

**2nd Supplement to the
Offering Document of
Al-Ameen Islamic
Principal Preservation
Fund – II (AIPPF – II)
(Formerly UBL Islamic
Principal Preservation Fund – II
/ UIPPF- II)**

Dated: 04-09-2014

(Introducing Dividend Re-investment)

Second Supplemental Dated 04-09- 2014 to the Offering Document of Al-Ameen Islamic Principal Preservation Fund – II (Formerly UBL Islamic Principal Preservation Fund-II / UIPPF- II)

Managed by UBL Fund Managers Limited (UBL Funds) an Asset Management Company registered with the Securities & Exchange Commission of Pakistan (SECP) and regulated under the Non-Banking Finance Companies (NBFC) Rules 2003 and NBFC & NE Regulations 2008.

Al-Ameen Islamic Principal Preservation Fund – II (Formerly UBL Islamic Principal Preservation Fund II (the Fund) is established in Karachi, Pakistan as an Open end Scheme by a Trust Deed, dated August 27th, 2013, and subsequently amended via Supplemental Trust Deed dated: Feb 28th, 2014, under the Trusts Act, 1882 between UBL Fund Managers Limited (UBL Funds), as the Management Company and Central Depository Company of Pakistan Limited (CDC), as the Trustee and authorized under the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

Effective from 10 September, 2014 the following Clause in the Offering Document is revised:

1. Amendment in Clause 1.7

Clause 1.7 (a) is amended and read as follows:

1.7 Transaction in Units after Initial Offering Period

- (a) . Subsequent to the Public Offering, the offer of Units shall discontinue, except for unit issuance in lieu Stock Dividend or reinvestment of any cash dividend announced (as defined in clause 6.5). The redemption of Units shall then commence after the commencement of the Life of the Fund at the Redemption Price as defined in Clause 5.7.

2. Amendment in Clause 5.2 (C)

Clause 5.2 (C) is amended and read as follows:

5.2 Classes of Units

c) Class “C” (Bonus Units): are the Bonus Units, which may be issued to the Unit Holders in case of stock dividend from time to time, net of any applicable taxes. These units shall not be charged with any Front-end Load. Class C units shall not have Principal Preservation, and in case of redemptions before the completion of the duration of the fund shall be charged a Back – end Load as specified in Annexure B. These units shall only be redeemable at the time of full redemption

3. Addition of Point D in Clause 5.2

Point (d) in clause 5.2 is Added and read as follows:

5.2 Classes of Units

d) Class “D” Units: are the Units, which will issued to the Unit Holders in case of reinvestment of any Cash Dividends announced (as defined in clause 6.5) from time to time, net of any applicable taxes. These units shall not be charged with any Front-end Load. Class D units shall not have Principal Preservation, and in case of redemptions before the completion of the duration of the fund shall be charged a Back – end Load as specified in Annexure B. These units shall only be redeemable at the time of full redemption

4. Amendment in Clause 5.4.7 (d)

Clause 5.4.7 (d) is amended and read as follows:

5.4.7 Allocation/Issue of Units

In case the Management Company announces a suspension of further issue of Units of Fund, it may allow existing Unit Holders to continue acquiring Units against reinvestment of any cash dividend declared on the Units held.

5. Amendment in clause 5.10.2

Clause 5.10.2 is amended and read as follows:

5.10.2 Suspension of Fresh Issue of Units

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

- The situation of Force Majeure as defined in this Offering Document;
- A situation in which it is not possible to invest the amount received against issuance of fresh Units or
- Any other situation in which issuance of fresh Units is, in Management Company’s opinion, against the interests of the existing/remaining Unit Holders.

Such suspension may however not affect existing Unit Holders for the issuance of Class “C” and Class “D” Units as a result of Stock Dividend or Cash Dividend distribution The Management Company shall announce the details of circumstances at the time a suspension of fresh issue is announced. The Management Company shall immediately notify SECP and Trustee if issuance of Units 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.

In case of suspension of redemption of Units due to extraordinary circumstances the issuance of Units shall also be kept suspended until and unless redemption of Units is resumed

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

6. Amendment in Clause 6.5

Clause 6.5 is amended and read as follows:

6.5 Reinvestment of Dividend

Any Cash or Stock Dividend announced will be reinvested on behalf of the investor through issuance of new Units (as defined in clause 1.7) within the Unit Holder register after deduction of applicable taxes.

7. Amendment in Clause 6.6

Clause 6.6 is amended and read as follows:

6.6 Unit issuance for reinvestment of Dividend

The Management Company may decide to distribute, wholly or in part, the distributable income in the form of cash or stock dividend if it is in the interest of Unit Holders. After the fixing of the rate of distribution per Unit, the Management Company shall, under intimation to the Trustee, issue additional Class "C" Units for Stock Dividend and Class "D" units for reinvestment of Cash Dividend in the name of the Unit Holders . The Class "C" and Class "D" 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 Units. The account statement (electronic or physical) or Unit Certificate shall be dispatched to the Unit Holder within fifteen days of the issue of these Units

8. Amendment in Clause 6.7

Clause 6.7 is amended and read as follows:

6.7 Encashment of Units issued for reinvestment of Dividends

Class "C" and Class "D" Units, if issued, will only be redeemable at the time of full redemption by the investor, subject to a Back-end Load, during the Life of the Fund. However, these units shall automatically be redeemed at the end of the Life of the Fund, without any Back-end Load charges, along with the redemption proceeds.

9. Amendment in last paragraph of clause 7.1.1

Last paragraph of Clause 7.1.1 is amended and read as follows:

7.1.1 Front End Load

The issue price applicable to Bonus Units issued by way of stock dividend distribution or issue of Units in lieu of cash dividend distribution shall not include any sales or processing charge.

10. Amendment in clause 8.4.2

Clause 8.4.2 is amended and read as follows:

8.4 Taxation and Zakat on Unit Holders

Unit Holders of the Fund will be subject to applicable Income tax on dividend income distributed by the Fund (exemption on distribution out of capital gains is limited to those Funds which are debt or money market Funds and they do not invest in shares).

11. Glossary

Addition of term in “Glossary”

“Bonus/Stock Dividend”: the words “bonus”/“stock” will be used interchangeably and will be synonymous substitutes for one another.

12. Amendment in Annexure B

Annexure ‘B’ is amended and read as follows:

1) Current Fee Structure:

i) Front-end Load:

Class ‘A’ Units: 3.00% on sale of units

Class ‘B’ Units: 3.00% on sale of units

Class ‘C’ Units (Bonus Units): Nil

Class ‘D’ Units (Cash Dividend Reinvestment Units): Nil

ii) Back-end Load:

Class ‘A’, Class ‘B’, Class ‘C’ and Class ‘D’ Units: 5% (applicable on redemptions before maturity)

iii) Management Fee:

Current level of Management Fee: 1.00*% per annum

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

Any change in the cut-off timing/Business hours including for the month of Ramadan shall be notified to investors/unit holders via the company’s website.

Any change in the load structure and/or management fee shall be notified after prior approval of the Commission through an addendum to this annexure and by publication in a widely circulated newspaper and/or as and how the SECP may direct.