BMA Financial Services Limited - www.bmafs.com	
Head Office	Contact Number

Level 8, Unitower, I. I. Chundrigar Road, Karachi	(92-21) 111-BMA-TRADE or (92-21) 111-262-872 UAN #: (92-21) 111-262-111 Fax #: (92-21) 243-0748
Branch Office	Contact Number
Karachi Branches: Bahadurabad Branch: Office # 3, Mezzanine Floor, Akbar Manzil, Main Bahadurabad Roundabout, Karachi	Tel #: (92-21) 493-1396, 493-4802
Gulshan-e-Iqbal Branch: 3, Osif Centre, Block-13-A, Plot B-25, Mezzanine Floor, Near Usmania Restaurant, Gulshan-e-Iqbal, Karachi	Tel #: (92-21) 481-8980-4 Fax #: (92-21) 481-8985
Lahore Branch: Office # 10, 1 st Floor, Park Lane Tower, Tufail Road, Lahore Cantt.	Tel #: (042) 662-2422 (5 Lines)
Islamabad Branch: 3 rd Floor, Jang Bulding, Block 'A', Fazal-e-Haq Road, Blue Area, Islamabad	Tel #: (92-51) 280-1151 (12 Lines) Fax #: (92-51) 280-1164
Faisalabad Branch: 8 th Floor, State Life Building, Liaquat Road, Faisalabad	Tel #: (92-41) 260-6020-26 Fax #: (92-41) 260-6027
Multan Branch: Ground Floor, State Life Building, Multan	Tel #: (92-61) 450-0272-6
Rawalpindi Branch: Office # 209, 2 nd Floor, Al-Amin Plaza, The Mall, Rawalpindi	Tel #: (92-51) 570-1216 (3 Lines)

Vector Consulting (Pvt.) Limited - www.vector.com.pk	
Head Office	Contact Number
3 rd Floor, Kassam Court, Block 5, Clifton, Karachi	Tel #: (92-21) 529-3256, 529-3269 Fax #: (92-21) 529-3255
Branch Office	Contact Number
Lahore Branch: G-01, Ground Floor, Rehman Business Center, 32 B-III, Gulberg – III,	Tel #: (92-42) 587-8016-17 Fax #: (92-42) 587-8018

IGI Investment Bank (Fund Select) -www.igiinvestmentbank.com.pk	
Head Office	Contact Number
7 th Floor, The Forum, Suite 701-713, G-20, Block 9, Khayaban-e-Jami, Clifton, Karachi	Tel #: (92-21) 111-234-234 Fax #: (92-21) 111-567-567, 530-1729
Branch Office	Contact Number
Lahore Branch:	

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 Branch:</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 Branch:</u> 9 th Floor, State Life Building, Faisalabad	Tel #:(92-41) 254-0811-14,254-0841-45 Fax #: (92-41) 254-0815
<u>Multan Branch:</u> Mezzanine Floor, Abdali Tower, Abdali Road, Multan	Tel #: (92-61) 450-0180-81 Fax #: (92-61) 478-4403
<u>Gujranwala Branch:</u> Anwar Industries Complex, Block B-1, G.T. Road, Gujranwala	Tel #: (92-55) 325-7353, 384-1346 Fax #: (92-55) 325-7453
<u>Peshawar Branch:</u> 2 nd Floor, Mall Tower, 35, The Mall, Peshawar	Tel #: (92-91) 525-3980-88 Fax #: (92-91) 525-3989

Atlas Capital Markets (Pvt.) Limited - www.atlascapital.com.pk	
Head Office	Contact Number
B-209, 2nd Floor, Park Towers, Abdullah Shah Ghazi Road, Clifton, Karachi	Tel #: (92-21) 587-5760-06 Fax #: (92-21) 537-6122
Branch Office	Contact Number
<u>Lahore Branches:</u> 2nd Floor, Ajmal House, Egerton Road, Lahore	Tel #: (92-42) 636-6170-4 Fax #: (92-42) 636-6175
Room No. 203, LSE Building, Shahra-e-Aiwan-e-Iqbal, Lahore	Tel #: (92-42) 637-2110 Fax #: (92-42) 631-1380
<u>Islamabad Branch:</u> 24 –West, Raza Noor Plaza, Blue Area, Islamabad	Tel #: (92-51) 280-1101-4 Fax #: (92-51) 280-1108
<u>Faisalabad Branch:</u> 8th Floor, State Life Building # 2, Liaquat Road, Faisalabad	Tel #: (92-41) 254-0861-4 Fax #: (92-41) 254-0866

Alfalalah Securities (Pvt.) Limited - www.alfalahsec.com	
Head Office	Contact Number
12th Floor, Tower 'A', Saima Trade Towers, I. I. Chundrigar Road, Karachi	Tel #: (92-21) 921-7810-19
Branch Office	Contact Number
<u>Lahore Branch:</u> Room No. 302, 3rd Floor, Siddiq Trade Center,	Tel #: (92-42) 578-1617-18

72 Main Boulevard, Gulberg, Lahore	
<u>Islamabad Branch:</u> F-8/3, 30, Margallah Road, Islamabad	Tel #: (92-51) 228-7003-12 Fax #: (92-51) 285-2597

Elixir Securities Pakistan (Pvt.) Limited - www.elixirsec.com	
Head Office	Contact Number
1st, Floor, P & O Plaza, I. I. Chundrigar Road, Karachi	Tel #: (92-21) 111-354-947 Fax #: (92-21) 247-0475
Branch Office	Contact Number
<u>Karachi Branch:</u> Stock Exchnage Office, Room No. 410-410, KSE Building, Stock Exchange Road, Karachi	Tel #: (92-21) 244-3445 Fax #: (92-21) 242-5304
<u>Lahore Branch:</u> Room No. 2, Ground Floor, Rahman Business Centre, Gulberg 3, Lahore	Tel #: (92-42) 111-354-947 Fax #: (92-42) 587-8237

JS Global Capital Limited - www.js.com	
Head Office	Contact Number
6th Floor, Faysal House, Main Shahrah-e-Faisal, Karachi	Tel #: (92-21) 111-574-111 Fax #: (92-21) 280-0163
Branch Office	Contact Number
<u>Karachi Branch:</u> Stock Exchange Office, 2nd Floor, Room No. 75, KSE Building, Stock Exchange Road, Karachi	Tel #: (92-21) 242-5692 Fax #: (92-21) 241-8106
<u>Lahore Branch:</u> Ground Floor, 307 - Upper Mall, Lahore	Tel #: (92-42) 111-574-111 Fax #: (92-42) 578-9109
<u>Islamabad Branch:</u> Chaudhary Plaza, 65 - West, Fazal-e-Haq Road, Blue Area, Islamabad	Tel #: (92-51) 111-574-111 Fax #: (92-51) 280-6328
<u>Dubai Branch:</u> Fairmount Hotel, Suite 172, Shaikh Zayed Road, P. O. Box 24459, Dubai, U.A.E.	Tel #: (971-4) 312-4350 Fax #: (971-4) 312-4351
<u>London Branch:</u> 53 Davies Street, London W1K 5JH, London, U.K.	Tel #: (44-207) 152-6350 Fax #: (44-207) 152-6349

Reliance Financial Products (Pvt.) Limited - www.reliancepakistan.com	
Head Office	Contact Number
215, Clifton Centre, Block 5, Clifton, Karachi	Tel #: (92-21) 111-215-215 Fax #: (92-21) 583-7775

ANNEXURE D

Forms