

Risk Disclaimer: All Investments in Mutual Fund are subject to Market Risk. The value of your Investment in the form of Units may go up or down based on the Market Conditions. The Investors are advised in their own interest to carefully read the contents of this Offering Document in particular the investment policies in clause 4.2 and risk disclosures and warning statements contained in Clause 4.11, Clause 4.12 and Clause 17 respectively in this Offering Document

OFFERING DOCUMENT

UBL Principal Protected Fund I (UPPF-I)

(Fund of Funds Scheme)

Management Company
UBL FUND MANAGERS LIMITED (UBL Funds)

Trustee
**Central Depository Company of Pakistan Limited
of Pakistan Limited (CDC)**

**Open for Public Subscription:
From December 2, 2011 Until December 27, 2011
(both dates inclusive)**

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**OFFERING DOCUMENT OF
UBL PRINCIPAL PROTECTED FUND I**

MANAGED BY

UBL Fund Managers Limited (“UBL Funds”)

**[An NBFC licensed as an Asset Management Company and Investment Advisor under the
Non-Banking Finance Companies
(Establishment and Regulation) Rules, 2003]**

Date of Publication of this Offering Document: November 25, 2011

Initial Offering Period: December 2, 2011 till December 27, 2011 (Both days inclusive)

1. INTRODUCTION TO UBL PRINCIPAL PROTECTED FUND I

UBL Principal Protected Fund I (the Fund) is established in Karachi, Pakistan as an Open end Scheme by a Trust Deed, dated October 6, 2011 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.

The provisions of the Regulations and the Trust Deed govern this Offering Document. It sets forth Information about the Fund that a prospective investor should know before investing in any Unit.

2. REGULATORY APPROVAL AND CONSENT

2.1 Approval of Securities and Exchange Commission of Pakistan

The Securities and Exchange Commission of Pakistan (SECP) has registered the Fund as a Notified Entity under Regulation 44 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (Regulations) vide letter No. NBFC/MF-RS/JD-VS/UPPF-I/424/2011 dated October 24, 2011. The SECP has approved this Offering Document under Regulation 54 of the Regulations vide its letter No. SCD/AMCW/MF/JD-VS/UPPF/468/2011 dated November 25, 2011

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

Investors should realize that all investments involve risk. It should be clearly understood that the portfolio of the Fund is subject to market fluctuations and risks inherent in all such investments. The value of Units in the Fund may appreciate as well as depreciate and the level of dividend declared by the Fund may go down as well as up. Investors are requested to read the Risk Disclosure, Disclaimer and Warning statements contained in Clause 4.11, Clause 4.12 and Clause 17 respectively, in this Offering Document.

Prospective investors in their own interest are advised to carefully read this Offering Document to understand the Investment Policy and Risk Factors of the Fund and should also consult their stockbroker, legal adviser or other financial adviser before investing.

2.2 Governing Law

The Trust Deed and this Offering Document shall be subject to and be governed by the laws of Pakistan, including the Ordinance, the Rules, the Regulations and all other applicable rules and regulations, as amended or replaced from time to time, and it shall be deemed for all purposes whatsoever that all the provisions required to be contained in a trust deed by the Regulations are incorporated in the Trust Deed as a part and parcel thereof and in the event of any conflict between the Trust Deed and the provisions required to be contained in a trust deed by the Regulations, circulars or directives issued by the SECP, the latter shall supersede and prevail over the provisions contained in the Trust Deed. In the event of any conflict between this Offering Document and the Trust Deed, the latter shall supersede and prevail over the provisions contained in this Offering Document.

2.3 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 SECP. Certified copies of these documents along with documents below can be inspected at the registered office of the Management Company or the place of business of the Trustee, at their addresses provided in the Clause 3.2 of this Offering Document.

1. Trust Deed dated October 6, 2011, between UBL Funds and the Trustee constituting the Fund;
2. SECP letter No. NBFC-II/03/UBLFM/AMS/02/2011 dated January 13, 2011, renewing the licence of UBL Funds to undertake asset management services;
3. SECP letter No. NBFC/MF-RS/JD-VS/UPPF-I/424/2011 dated October 24, 2011 registering the Fund as a Notified Entity and approving the Management Company to be the management company of the Fund;
4. SECP letter No. SCD/AMCWING/Vs/UPPF/410/2011 dated October 5, 2011 approving the appointment of Central Depository Company of Pakistan Limited "CDC" as the Trustee of the Fund;
5. SECP letter No SCD/AMCW/MF/JD-VS/UPPF/468/2011 dated November 25, 2011, approving this Offering Document;
6. Letter from A.F. Ferguson & Co, Statutory Auditors of the Fund, consenting to act as Auditors;
7. Letter of consent by the Legal Adviser, Mohsin Tayebaly and Co. for nomination as Legal Adviser of the Fund.

3. CONSTITUTION OF THE SCHEME

3.1 Name & Category of the Collective Investment Scheme

“**UBL Principal Protected Fund-I**”, an open-end Fund of Funds Scheme.

3.2 Constitution

The Fund is constituted by a Trust Deed entered into at Karachi on October 6, 2011 between:

UBL FUND MANAGERS LIMITED (UBL FUNDS), a company incorporated under the Companies Ordinance, 1984 with its registered office at 8th Floor, State Life Building, I. I. Chundrigar Road, Karachi and Corporate Office at 8th Floor, Executive Tower, Dolmen City, Block 4, Clifton, Karachi, Pakistan (hereinafter called the “Management Company” which expression where the context so permits shall include its successors in interest and assigns) of the one part; and

CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED (“CDC”), a company incorporated under the Companies Ordinance, 1984 and registered with the Securities & Exchange Commission of Pakistan (SECP) as a central depository company, with its Registered Office at CDC House 99-B, Block “B”, S.M.C.H.S, Main Shakra-e-Faisal, Karachi (hereinafter called the “Trustee”, which expression, where the context so permits, shall include its successors in interest and assigns) of the Other Part.

3.3 Duration

The duration of the Fund is twenty four (24) months from the commencement of the Life of the Fund. The Fund shall stand automatically dissolved after this period as per details in Clause 15 of this Offering Document. However it can be wound up by the SECP or by the Management Company on the occurrence of certain events as stated in Clause 14 and Clause 16 of this Offering Document.

3.4 Trust Deed

The Trust Deed shall be subject to and governed by the Rules, Regulations and all other applicable laws and regulations. The terms and conditions of the Trust Deed and any Supplementary Trust Deed, made after getting prior approval of SECP, shall be binding on the Trustee, the Management Company and each Unit Holder as if each of them has been a party to it and has agreed to be bound by its provisions and each Holder authorizes and requires the Trustee and the Management Company to do as required of them by the terms of the Trust Deed.

3.5 Modification of Trust Deed

- 3.5.1 The Trustee and the Management Company acting together shall be entitled by trust deed supplemental hereto 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 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 and the Regulations or to ensure compliance with any fiscal or statutory requirement or to enable the provisions of the Trust Deed to be more conveniently or economically managed or to enable the Units to be dealt in or quoted on the Stock Exchange or otherwise for the benefit of the Unit Holders and that it does not prejudice the interests of the Unit Holders or any of them or operate to release the Trustee or the Management Company from any responsibility to the Unit Holders.
- 3.5.2 Where the Trust Deed has been altered or supplemented the Management Company shall notify the Unit Holders immediately by publication in a widely circulated newspaper in Pakistan.
- 3.5.3 If the SECP modifies the Rules and/or Regulations these shall deem to have been included in the Trust Deed without requiring any modifications as such and shall prevail in case of conflict with the provisions of the Trust Deed.
- 3.5.4 If at any time, any Clause of the Trust Deed is and/ or becomes in whole or in part, illegal, invalid or unenforceable under the laws of any applicable jurisdiction, neither the legality, validity and enforceability of the remaining Clauses of the Trust Deed hereof, nor the legality, validity or enforceability of such Clause under the law of any other jurisdiction shall in any way be affected or impaired thereby.

3.6 Offering Document

The provisions of the Trust Deed and the Regulations govern this Offering Document. This Offering Document sets forth information about the Fund that a prospective investor should know before investing in any Unit. Prospective investors in their own interest are advised to carefully read this Offering Document to understand the Investment Policy, Risk Factors and Warning and Disclaimer contained in this Offering Document and should also consult their legal, financial and tax advisers before investing in the Fund.

3.7 Modification of Offering Document

This Offering Document shall be updated to take account of any relevant material changes relating to the Fund. Such changes shall be subject to prior approval from the SECP and shall either be circulated to all Unit Holders or publicly notified by advertisements in the newspapers subject to the applicable provisions of the Trust Deed, the Rules and the Regulations. If the SECP modifies the Rules and/or Regulations these shall deem to have been included in the Offering Document without requiring any modifications as such and shall prevail in case of conflict with the provisions of the Offering Document.

3.8 Fund Structure

The Fund is an open end Fund of Funds Scheme. It shall offer and redeem Units on a continuous basis subject to terms and conditions contained in Clause 3.9.2 and Clause 3.9.3 of this Offering Document and in the Trust Deed, the Rules and the Regulations.

- 3.8.1 There is an upper limit on the total number of Units to be issued, which shall be equal to a total subscription amount of PKR 1 billion (PKR 1,000,000,000), in order to facilitate the economical and efficient management of the Scheme. The units will be valued as defined in Clause 3.9.1 below.
- 3.8.2 In case the upper limit, as specified in Clause 3.8.2 is reached, the Initial Offering Period shall be closed immediately with intimation to the Trustee and the Commission. Such information shall be either published in at least two newspapers, one of which shall be in the English language and one of which shall be in the Urdu language, circulating in Pakistan or announced through the Company's website.
- 3.8.3 The Management Company may also increase the upper limit on the subscription amount limit, at its discretion.

3.9 Units

3.9.1 Classes of Units

(i) The Management Company shall issue the following Classes of Units:

- a) **Class "A" (Pre-IPO Units)**, are the Capital Protected Units, which shall be issued to the Pre-IPO Investors and may be charged a Front-end Load, at the discretion of the Management Company. These units are also subject to a Back-end Load, as specified in Annexure A of this Offering Document, in case of redemption before the completion of the duration of Fund.
- b) **Class "B" Units**, are the Capital Protected Units, which shall be issued to investors at the Offer Price, during the Initial Offering Period, and is also subject to a Back-end Load, as specified in Annexure A of this Offering Document, in case of redemption before the completion of the duration of Fund.

Note: Class "B" Units may also be offered after the Initial Offering Period, at the discretion of the Management Company and as per the terms and conditions of the Offering Document.

- 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. These units shall not have Capital Protection and may be issued under the following types:

Type '1': are the Bonus Units that shall not be charged with any Front-end Load and shall only be redeemable at the time of full redemption. In case of redemption before the completion of the duration of Fund, a Back-end Load shall be charged, as specified in Annexure "A" of this Offering Document. ..

Type '2': are the Bonus Units that shall not be charged with any Front End Load, but shall be subject to Back-end Load as specified in Annexure A of this Offering Document, in case of redemption before the completion of the duration of Fund..

NOTE:

- a) The details of the current level of Front-end Load, Back-end Load and the Management Fee charged on these units is specified in “**Annexure A**” of this Offering Document.
 - b) The Management Company may issue, any one type of Class ‘C’ Units, at its discretion, to the Unit Holders, at the time of dividend declaration.
- (ii) 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. Each Unit Holder has a beneficial interest in the Fund proportionate to the Units held by such Unit Holder. The Fund is divided into units having a par value of Rs. 100/- (Rupees One Hundred Only)
- (iii) Irrespective of the different classes of Units as set out in this Clause, all Units issued from time to time shall rank pari passu inter se and shall have such rights as are set out in the Trust Deed and the Offering Document. The liability of the Unit Holders shall be limited to the Price paid for the Units.
- (iv) For Capital Protection to hold, Investors would need to hold their investments till completion of the duration of Fund, and a Back-end Load as per this Offering Document, shall be applicable in case of redemption before the completion of the duration of Fund.
- (v) Units offered and issued during the Initial Period shall be issued at the Offer Price. The offer and issue of Units during the Initial Period shall remain open during the period specified in this Offering Document.
- (vi) After the Initial Offering Period, the Offer Price shall be determined, subject to Clause 3.9.3, from time to time pursuant to Clause 6.13.1 of the Offering Document and Clause 24 of the Trust Deed.
- (vii) The Management Company may at any time with the approval of the Commission and the Trustee and by giving not less than twenty-one (21) days previous notice in writing to each Unit Holder, subdivide or consolidate the whole or any part of the Units and the Unit Holders shall be bound accordingly. The Management Company shall require in such notice that each Unit Holder to whom Physical Certificates have been issued, (who shall be bound accordingly) deliver up his/ her Physical Certificates for endorsement or enfacement with the number of Units to be represented thereby as a result of such sub-division or consolidation; provided that any delay or failure to deliver up the Physical Certificates shall not delay or otherwise affect any such division or consolidation. Such information shall be published in at least two newspapers, one of which shall be in the English language and one of which shall be in the Urdu language, circulating in Pakistan.

3.9.2 Initial Offer

The Initial Offering Period shall be for Class "B" Units. During the Initial Offering Period, Units will be offered at the Offer Price as per clause 3.9.1(a) of this Offering Document. The Offer and Issue of Units during Initial Offering Period shall commence from the start of the banking hours on December 2, 2011 and shall close at the end of the Cut-off time on December 27, 2011. During the Initial Offering Period, the Units will not be redeemed. Prices of units are subject to the details mentioned for each class of Units mentioned in clause 3.9.1 above

3.9.3 Transactions in Units after Initial Offering Period

- (a) After the Initial Period, the offer of Units shall discontinue. The redemption of Units shall then commence after the commencement of the Life of the Fund at the Redemption Price as defined in Clause 6.13.7 of this Offering Document.
- (b) The Management Company shall announce the Redemption Price latest by 10:30 am of the next Business Day subject to Clause 6.4.1(b) of this Offering Document. The Offer and Redemption Prices shall be determined by the Management Company under the provisions of the Trust Deed (as specified in clause 24 and 27) and this Offering Document (as specified in Clause 6.13.1 and Clause 6.13.7. The Offer and Redemption Price so calculated shall be applicable for the Business Day.
- (c) The Fund may be re-opened for fresh issue from time to time after close of Initial Offering Period as and when determined by the Management Company with prior approval of SECP and after providing appropriate notice to the Trustee and investors in order to protect the interests of the Unit Holders of the Trust. The Management Company shall comply with the terms of approval specified by SECP, to protect the interest of Unit Holders.

3.9.4 Physical/Scrip less Units

UBL Funds would issue both physical and scrip less Units. The latter will be issued, by default, to facilitate frequent sale/redemption transactions.

3.10 Capital Protection

- (a) Capital Protection is envisaged to be provided through the use of CPPI methodology and Investment structure of the Fund as detailed in Clause 4.2 and not through an undertaking by the Management Company or the Trustee subject to Clause 4.3 below.
- (b) Capital Protection means that the Net Realizable Value of investment shall not fall below the Initial Investment Value subject to Clause 3.10(a) above, provided the investment is held till completion of the Duration of the Fund as per the terms specified in this Offering Document. The Capital Protection Period shall begin from the commencement of the Life of the fund.
- (c) The investments in the Capital Protection Segment of the Fund, as specified in Clause 4.2.7, shall only be initiated, on an occurrence of the Bond Event or the Gap Event.
- (d) The Management Company shall provide Gap Risk Coverage of the Initial Fund Size (adjusted for redemptions, if any, during the Life of the Fund, and inclusive of any Front-end Load) up to a maximum limit of (5%) Five Percent of the total subscription amount
- (e) Capital Protection shall not be valid if Units of the Fund are redeemed before completion of the Duration of the Fund and a Back-end Load shall be charged on certain classes of units, as per details in Clause 3.9.1(i) of this Offering Document.
- (f) Any redemption of units during the Life of the Fund on a specified date would be based on the NAV of the Fund on the day it is received within the cut-off time, as specified in Clause 6.4.3 and will be charged a Back end Load and the capital protection does not apply in this case to such units. .

- (g) The capital of the fund is protected only in terms of the base currency i.e. the Pakistani rupee. In addition, Capital Protection is only valid in terms of the current tax and legal environment of Pakistan and is subject to force majeure factors as specified in Clause 20.41 of this Offering Document.
- (h) Capital Protection is also not valid in case fund is terminated before the maturity date as defined in Clause 6.10 and Clause 14 of this Offering Document.
- (i) The Fund shall be closed for new subscriptions after the close of the Initial Offering Period subject to clause 3.9.3(c) and 3.10(j).
- (j) The Fund may be re-opened from time to time as and when determined by the Management Company with prior approval of the Commission and after providing notice to the Trustee and investors in order to protect the interests of the Unit Holders of the Fund. The Management Company shall comply with the terms of approval specified by Commission, to protect the interest of Unit Holders.
- (k) Investments of the proceeds from subsequent investments as specified in Clause 3.10(j) above will be eligible for Capital Protection.

4 INVESTMENT OBJECTIVES AND RESTRICTIONS

4.1 Investment Objectives

The investment objective of the Fund is to earn potentially high returns through dynamic asset allocation between Equities and Money Market based CIS while providing capital protection of the Initial Investment Value, at completion of the duration of fund.

4.2 Investment Policy

- 4.2.1 The Fund will be dynamically allocated between Equity Component and Debt /Income Component, subject to Clause 4.2.8, Clause 4.2.9, and Clause 6.4.1(b), at Pre-defined Intervals by using the Constant Proportion Portfolio Insurance (CPPI) Methodology.
- 4.2.2 The Fund will be primarily investing in United Stock Advantage Fund (USF) for exposure in Equities (i.e. the Equity Component), while UBL Liquidity Plus Fund will be used to take exposure in Money Market Instruments (i.e. the Debt/Income Component).
- 4.2.3 The Fund may also invest in other Equity and Money Market based CIS offered by the Management Company and/or other AMCs, based on the criteria specified in Clause 4.4.
- 4.2.4 The dynamic asset allocation is aimed at providing higher returns through participation in Equity CIS while aiming to protect downside risk of capital through participation in Money Market CIS.
- 4.2.5 The allocation between the Equity Component and the Debt/Income Component will vary depending upon changes in the Fund Value.
- 4.2.6 Allocation to Equity Component will generally increase in case the equity markets are rising, while allocation to Debt/Income Component will generally increase if the equity markets decline.

4.2.7 The maximum and minimum weightings of the Fund at any time in Authorized Investments shall be as follows:

Authorized Investments	Allocation (Min % - Max %)
Investment Segment	
(i) Equity Component: - Equity and Asset Allocation Scheme(s) (including any other equity based schemes such as Index Funds) offered by the Management Company - Equity and Asset Allocation Scheme(s) (including any other equity based schemes such as Index Funds) offered by other Asset Management Companies.	0%-100%
(ii) Debt/Income Component: - Money Market Scheme(s) offered by the Management Company - Money Market Scheme(s) offered by other Asset Management Companies. - Cash and/or Near Cash Instruments which include cash in bank accounts (excluding TDRs), and treasury bills not exceeding ninety (90) days maturity	0%-100%
Capital Protection Segment* - Cash and/or Near Cash Instruments which include cash in bank accounts (excluding TDRs), and treasury bills not exceeding 90 days maturity; - Money Market Scheme(s) offered by the Management Company - Money Market Scheme(s) offered by other Asset Management Companies.	0% or 100%

**Fund's investment in the Capital Protection Segment will only be initiated upon occurrence of the event(s) specified in Clause 4.2.12.*

4.2.8 The initial asset allocation of the Fund, as per the CPPI methodology, is expected to be between (50%) Fifty Percent to (100%) Hundred Percent in Equity Component and between (0%) Zero Percent to (50%) Fifty Percent in Debt/Income Component.

4.2.9 Subsequent to Clause 4.2.8, the dynamic allocation mechanism will reallocate Fund's Net Assets, at Pre-Defined Intervals, in such a manner that if on a given business day the

Proportion of Equity allocation of the Fund is X% (ranging between 0% to 100%) then the Proportion of Debt/Income allocation will be (100% - X %).

- 4.2.10 The Fund may place a certain percentage of the Initial Fund Size into any of its Money Market CIS, in order to meet Fund Expenses.
- 4.2.11 Management Company, from time to time at its discretion may lock-in certain percentage of the profits (if any) from the Equity Component by realizing profits. The profits realized in this manner, shall be used for increasing allocation to the Debt/Income Component.
- 4.2.12 If on any Business Day, or in case of a non-Business Day, the next immediate Business day, the Fund Value falls to a level that it triggers the Bond Event or the Gap Event, the entire Net Assets of the Fund will be allocated to the Capital Protection Segment, within (14) fourteen Business Days following the date of Occurrence of the aforementioned event(s), so as to ensure Capital Protection to those Unit Holders who have held their investments till completion of the duration of Fund.
- 4.2.13 The Capital Protection Segment will be invested in those Money Market based CIS that potentially yields a return required to provide Capital Protection to the Unit-Holders at completion of the duration of Fund.
- 4.2.14 Subsequent to occurrence of the event(s) specified in Clause 4.2.12, there shall be no further allocation to the Investment Segment of the Fund (i.e. Equity and Debt/Income Component) till the remaining Life of the Fund.

4.3 Gap Event

- 4.3.1 The Management Company shall cover the Gap Risk of the Initial Fund Size (adjusted for redemptions, if any, during the Life of the Fund, and inclusive of any Front-end Load) up to a maximum limit of (5%) Five Percent of the total subscription amount.

For a brief profile of the Management Company, please refer to Clause 5.1.

- 4.3.2 This arrangement is endorsed through a Gap Risk Coverage agreement which has been signed between the Management Company i.e. UBL Fund Managers and the Trustee i.e. Central Depository Company of Pakistan Limited (CDC) that is acting on behalf of the Unit Holders.

The salient terms of the Gap Risk Coverage agreement are as follows:

- (i) The Management Company shall pledge units, of a low risk Money Market/Income CIS, issued in its name, worth five percent (5%) of the total subscription amount, in favor of the Trustee of the Fund
- (ii) A daily MIS from the Management Company will be provided to the Trustee specifying daily position of the Fund Portfolio Value as against the Bond Floor.
- (iii) On the occurrence of a Gap Event, the Trustee of the Fund shall be authorized to redeem the pledged units of the low risk Money Market/Income CIS, equivalent to an amount by which the Portfolio Value falls below the Bond Floor, (subject to Clause 4.3.1.) and shall contribute it to the portfolio of the Fund to cover for the Gap Event..
- (iv) Such contribution shall be made by the Trustee for the benefit of the Unit holders of the Fund latest within three (3) Business Days from the date of occurrence of the Gap Event.

- (v) The Gap Risk Coverage shall expire either at the Maturity Date (i.e. at the completion of the duration of fund) or subsequent to exercising the Gap Risk Coverage when the entire Net Assets of the Fund are invested in the Capital Protection Segment, whichever is earlier and in relation to a specific Unit holder, on exercise of the redemption option by the Unit holder before the close of the Life of the Fund subject to the terms and conditions under the constitutive documents of the Fund..
- (vi) The Gap Risk Coverage shall be a continuing unconditional obligation of the Management Company for the purpose of securing all amounts payable to the Fund in accordance with the terms of the Gap Risk Coverage Agreement and the constitutive documents of the Fund.

4.4 Collective Investment Scheme(s) (CIS) Selection Criteria

- 4.4.1 The Management Company will assess quality of the CIS assets before investing.
- 4.4.2 The Management Company reserves the right to invest in its own CIS, provided they meet the criteria listed below.

- (i) **Analysis of Underlying CIS**

The Management Company's investment valuation process will include in depth analysis of the investment portfolio of each CIS under consideration for investment by the Fund. The mix of securities, their cost basis, upside potential will be among the criteria considered while analyzing these portfolios.

4.5 Benchmark:

The benchmark of the Fund is:

- (i) Weighted Average Daily Return of KSE-100 Index and Three (3) Month Deposit Rates of AA- and above rated Scheduled Commercial Banks, based on the Fund's actual participation in Equity and Debt/Income component

4.6 Investments of Investment Segment outside Pakistan

- a) The Investments of the Investment Segment outside Pakistan shall be subject to prior approval from the Commission and SBP. These investments will enable the Fund to diversify the risk as well as avail opportunities for higher returns in markets that are undervalued. Such Investments may be made up to 30% of net assets of the Fund and are subject to a cap of US\$ 15 million. The Management Company may expand this limit subject to approval of SBP and the Commission.
- b) The limit to international investment of the Investment Segment will apply at the time of investment and it will not be necessary for the Trustee to sell any investment merely because, owing to appreciation or depreciation of any investment, change in foreign exchange parities, disposal of any investment or change in limit due to increase or decrease in Units, such limit shall be exceeded. In case the limit to international investment is exceeded, the Management Company shall regularize the excess within three (3) months of breach of the limit.
- c) The Fund Property can be invested in international investments including the following:
 - (i) International equity and asset allocation based CIS/Mutual Funds/ETFs;
 - (ii) International money market CIS/Mutual Funds/ETFs;

- d) While investing internationally, Fund Property will not be placed in any investment that has the effect of unlimited liability to the Fund.
- e) If the Fund is invested outside Pakistan, the currency of such investments shall be convertible currencies, such as the US Dollar, Pound Sterling, Euro and Japanese Yen or any other convertible currency; provided that the currency of such instruments may be some other currency where the Management Company is of the opinion that there exists a cost effective conversion mechanism to convert such currency into Pakistani currency or into any convertible currency.
- f) Not more than fifty percent (50%) of the permissible limit of the international investments shall be placed in any one country. Not more than five percent (5%) of the NAV at the time of investment shall be invested in any one security/CIS/Mutual Fund/ETF outside Pakistan.
- g) Arrangements for international custody of CIS/Mutual Funds/ETFs where required, shall be made with reputable institutions and procedures will be agreed upon by the Trustee. The Management Company shall make best efforts to minimize costs affiliated with international transactions so that the savings can be passed on to the Unit Holders.

4.7 Investment Restrictions

- 4.7.1 The Management Company in managing the Fund shall abide by all the provisions of the Trust Deed, the Offering Document, the Regulations and any other applicable laws.
- 4.7.2 The Fund Property shall be subject to such Exposure and investment limits and parameters as are provided in the Regulations, Trust Deed and Offering Document (subject to any written exemptions that may be specifically given to the Fund and/or to the Management Company by the Commission).
- 4.7.3 The Fund shall invest in other CIS only as specified in Clause 4.2 above, and/or Cash/Near Cash Instruments (unless otherwise allowed under the Rules, Regulations, and/or any directives issued or any exemption granted by the Commission to the Fund and/or to the Management Company).
- 4.7.4 The Fund shall not any time (unless otherwise allowed under the Rules, Regulations, and/or any directives issued or any exemption granted by the Commission to the Fund and/or to the Management Company):
 - a. Purchase or sell:
 - i. Bearer securities;
 - ii. Securities on margins;
 - iii. Securities which result in assumption of unlimited or undetermined liability (actual or contingent);
 - iv. Commodities or commodity contracts;
 - v. Real estate or interest in real estate save and except that the Management Company may invest in listed securities secured by the real estate or interest therein or securities issued by companies that invest in real estate such as Real Estate Investment Trusts (REIT) or interest therein, unless prohibited ;and
 - vi. Any investment other than Authorized Investments as defined herein.
 - b. Participate in a joint account with others in any transaction except as allowed in the Regulations;
 - c. Make short sales of any security or maintain a short position;

- d. Purchase any security in a forward contract;
- e. Invest in the seed capital of any other collective investment scheme;
- f. Invest in any security of a company; if
 - i. any director or officer of the Management Company owns more than (5%) five per cent of the total amount of securities issued by that company; or
 - ii. the directors and officers of the Management Company collectively own more than (10% ten per cent of those securities;
- g. Enter into underwriting or sub-underwriting contracts on behalf of the Fund.

4.8 Borrowing and Borrowing Restrictions

(a) Limit

Subject to any statutory requirements for the time being in force and to the terms and conditions herein contained the Trustee may, at any time at the request of the Management Company, concur with the Management Company in making and varying arrangements with Banks or Financial Institutions for borrowing by the Trustee for the account of the Fund; provided that the borrowing for the account of the Fund shall not be made except and only for meeting redemption requests and such borrowing shall not exceed fifteen per cent (15%) or such other limit as may be specified by the Commission of the value of total Net Assets at the time of borrowing and shall be repayable within a period of ninety (90) days or otherwise as may be provided under the Regulations; provided further that the charges payable to such Institution are not higher than the normal bank charges; provided further that if borrowing for the account of the Fund is made within the maximum limit applicable thereof at the time of the borrowing but subsequent to such borrowing the value of the total Net Assets has reduced as a result of depreciation in the market value of the Fund Property or redemption of Units, then in such case the Management Company or the Trustee shall not be under any obligation to reduce such borrowing so as to bring it within the revised limit applicable thereto. shall not exceed the limit provided in the Rules but if subsequent to such borrowing, the Net Assets have reduced as a result of depreciation in the market value of the Fund Property or redemption of Units, the Management Company shall not be under any obligation to reduce such borrowing.

(b) Pledge

For the purpose of securing any such borrowing the Trustee may on the instruction of the Management Company, create a mortgage, charge, pledge over all or any part of the Fund Property; provided that the aggregate amount to be secured by such mortgage, charge, pledge shall not exceed the limit provided in the Regulations.

(c) Guarantees

Neither the Trustee nor the Management Company shall be required to issue any guarantees or provide security over their own assets for securing such borrowings. The Trustee or the Management Company shall not in any manner be liable in their personal capacities for repayment of such borrowings.

(d) Liability of Trustee and the Management Company

The Trustee or the Management Company shall not incur any liability by reason of any loss to the Fund or any loss that a Unit Holder may suffer by reason of any depletion in the Net Asset Value that may result from any borrowing arrangement made hereunder.

4.9 Transaction with Connected Persons

- (a) The Management Company, on behalf of the Fund, shall not, without the prior consent of the Trustee and subsequent approval of its Board of Directors purchase from, or sell any securities to any Connected person or employee of the Management Company.”

Provided, that such condition shall not apply to issue, sale or redemption of units or shares or certificates issued by the Fund.

- (b) The Fund Property shall not be invested in any security of a company if any director or officer of the Management Company individually owns more than five per cent (5%) of the total amount of securities issued, or the directors and officers of the Management Company collectively own more than ten per cent (10%) of those securities collectively (subject to any written exemptions that may be specifically given to the Fund or to the Management Company by the Commission).
- (c) Where cash forming part of assets of Scheme is deposited with the Trustee or the Custodian that is a banking company or an NBFC, a return on the deposit shall be paid by such 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.
- (d) All transactions with connected persons carried out by the Management Company on behalf of the Fund shall be in accordance with the provisions of the Constitutive Documents and shall be disclosed in the annual report of the Fund.

4.10 Valuation of Fund Property

- (a) The Net Assets of the Fund shall be computed in accordance with any such method of valuation of assets and liabilities as may be specified in Non-Banking Finance Companies and Notified Entities Regulations, 2008 and/or modified by the Commission from time to time;
- (b) All amounts in foreign currencies shall be converted into Pakistani Rupees based on the quotations by the National Bank of Pakistan or the Authorised Dealer(s). The conversion shall take place at the buying rate of the National Bank of Pakistan /Authorised Dealer(s).
- (c) The Management Company shall take all reasonable steps and exercise due diligence to ensure that the assets of the Fund are correctly valued and priced, in line with the provisions of the Regulations and the Constitutive Documents of the Fund.

Explanation:- For the purpose of valuing the fund's property and pricing the Collective Investment Scheme's units, a management company shall not do or omit anything that will confer on itself or certain unit holders a benefit or advantage at the expense of other unit holders or potential unit holders.

4.11 Risk Disclosure

The Fund is subject to the following risks:

- (a) Investors should clearly understand that although the Initial Investment Value is protected through the investment structure of the fund, subject to the conditions defined in Clause 3.10 of this Offering Document, all investments in mutual funds involve risk.
- (b) Capital Protection is subject to force majeure factors as specified in Clause 20.41.
- (c) Capital Protection will not be valid if units of the fund are redeemed before the end of the Life of the Fund. In case of issuance of redeemable Bonus Units (Type '2') the redemption of such units shall not affect the Capital Protection, however, a Back-end Load shall be charged on the Bonus Units redeemed as specified in Annexure A of the Offering Document.
- (d) The portfolio of the Fund is subject to market fluctuations and risks inherent in all such investments undertaken by its underlying CIS. The value of the Units in the Fund may appreciate as well as depreciate as well as the level of dividend declared by the Fund may go down as well as up. Past performance does not necessarily indicate future performance.
- (e) The Fund is subject to the following risks due to the investments of its underlying CIS:
 - (i) **Credit Risk** - Credit risk is comprised of default risk; credit spread risk and downgrade risk. Each can have a negative impact on the value of the underlying CIS.
 - (ii) **Default risk** is the risk that the issuer will not be able to pay the Interest / Markup / principal obligation, either on time or at all.
 - (iii) **Credit spread risk** is the risk that there will be an increase in the difference between the return / Interest / Markup rate of an issuer's bond and the return / Interest / Markup rate of a bond that is considered to have little associated risk (such as a government guaranteed bond or treasury bill). The difference between this return / Interest / Markup rates is called a "credit spread". Credit spreads are based on macroeconomic events in the domestic or global financial markets. An increase in credit spread may decrease the value of income securities including money market instruments.
 - (iv) **Interest Rate Risk** - Some debt securities including money market instruments pay a fixed rate of coupon / mark-up. The value of the fund, due to its holdings in such debt securities including money market instruments, will rise and fall as market interest rates change. For example, when interest rates fall, the value of an existing bond will rise because the fixed coupon rate on that bond is greater than prevailing return / mark-up rates and vice versa.
 - (v) **Reinvestment Risk** - The risk that a particular investment may not offer the same rate upon reinvestment after maturity.
 - (vi) **Liquidity Risk** - Some companies have limited market float of their issued securities and hence are not actively traded in the stock market / financial markets or they may generally have very few total securities issued and outstanding. Securities issued by such companies may be difficult to buy or sell, which may cause the value of the Funds that buy these securities to rise and fall substantially because any buying or selling of such company securities may have a great impact on that company's security price.

- (vii) **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 of Investee Companies to such companies.
 - (viii) **Voluminous Redemption of Fund Units Risk** - Any significant transaction made by any investor could significantly impact the Fund's cash flow. If a Unit Holder redeems large amounts of Units of Fund before maturity date or until the date specified in this Offering Document, the Fund may be required to meet the redemption by selling securities at an inopportune time. This unexpected sale may have a negative impact on the performance of the investment segment of the Fund.
 - (ix) **Sovereign Risk** - Payment of bonds / notes may be effected by the economic and political events in the country of the relevant issuer. The occurrence of a sovereign risk event could result in the loss of all or a portion of the principal/capital invested should, as a result of any economic or political circumstance.
 - (x) **Counter Party Risk** - The risk with reverse repo / money market transactions are that the other party may default under the agreement or go bankrupt. In a reverse repurchase transaction, the fund may be left holding the security and may not be able to sell it at the same price it paid for it, plus return / markup, if the market value of the security has dropped. In the case if repurchase transaction; the fund could incur the loss if the value of the security sold has increased more than the value of the cash or collateral held.
 - (xi) **Market Risk** - This risk involves volatility in security prices 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. The return on the Investment Segment of the Fund over the principal/capital is linked to the performance of the equity and debt allocation.
- (f) **Scheme Specific Risks**
- (i) **Gap Risk** – This risk pertains to the Gap event where the Portfolio Value falls below the Present Value (bond floor) of the capital protection amount required at maturity. However, the Management Company shall provide Gap Risk Coverage of the Initial Fund Size (adjusted for redemptions, if any, during the Life of the Fund, and inclusive of any Front-end Load) up to a maximum limit of 5% of the subscription amount.
 - (ii) **Mismatch Risk** – This risk pertains to the event where in case of a Bond or Gap Event there is no risk free CIS available for the Fund to invest in that offers the same yield as required for Capital Protection at maturity.
 - (iii) The performance of the Fund may be affected by changes in risk associated with trading volumes, liquidity and settlement systems in equity and debt markets.
 - (iv) Unitholders are not being offered any guaranteed returns
 - (v) The CPPI Methodology shall be used for protection of the capital. In the event the methodology does not accurately evaluate and determine a suitable asset

allocation pattern or the structure of portfolio, this may impact the ability of the Fund to provide Principal Protection on the Maturity Date.

- (vi) The Fund, in its endeavor to seek capital preservation, may allocate the entire portfolio to money funds and/or cash or near cash instruments and Units of the Fund may remain invested in such CIS and/or instruments for the entire tenure of the Fund without any participation in the equity component of the Fund.
 - (vii) At times of high volatility in the equity markets or any other circumstances, it may not be possible to carry out the portfolio rebalancing. In such a case, the reallocation may take place on the next business day or on a business day as deemed appropriate by the Management Company. Such circumstances may affect the Fund's ability to seek capital protection.
 - (viii) As the allocation of portfolio changes from equity to full debt/income component consequent to steep fall in equity markets, there may be no participation in subsequent upward movement in the equity component while the Fund remains invested entirely in the debt/income component.
-
- (g) **Inflation risk** - The investment into units of the fund is subject to inflation risk due to the possibility of such investment not growing proportionately to the inflation rate and thus decreasing the investor's purchasing power even though the investment in monetary terms has increased.
 - (h) **Early termination risk** - If the Fund for any reasons as determined by the Management Company, is terminated, the NAV of the Fund will be subject to fluctuations in the value of the Fund's assets. The Net Asset Value, in this case, may be lower or higher than the Initial Investment Value. The Management Company will refund investors their investment in the Fund based on the NAV per unit without any redemption fee but less bank and administrative charges (if any).
 - (i) Break down of law and order, uncertain political & economical condition, war, terrorist activity, natural disasters and other activities of this type;
 - (j) 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;
 - (k) Break down of communication systems of the issuers, stock exchanges, clearing house, depository company, etc, or general disruption of satellite system;
 - (l) Any government or court orders restraining payment of principal/capital and income; and
 - (m) Senior rights of some creditors over other creditors in the event of winding up.

4.12 Disclaimer

- (a) Prices/Value of Units of the Fund and income from them may go up or down.
- (b) Subject to the "Capital Protection" offered under this scheme and contingent upon factors mentioned in this document, it should be noted that the Units of the UPPF-I are not bank deposits and are neither issued by, insured by, obligations of, nor otherwise supported by the SECP, any Government agency, the Management Company, the Trustee or any of

the shareholders or employees of the Management Company or any of the Pre-IPO investor of UPPF-I or any other bank or financial institution subject to Clause 4.3.

- (c) The Investors are advised in their own interest to carefully read the contents of this Offering Document in particular the investment policies in clause 4.2 and risk disclosures and warning statements contained in Clause 4.11, Clause 4.12 and Clause 17 respectively in this Offering Document

5 OPERATORS AND PRINCIPALS

5.1 Management Company – UBL Fund Managers Limited

UBL Funds is a wholly owned subsidiary of United Bank Limited (UBL), recognized as one of the trusted names in the banking sector. UBL Funds was incorporated in August 2002, and since then it has been a leader in providing innovative solutions for growing customer needs in a dynamic market. It was the first asset management company (AMC) to be launched by a Bank in Pakistan. The assets under management (AUM) of UBL Funds were Rs. 30.95 billion as of 31 Aug 2011, making it one of the largest private sector AMCs with respect to AUM in open-end mutual funds.

UBL Funds has been awarded a Management Quality Rating of “AM2” from JCR VIS Credit Company Limited.

UBL Funds is currently managing (9) mutual funds, seven (7) investment plans and two (2) voluntary pension schemes as of 31 Aug, 2011.

SHAREHOLDING STRUCTURE

Name	Paid Up Capital	
	Number of Shares	Amount in Rupees
United Bank Limited	24,999,992	249,999,920
Others	8	80
Total	25,000,000	250,000,000

5.2 Funds under management of UBL Funds

UBL LIQUIDITY PLUS FUND (ULPF)

UBL Liquidity Plus Fund (ULPF) is an open-end money market fund that is especially designed for corporate and individual investors who are looking for a safe investment avenue to park their cash. The fund offers competitive, tax-free returns on investment and also provides a 'Same Day Redemption Facility' (subject to certain conditions) to facilitate investors.

Date of launching	21 June 2009	
Par Value of units	Rs. 100	
Net Assets (as at 30 June 2011)	Rs. 15,588 Million	
Net Assets (as at 30 June 2010)	Rs. 7,838 Million	
Net Assets (as at 30 June 2009)	Rs. 1,287 Million	
NAV (as at June 30 2011)	Rs. 100.21	
NAV (as at June 30 2010)	Rs. 102.95	
NAV (as at June 30 2009)	Rs. 100.22	
Listing	Islamabad Stock Exchange	
Fund Rating: (Credit Rating Agency: JCR-VIS)	AA+	
Performance:	Return (p.a.)	Payout
Year ended 30 June 2011	11.85%	Rs. 3.1179 per unit
Year ended 30 June 2010	10.52%	Rs. 2.9449 per unit
Year ended 30 June 2009 (since public launch)	9.07%	Rs. 0.1842 per unit

UBL SAVINGS INCOME FUND (USIF)

UBL Savings Income Fund is an open-end Income fund which aims to provide a competitive rate of return, with a moderate level of risk to its investors by investing in fixed income securities / instruments. The Fund invests in Government Securities, deposits with and lending to banks & DFIs, Commercial Paper, Spreads and CFS (Continuous Funding System), the Fund aims to maintain weighted average time to maturity of the portfolio not exceeding 4 years.

Date of launching	14 October 2010	
Par Value of units	Rs. 100	
Net Assets (as at 30 June 2011)	Rs. 2,206 Million	
NAV (as at 30 June 2011)	101.1386	
Listing	Islamabad Stock Exchange	
Fund Rating: (Credit Rating Agency: JCR-VIS)	AA-	
Performance:	Return (p.a.)	Payout
Year ended 30 June 2011	12.05%	Rs. 8.30 per unit

UBL ISLAMIC SAVINGS FUND (UISF)

UISF is an open-end Shariah Compliant Income Fund which aims to provide a competitive return with a moderate level of risk to its investors by investing in Shariah-compliant fixed income securities / instruments. The Fund invests in both Government-issued and private Islamic debt securities including Ijarah/Sukuks, with the remainder in placements with Islamic banks, and licensed Islamic windows of conventional banks, The Fund aims to maintain weighted average time to maturity of the portfolio not exceeding 4 years. The fund operates under the expert guidance of a renowned Shariah Advisory Board which includes Mr. Hassan Kaleem and Mr. Najeeb Khan.

Date of launching	7 November 2010	
Par Value of units	Rs. 100	
Net Assets (as at 30 June 2011)	2,185 Million	
NAV (as at 30 June 2011)	100.1635	
Listing	Islamabad Stock Exchange	
Fund Rating: (Credit Rating Agency: JCR-VIS)	AA-	
Performance:	Return (p.a.)	Payout
Year ended 30 June 2011	12.03%	Rs. 7.45 per unit

UBL GOVERNMENT SECURITIES FUND (UGSF)

UGSF is an open-end Income Fund which aims to generate a competitive return with minimum risk, by investing primarily in Government Securities. The Fund maintains a minimum 70% allocation in Government Securities, with the remainder in placements with banks and near-cash instruments. The Fund aims to maintain weighted average time to maturity of the portfolio not exceeding 4 years.

Date of launching	27 July 2011	
Par Value of units	Rs. 100	
Net Assets (as at 30 Aug 2011)	1,166 Million	
NAV (as at 30 Aug 2011)	101.4471	
Listing	Islamabad Stock Exchange	
Fund Rating: (Credit Rating Agency: JCR-VIS)	Not Yet Rated	
Performance:	Return (p.a.)	Payout
Since Inception till 30 Aug 2011	16.02%	N/A

UNITED GROWTH & INCOME FUND (UGIF)

UGIF is an open-end aggressive income fund which was publicly launched in March 2006. It invests in fixed income instruments like PIB's, T-Bills, Term Finance Certificates and other medium to long term fixed income securities. UGIF has two classes of units: Income & Growth. Currently, Income Units carry a flat one and a half per cent (1.5%) Front-end Load whereas Growth Units carry a step down back-end load of maximum three per cent (3%) depending upon the time of encashment.

The investment objective of UGIF is to invest in medium to long-term fixed income instruments as well as short-tenor money market instruments and seeks to generate superior, long-term, risk-adjusted returns while preserving capital over the long-term.

Date of launching	2 March 2006	
Par Value of units	Rs. 100	
Net Assets (as at 30 June 2011)	Rs. 3,431 Million	
Net Assets (as at 30 June 2010)	Rs. 8,231 Million	
Net Assets (as at 30 June 2009)	Rs. 15,859 Million	
Net Assets (as at 30 June 2008)	Rs. 14,626 Million	
Net Assets (as at 30 June 2007)	Rs. 11,479 Million	
Net Assets (as at 30 June 2006)	Rs.1, 303 Million	
NAV (as at 30 June 2011)	Rs. 87.4664	
NAV (as at 30 June 2010)	Rs. 100.8203	
NAV (as at 30 June 2009)	Rs. 97.9604	
NAV (as at 30 June 2008)	Rs. 103.4033	
NAV (as at 30 June 2007)	Rs. 111.6250	
NAV (as at 30 June 2006)	Rs. 109.5939	
Listing	Karachi Stock Exchange	
Fund Rating (Credit Rating Agency: JCR-VIS)	BBB-	
Performance:	Return (p.a.)	Payout
Year ended 30 June 2011	-10.38%	NIL
Year ended 30 June 2010	9.26%	Rs. 3.22 per unit
Year ended 30 June 2009	6.43%	Rs. 2.158 per unit
Year ended 30 June 2008	9.46%	Rs. 2.9794 per unit
Year ended 30 June 2007	11.51%	Rs. 11.40 per unit
Year ended 30 June 2006 (since public launch)	9.88%	Rs. 9.25 per unit

UNITED STOCK ADVANTAGE FUND (USF)

USF is UBL Funds' first open-end equity fund which was launched in August 2006. The investment objective of the fund is to provide investors long-term capital appreciation through investing in a mix of equities that offer both capital gain and dividend yield potential. The fund aims to maximise total returns and outperform the KSE-100 Index. USF offers class "A" units to its investors with a one time nominal flat front-end load of two and a half per cent (2.5%) which is built into the offer price.

Date of launching	4 August 2006	
Par Value of units	Rs. 100	
Net Assets (as at 30 June 2011)	Rs. 1,293 Million	
Net Assets (as at 30 June 2010)	Rs. 1,042 Million	
Net Assets (as at 30 June 2009)	Rs. 1,649 Million	
Net Assets (as at 30 June 2008)	Rs. 2,521 Million	
Net Assets (as at 30 June 2007)	Rs. 1,254 Million	
NAV (as at 30 June 2011)	Rs. 43.28	
NAV (as at 30 June 2010)	Rs. 80.36	
NAV (as at 30 June 2009)	Rs. 64.75	
NAV (as at 30 June 2008)	Rs. 103.01	
NAV (as at 30 June 2007)	Rs. 129.73	
Listing	Karachi Stock Exchange	

Fund Rating: (Credit Rating Agency: JCR-VIS)	MFR 5-Star	
Performance:	Return	Payout
Year ended 30 June 2011	35.58%	Rs. 8.66 per unit
Year ended 30 June 2010	24.11%	Rs. 48.44 per unit
Year ended 30 June 2009*	-35.25%	NIL
Year ended 30 June 2008*	-4.11%	Rs. 3.01 per unit
Year ended 30 June 2007 (since public launch)	29.73 %	Rs. 22.3 per unit

UNITED COMPOSITE ISLAMIC FUND (UCIF)

UCIF is an open-end fund which offers its investors an opportunity to invest in a diversified portfolio of Shariah compliant investments. The fund seeks to maximise medium to long term returns for a given level of risk. The balance is invested in non-equity instruments such as Sukuk bonds, Musharikhah and Murabaha certificates, and other Islamic instruments. Up to thirty per cent (30%) of the fund can be invested in foreign securities. The fund operates under the expert guidance of a renowned Shariah Advisory Board which includes Mr. Hassan Kaleem and Mr. Najeeb Khan.

Date of launching	24 December 2006	
Par value of units	Rs. 100	
Net Assets (as at 30 June 2011)	Rs. 478 Million	
Net Assets (as at 30 June 2010)	Rs. 524 Million	
Net Assets (as at 30 June 2009)	Rs. 823 Million	
Net Assets (as at 30 June 2008)	Rs. 1218 Million	
Net Assets (as at 30 June 2007)	Rs. 965 Million	
NAV (as at 30 June 2011)	Rs. 71.01	
NAV (as at 30 June 2010)	Rs. 95.18	
NAV (as at 30 June 2009)	Rs. 81.80	
NAV (as at 30 June 2008)	Rs. 105.36	
NAV (as at 30 June 2007)	Rs. 114.86	
Listing	Islamabad Stock Exchange	
Fund Rating: (Credit Rating Agency: JCR-VIS)	MFR 3-Star	
Performance:	Return	Payout
Year ended 30 June 2011	26.41%	Rs. 14.46 per unit
Year ended 30 June 2010	16.36%	Rs. 28.30 per unit
Year ended 30 June 2009*	-18.38%	None
Year ended 30 June 2008	0.81%	Rs. 5.14 per unit
Year ended 30 June 2007 (Since public launch)	14.88 %	Rs. 10.35 per unit

UNITED ISLAMIC INCOME FUND (UIIF)

An open end Islamic aggressive income fund, UIIF endeavours to provide attractive returns to its investors by investing in Shariah compliant income instruments while taking into account capital security and liquidity considerations. UIIF invests in medium to long-term income instruments as well as short-tenor money market instruments to generate superior, long-term, risk-adjusted returns while preserving capital over the long-term. The fund operates under the expert guidance of a renowned Shariah Advisory Board which includes Mr. Hassan Kaleem and Mr. Najeeb Khan.

Date of launching	20 October 2007	
Par Value of units	Rs. 100	
Net Assets (as at 30 June 2011)	Rs. 341 Million	
Net Assets (as at 30 June 2010)	Rs. 890 Million	
Net Assets (as at 30 June 2009)	Rs. 1814 Million	
Net Assets (as at 30 June 2008)	Rs. 1445 Million	
NAV (as at 30 June 2011)	Rs. 94.8400	
NAV (as at 30 June 2010)	Rs. 102.0194	
NAV (as at 30 June 2009)	Rs. 102.8735	
NAV (as at 30 June 2008)	Rs. 100.5184	
Listing	Islamabad Stock Exchange	
Fund Rating:	BBB-	
Performance:	Return	Payout
Year ended 30 June 2011	-4.00%	Rs. 6.63 per unit
Year ended 30 June 2010	5.44%	Rs. 3.32 per unit
Year ended 30 June 2009*	3.31%	Rs. 4.86 per unit
Since public launch to 30 June 2008	9.27 %	Rs. 5.85 per unit

UBL CAPITAL PROTECTED FUND – II

An open-end investment scheme, UCPF-II offers 100% security of the principal investment while providing an opportunity to earn potentially higher returns than traditional savings schemes.

Date of launching	23 May 2010
Par Value of units	Rs. 100
Net Assets (as at 30 June 2011)	Rs. 205 Million
Net Assets (as at 30 June 2010)	Rs. 199 Million
NAV (as at 30 June 2011)	Rs. 106.78
NAV (as at 30 June 2010)	Rs. 100.32
Dividend Payout:	
Year ended 30 June 2011	Rs. 6.78 per unit
Year ended 30 June 2010 (since public launch)	Rs. 0.3142 per unit
Asset Class as % NAV (as of June 30, 2011)	
TDRs	85%
Equity	6%
Cash and equivalent	9%
Leverage	-
Fund Rating	AA+(cpf)
Credit Rating Agency: JCR-VIS)	

5.3 INVESTMENT PLANS

Mahana Munafa Plan (conventional and Shariah compliant)

With Mahana Munafa Plan the investors will earn profit on a regular basis so that a household can be managed without cutting corners. While the investors enjoy a regular source of income, their initial investment will remain in safe hands.

The investment portfolio of the Mahana Munafa Plan (conventional) comprises one hundred per cent (100%) investment in the USIF, whereas the investment portfolio of the Mahana Munafa Plan (Shariah compliant) comprises one hundred per cent (100%) investment in the UISF.

For further information, please refer to the offering document of the Mahana Munafa Plan on the Management Company's website (<http://www.ublfunds.com.pk>).

Profit + Growth Plan (conventional and Shariah compliant)

With the Profit + Growth Plan a portion of the investors' savings will be invested to provide investors with regular profit allowing them to take care of their daily household expenses, while the remaining amount will be invested for long term capital appreciation that will help meet the investors' future goals.

The investment portfolio of the Profit + Growth Plan (conventional) comprises seventy per cent (70%) investment in the UGIF-Income Units and thirty per cent (30%) investment in USF, whereas the investment portfolio of the Profit + Growth Plan (Shariah compliant) comprises of seventy per cent (70%) investment in UIIF – Income Units and thirty per cent (30%) investment in UCIF.

For further information, please refer to the offering document of the Profit + Growth Plan on the Management Company's website (<http://www.ublfunds.com.pk>).

Sarmaya Izafa Plan (Conventional and Shariah compliant)

With the Sarmaya Izafa Plan the profit realised on investment is automatically reinvested into the account of the investor along with the principal investment. Thus savings grow large enough to take care of the investor's future responsibilities with ease.

The investment portfolio of the Sarmaya Izafa Plan (conventional) comprises seventy per cent (70%) investment in USF and thirty per cent (30%) investment in the UGIF – Growth Units, whereas the investment portfolio of the Sarmaya Izafa Plan (Shariah compliant) comprises one hundred per cent (100%) investment in UCIF.

For further information, please refer to the offering document of the Sarmaya Izafa Plan placed on the Management Company's website (<http://www.ublfunds.com.pk>).

Mera Kal – UBL Children Savings Plan (UCP)

This is a systematic investment plan designed exclusively for persons aged between 0 to 25 years that allows investors to invest regular sums of money in their account from time to time on a periodic basis, thus growing their savings and enabling them to meet their child's future needs such as education etc.

The investment portfolio of UCP comprises seventy per cent (70%) investment in USF and thirty per cent (30%) investment in UGIF – Growth Units.

For further information, please refer to the offering document of UCP on the Management Company's website (<http://www.ublfunds.com.pk>).

5.4 Board of Directors and Management

5.4.1 Board of Directors

The board of directors of UBL Fund Managers comprises:

Name of Director	Position	Other Directorships	Occupation	Address
Mr. Tariq Kirmani	Director/ Chairman	1. National Bank of Pakistan 2. Asia Care Health and Life Insurance 3. Marie Adelaide Leprosy Centre 4. Pakistan Sports Trust 5. National Academy for Performing Arts 6. Professional Education Foundation 7. Greenstar Social Marketing Pakistan	Business Manager	79-A/1 Khayaban-e-Shahbaz, Phase-VI, DHA, Karachi
Mir Muhammad Ali, CFA	Chief Executive/ Director	1. CFA Association of Pakistan 2. TIPS Foundation (as Trustee)	Business Executive	48/1, 6th Commercial Street Phase 4, D.H.A, Karachi
Mr. Ali Sameer Farooqui	Director	1. United Executors & Trustee Co. Ltd	Banker	4, Khayaban-e-Hafiz, Phase V, DHA, Karachi
Mr. Shabbir Hashmi	Director	1. Engro Corporation Limited 2. Engro Polymer & Chemicals Limited 3. Engro Powergen Limited 4. Engro Powergen Qadirpur Limited 5. Engro Fertilizers Limited 6. Sind Engro Coal Mining Company Limited 7. Central Insurance Company Limited 8. LMKR Holdings, Mauritius 9. LMKR Pakistan (Pvt) Limited.	Business Executive	90/1, 11 th Street, Khayaban-e-Sehar, Phase VI, DHA, Karachi,
Mr. Saeed Iqbal	Director	1. World Bridge International 2. World Bridge Pakistan 3. Cinepax Limited 4. Techlogix International Limited	Banker	43/6/G, Block 6, P.E.C.H.S., Karachi
Mr. Raymond H. Kotwal	Director	1. UBL Insurers Limited 2. Pakistan Parkinsons Society	Banker	L-61, Cyrus Colony, Mehmoodabad Road, Karachi.
Mr. Muhammad Hanif Akhai	Director	N/A	Banker	D-155, KDA Scheme No. 1, Karsaz, Karachi

Mr. Tariq Kirmani – Director/Chairman

Soon after completing his Masters in Business Administration (MBA) Mr. Kirmani embarked upon a rewarding career, starting with a multi-national Oil Company (Caltex later Chevron Pakistan) in 1969 and worked for seven years in the United States of America, United Arab Emirates and Australia in different senior management positions in Marketing Operations and Finance. In 1991, Mr. Kirmani became the first Pakistani to be elected as a Company Director of the mentioned multi-national company.

In April, 1999 he joined Pakistan State Oil (PSO) as Deputy Managing Director and went on to become the Managing Director in July 2001. He turned around this public sector organization and converted it into a customer focused entity, giving it a new brand image and making it profitable while aggressively competing with other multi national companies.

With PSO's successful turn-around and his 37 years of multi faceted experience in the corporate sector both domestic and international, the Government of Pakistan (GoP) appointed Mr. Tariq Kirmani, as Chairman, Pakistan International Airlines (PIA) in April, 2005. He served the airline for two years until April 2007.

Mr. Kirmani has served on the Boards of various companies and now is serving as a Director on the Board of National Bank of Pakistan (NBP), Asia Care Health and Life Insurance Company Limited, Marie Adelaide Leprosy Centre (MALC), Pakistan Sports Trust (PST), National Academy of Performing Arts (NAPA), Professional Education Foundation (PEF) and Greenstar Social Marketing Pakistan.

Mir Muhammad Ali, CFA – Chief Executive Officer

Mr. Mir Muhammad Ali, CFA has extensive experience in investment banking and fund management during the last twenty (20) years. Prior to joining UBL Funds he was with the Asian Development Bank (ADB). He represented ADB on the board of several companies, including an asset management company. Prior to joining ADB, Mir worked as Divisional Head Investment Banking of UBL. Mir was instrumental in setting up of the Investment Banking Group (IBG) at UBL which obtained the best investment bank award for the year 2002-2003 from the CFA Association of Pakistan. Apart from carrying out a large number of debt and capital market transactions, Mir's achievements included: (i) setting up UBL Funds, which was the first AMC to be set up by any commercial bank in Pakistan – this in turn enabled the launching of the first true money market fund in Pakistan; (ii) execution of Pakistan's first listed asset backed securitisation transaction. During his career, he has also worked for various institutions such as Pakistan Kuwait Investment Company Limited, IBM World Trade Corporation and ANZ Grindlays Bank Limited.

Mir is an MSc in Finance from University of Strathclyde in Glasgow, Scotland. He was awarded the prestigious Chevening Scholarship from the British Council for his MSc. He is an MBA from the Institute of Business Administration with a Gold Medal for an overall first position in 1988-89. He is also a CFA Charter Holder.

Mr. Ali Sameer Farooqui – Director

As Group Executive, Risk & Credit Policy, Mr. Ali Sameer Farooqui is Chief Risk Officer and is responsible for managing risk for UBL in all areas of business and operation. Ali is an MBA with a concentration in Finance with over twenty-four (24) years of work experience. He has previously been involved in the areas of Corporate, Investment Banking and Credit at various institutions, both locally and internationally. He started his career at American Express Bank as a trainee officer in 1985 and

subsequently served in institutions like Jardine Fleming/Robert Fleming, London, and Prime Commercial Bank.

He has been with UBL since the beginning of 2001 and has been integrally involved in UBL's turn around, pre and post privatisation. Prior to Risk and Credit Policy, Ali was successfully engaged in leading the remedial effort on UBL's non-performing assets at Special Assets Management Group. In addition, he also held joint charge of UBL Funds as its Chief Executive for six (6) months in 2005. Ali also held charge of UBL's Treasury for two (2) years between February 2007 and April 2009. Ali is a part of UBL's Executive Committee and various other senior management forums. He is also the Secretary of UBL's Board Risk Management Committee.

Mr. Shabbir Hussain Hashmi – Director

Mr. Hashmi joined as an independent director on the Board of Directors of UBL Funds in August 2009. Besides holding this office, he is a Board member of Engro Corporation Pakistan Limited, Engro Polymer & Chemicals Limited, Engro Powergen (Pvt) Limited, Engro Powergen Qadirpur Limited, Engro Fertilizers Limited, Sind Engro Coal Mining Company Limited, Central Insurance Co. Limited, LMKR Holdings Mauritius and LMKR Pakistan (Pvt) Limited.

Mr. Hashmi is an engineer from DCET, Pakistan and holds an MBA from John F. Kennedy University, USA. He has more than 25 years of project finance and private equity experience. Until recently he led the regional operations of Actis Capital (formerly CDC Group PLC) for Pakistan and Bangladesh. Prior to joining Actis he worked for eight (8) years with the World Bank and US Aid specializing in the energy sector.

Mr. Saeed Iqbal – Director

Mr. Saeed Iqbal is currently Group Head Investment Banking at UBL and leads an award winning team that has been conferred the title of "Largest Corporate Finance House" for three (3) successive years by the CFA Association of Pakistan. Earlier Mr. Iqbal established the Project & Structured Finance business within UBL, leading the advisory/arranging teams for a number of significant transactions in the power, energy, telecom, petrochemicals and water sectors. Prior to joining UBL, Saeed was the Head of Structured Finance at ANZ Investment Bank, Pakistan where he was responsible for originating, structuring and executing projects in the energy, telecom, oil & gas, infrastructure and ports sectors, amongst others. Saeed holds a B.Sc. (Econ) Honours degree from the London School of Economics and Political Science and an MA Development Economics from the University of Sussex.

Mr. Rayomond H. Kotwal – Director

Mr. Kotwal is a seasoned Finance professional with over 25 years of experience covering diverse roles and markets. He holds a Masters Degree in Electrical Engineering & Computer Science from Massachusetts Institute of Technology (MIT) and in Business Administration from the Institute of Business Administration (IBA). After graduating from MIT, Mr. Kotwal worked in the semiconductor industry in New York after which he returned to Pakistan and joined ICI in 1989. There he held a number of Finance roles, eventually heading the Treasury, Finance and Corporate Accounting units.

Mr. Kotwal joined Citibank in 1997 as the Deputy Financial Controller for the Consumer Banking Division. He held a number of senior Finance roles, serving as the Chief Financial Officer both locally and in international markets. In addition to his Finance responsibilities, Mr. Kotwal also served as Public Affairs Head from 2001-2004 and as Chief of Staff to the Country Head.

Before joining United Bank Limited as CFO in May 2010, Mr. Kotwal worked at NIB Bank Limited as CFO from July 2008 to May 2010.

Mr. Muhammad Hanif Akhai -Director

Mr Hanif Akhai brings with him 34 years of enriching experience in the field of banking and finance with core emphasis on Treasury & balance sheet management. He has worked with Societe Generale Bank in Pakistan in a regional role overlooking the Treasury functions in Sri Lanka & Bangladesh along with Pakistan. He has also served in the capacity of a regulator at State Bank of Pakistan where he was instrumental in managing the financial market along with introducing reforms for market stability and development.

He has held the position of Global Treasurer at Habib Bank and Chief Executive at Akhai Capital Management prior to joining United Bank Limited as Global Treasurer.

5.4.2 Performance of the public listed companies where the Directors are holding similar offices.

United Bank Limited

(Rupees in Millions)	2006	2007	2008	2009	2010
Profit before tax	14,499	13,796	14,052	14,392	17,688
Profit after tax	9,666	9,237	8,445	9,487	11,020
Paid up Capital	647	809	1,011	1,112	1,224
Shareholders' Equity	33,177	47,890	49,395	67,318	75,134
Total Assets	435,889	546,636	620,707	640,449	725,389
Earnings per share (Rs.)	14.72	8.87	7.51	8.56	9.01

ENGRO Corporation Limited

(Rupees in Millions)	2006	2007	2008	2009	2010
Profit before tax	3444	4,235	5,204	5,214	1,811
Profit after tax	2547	3,155	4,240	3,957	1,675
Paid up Capital	1,682	1,934,	2,128	2,979	3,277
Shareholders' Equity	9370	15,741	21,053	26,888	27,053
Total Assets	15981	38156	57164	93,709	31,010
Earning per share (Rs.)	13.17	16.51	16.81	14.08	20.72

ENGRO Fertilizers Limited

(Rupees in Millions)	2010
Profit before tax	5,205
Profit after tax	3,729
Paid up Capital	10,728
Shareholders' Equity	13,639
Total Assets	98,053
Earning per share (Rs.)	3.48

ENGRO Polymer & Chemicals Limited*

(Rupees in Millions)	2008*	2009	2010
Profit before tax	459	(249)	(1,289)
Profit after tax	353	(232)	(814)
Paid up Capital	5,203	5203	6,635
Shareholders' Equity	6,566	6,360	6,906
Total Assets	18,279	22,556	24,134
Earning per share (Rs.)	0.68	(0.45)	(1.29)

*Financials from the year of listing

National Bank of Pakistan

(Rupees in Millions)	2006	2007	2008	2009	2010
Profit before tax	26,311	28,061	23,001	22,300	24,415
Profit after tax	17,022	19,034	15,459	17,562	27,563
Paid up Capital	7,090	8,154	8,969	10,763	13,455
Shareholders' Equity	53,045	69,271	81,637	94,792	103,762
Total Assets	635,133	762,194	817,758	944,233	1,035,024
Earning per share (Rs.)	15.81	17.68	14.36	16.92	13.05

5.4.3 Particulars of Management

Mir Muhammad Ali, CFA - Chief Executive Officer

For background please see above.

Mr. Hasnain Raza Nensey - Chief Investment Officer (CIO)

Hasnain Raza Nensey is the CIO at UBL Funds and has been with the organization since 2005. Prior to this, he was CIO at ABAMCO Limited where he was also a member of the Investment Committee which at that time oversaw cumulative investments of over Pakistani Rupees Seventeen Billion (PKR 17,000,000,000) in three (3) open-end and five (5) closed-end mutual funds. Due to the fact that the funds under management were a combination of pure equity, income and balanced types, Hasnain has first hand exposure and knowledge of both equity and fixed income markets. Hasnain started his career in 1993 with JS Group where he worked as an Equity Analyst covering the Energy and Textile Sector companies listed on the Karachi Stock Exchange. In late 1994, he was actively involved in the formation of ABAMCO Limited, the first private sector asset management company in Pakistan. Hasnain has also been involved in the textile and property development businesses for a number of years from 1997 onwards.

Hasnain has a BSBA Degree with a concentration in Finance and Marketing from Boston University in Massachusetts, USA. He is also an MBA from Babson College in Massachusetts, USA which is very well known for its specialisation in entrepreneurial studies.

Ms. Maleeha Mimi Bangash – Chief Strategy Officer (CSO)

Ms. Maleeha Mimi Bangash has around fifteen (15) years of rich and varied international experience based in Singapore, Pakistan, and Turkey in the areas of Investment Advisory and Finance. She has obtained her MBA degree with Honors from University of Chicago in Investment and Finance and MBA from LUMS in Marketing and Finance.

She has assumed leadership roles and has been instrumental in the success of key projects. In Singapore, as Vice President Business Development of an international investment advisory firm she devised the firm's positioning strategy and assisted in the establishment of its Singapore office. Upon her return from Singapore she was instrumental in the successful launch of a leading local asset management firm and has headed its Marketing, Retail & Institutional Sales areas. She also brings with her regulatory experience, from her last appointment as Commissioner/ Member Competition Commission of Pakistan, where she was in responsible for the areas of Advocacy, Research and Merger Review. Her articles have been published in various business publications and she has been featured in Global Competition Review as a prominent woman in anti-trust in 2009.

Mr. Aly Osman- Head of Compliance & Internal Audit

Mr. Aly Osman is the Head of Compliance & Internal Audit at UBL Fund Managers Limited reporting functionally to the Board Audit Committee (BAC). He is primarily responsible for providing independent, objective assurance and consulting services designed to add value and improve the Company's and its funds operations, facilitate the achievement of Company objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

Mr. Aly Osman is an Associate Member of the Institute of Cost and Management Accountant Pakistan (ACMA). Mr. Aly Osman has over thirteen (13) years of professional experience. Prior to joining UBL Funds, he was working as the Chief Compliance & Risk Officer at JS Investments Limited for one and a half (1.5) years. Before that, he was working with the

SECP as Joint Director, heading the Stock Exchanges, Depository and Clearing, Policy and Regulation Wing of the SECP's Securities Market Division wherein he was involved in formulating the regulatory framework for securities markets, reviewing and developing laws, rules and regulations relating to Stock Exchanges, CDC and the National Clearing Company, advising on legal, technical issues and risk management systems pertaining to securities markets. He also attended a number of local and international training courses and workshops on Enterprise Risk Management (ERM), Counter Party Credit Risk Assessment, Value at Risk (VaR), Anti Money Laundering (AML), Corporate Governance and Securities Markets systems and structures.

Mr. Hassan Abbas - Chief Operations Officer

Hassan Abbas has extensive experience in equity trading, money market and inter-bank operations as well as settlements. Before joining UBL Funds, he was working as Finance Manager and Company Secretary at Woodward's Pakistan (Pvt.) Ltd. Prior to that, Hassan was associated for over ten (10) years with Khadim Ali Shah Bukhari Securities Ltd (KASB), which is one of the leading brokerage houses in Pakistan.

He has been with UBL Fund Managers since its inception in 2002 and played an instrumental role in setting up of the company.

Mr. Muhammad Imran Khalil - Chief Financial Officer & Company Secretary

With over 10 years of experience, in the financial and asset management sector, Imran has served at various institutions including KASB Funds Limited and National Investment Trust Limited (NIT). He is an associate member of the Institute of Chartered Accountants of Pakistan and has also served as a nominee director on behalf of NIT on the boards of various listed companies.

His last appointment was as Chief Financial Officer at KASB Funds Limited, where he also served as Acting CEO for an interim period.

Mr. Junaid Qamar - Head of Institutional Relationships

Junaid Qamar has 11 years of cumulative experience in the financial markets of Pakistan and US. Before joining UBL Funds, he worked at Arif Habib Investment Management Limited as Senior Dealer – Debt Funds. Prior to that, he worked with Pearson Inc. NY, a British media group (managing treasury and commercial paper portfolio worth USD 2Bn) and Robert Half International (a NY based financial consulting firm).

Junaid holds a B.S. in Accounting and Economics from College of Staten Island (CUNY), New York and also an MBA in Finance and Investments from Wagner College, New York.

Mr. Syed Ali Turab Alvi – Head of Risk Management

With over 8 years of experience in managing investments in local as well as International markets, Mr. Alvi holds a Bachelors Degree in Computer Engineering and Electrical Engineering from Cornell University, NY, US.

Ali currently heads the Risk Management department at UBL Fund Managers and has led the in-house Research team in the past. Before joining UBL Fund Managers, he served as an equity fund manager and investment analyst at AKD Investment Management and also worked on the Wall Street for 2 years, as a portfolio manager with Franklin Capital Group.

5.5 Role of the Management Company

5.5.1 The Management Company shall:

- a) manage the Fund in the best interests of the Unit Holders, 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, the Rules and Regulations, and subject to any directives, guidelines or special exemptions issued or granted by the Commission;
- b) comply with the provisions of the Rules, the Regulations and the Constitutive Documents 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 or responsible official 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;
- c) account to the Trustee for any loss in value of the Fund Property where such loss has been caused by its negligence or reckless or willful act or omission or of its officers, officials or agents;
- d) be responsible for the acts and omissions of all persons to whom it may delegate any of its functions as manager, as if they were its own acts and omissions;
- e) have the primary responsibility for all record keeping, regular determination and announcement of Unit prices and for producing financial reports from time to time as provided in the Rules, the Regulations and the Trust Deed;
- f) maintain the books of accounts and other records of the Scheme for a period of not less than ten (10) years;
- g) within four (4) months of the end of the Accounting Period of the Scheme, transmit to the Unit Holders, the Trustee, the Commission and Stock Exchanges on which the Units are listed, the annual report, as per Schedule V, of the Fund including:
 - (i) a copy of the balance sheet and income statement;
 - (ii) a cash flow statement;
 - (iii) a statement of movement in Net Assets and reserves;
 - (iv) the Auditor's report of the Fund; and
- h) within one (1) month of the close of first and third quarters and within two (2) months of the close of second quarter of the year of account of the Fund, prepare and transmit to the Unit Holders, the Trustee, the Commission and Stock Exchanges on which the Units of the Fund are listed:
 - (i) a copy of the balance sheet as at the end of that quarter;
 - (ii) a copy of the income statement;
 - (iii) a cash flow statement;

- (iv) a statement of movement in Net Assets and reserves; and
- (v) a statement showing the Investments owned at the beginning of the relevant period, the Investments purchased or sold during such period and the Investments held at the end of such period, together with the value (at carrying and at market) and the percentage in relation to the Net Assets and the issued capital of the person whose securities/Investments are owned for that quarter, whether audited or otherwise;
 - provided that the Commission, subject to any conditions it may impose, may allow the Management Company to transmit the said quarterly accounts to the Unit Holders by placing them on the Management Company's website and the Management Company shall make a printed copy of the said accounts available to any Unit Holder, free of cost, as and when requested;
- i) maintain a record of Unit Holders of the Fund, and inform the Commission and the Trustee of the address where the Register is kept;
- j) at the establishment of the Fund and upon any vacancy appoint the Auditor, with the consent of the Trustee, from the approved list of auditors circulated by the Commission, who shall be a chartered accountant and independent of the auditor of the Management Company and the Trustee, and the Auditor shall not be appointed for more than five (5) consecutive years;
- k) obtain a fund stability rating of the Fund once the Fund becomes eligible for rating as per the rating criteria of the rating agency, and such rating shall be updated at least once every financial year and shall also be published in the annual and quarterly reports of the Fund;
- l) ensure, where it delegates the Distribution Function, that:
 - (i) the Distributors/Distribution Companies to whom it makes the delegation have acquired registration with the Mutual Funds Association of Pakistan as registered service providers and are maintaining the registration on an annual basis and are abiding by the code of conduct prescribed for them by Mutual Funds Association of Pakistan and all existing distributors shall acquire registration with Mutual Funds Association of Pakistan as registered services provider before the first day of March 2012; and
 - (ii) the written contract with the Distributors/Distribution Companies clearly states the terms and conditions for avoidance of frauds and sales based upon misleading information;
- m) process the payment instrument immediately on receipt of an application;
- n) be obliged to provide such information and record to the Trustee as may be necessary for the Trustee to discharge its obligations under the Regulations and the Trust Deed;
- o) manage the Fund according to its Constitutive Documents, the rules, regulations, circular or directives issued by the Commission;
- p) establish and maintain sufficient risk management systems and controls to enable it to identify, assess, mitigate, control and monitor risks in best interest of unit holders of the Collective Investment Scheme(s) under its management;
- q) provide settlement instructions to the Trustee relating to any investment or disinvestment transactions entered into by the Management Company on behalf of the Fund, and shall ensure the settlement instructions are given to the Trustee promptly after entering into the transaction so as to facilitate timely settlement by the Trustee;

- r) intimate the Trustee with regard to dividends, other forms of income or inflows, and any rights or warrants relating to the Investments that are due to be received;
- s) maintain investor records, and for this purpose the Management Company may appoint a Registrar for performing Registrar Functions; provided that the Management Company may itself perform Registrar Functions instead of appointing a Registrar;
- t) have the right to remove or replace from time to time the Registrar;
- u) not be under any liability, except such liability as may be expressly assumed by it under the Trust Deed or implied on it by the Rules, the Regulations or other applicable law, nor shall the Management Company (save as herein otherwise provided) be liable for any act or omission of the Trustee or for anything except its own negligence or willful breach of duty hereunder or the negligence or willful breach of duty by any of the Management Company's delegates. If for any reason it becomes impossible or impracticable to carry out the provisions of the Trust Deed, the Management Company shall not be under any liability therefor or thereby and it shall not incur any liability by reason of any error of law or any matter or thing done or suffered or omitted to be done in good faith hereunder;
- v) if it considers necessary, request the Trustee, for the protection of Fund Property or safeguarding the interests of the Unit Holders, to institute or defend any suit, proceeding, arbitration or inquiry or take or participate in any corporate or shareholders' action in respect of the Fund Property or any part thereof. All costs charges and expenses (including reasonable legal fees) shall be charged to the Fund. 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 Scheme 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 or other liabilities shall be borne by the Scheme.;
- w) appoint and designate a qualified individual as fund manager for management of the Fund who is responsible for the management of not more than three (3) collective investment schemes at a time or such lesser number as may be specified by the Commission;
- x) subject to Clause 5.5.1(z), in case of investments of the Fund made outside Pakistan, be allowed to appoint investment advisors, at its own cost, to assist in investing and managing the assets of the Fund or the Management Company may itself invest and manage part or whole of the assets of the Fund abroad, at its own cost and discretion; provided that the Management Company will be responsible for all acts of such investment advisors;
- y) in consultation with the Trustee, be allowed to appoint advisors and professionals in foreign countries for making investments of the Fund in such countries, for issuing Units to the investors in such countries and 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; provided that any fees and charges for any such arrangement shall be borne by the Management Company;
- z) bear all expenditure in respect of the secretarial and office space of the Management Company and its professional management, including all administrative and accounting expenses; and
- aa) be responsible for maintaining proper accounts and records of the Fund which enable a complete and accurate view to be formed of:
 - i. the assets and liabilities of the Fund;

- ii. the income and expenditure of the Fund;
 - iii. all transactions for the account of the Fund;
 - iv. amounts received by the Fund in respect of issues of Units and any other receipts made by or into the Fund;
 - v. amounts paid out by the Fund on redemption of Units, by way of distribution and any other payments by or from the Fund; and
 - vi. amounts paid out by or from the Fund in the event of winding up and termination of the Fund.
- bb) develop criteria for appointing a diverse panel of brokers under intimation to the Trustee and monitoring compliance thereof to avoid undue concentration of business with any single broker.
 - cc) ensure that all the designated points for acceptance of applications for issuance, redemption, conversion, etc of Units of the Scheme have appropriate date and time stamping mechanism for timely acknowledgement of the said applications.
 - dd) clearly specify Cut-off time for acceptance of application forms of issuance, redemption, conversion etc of Units of the Scheme in the Offering Document, on its web site and at designated points. Such Cut-off time shall uniformly apply on all Unit Holders.
 - ee) ensure that no entry and exit to the scheme including redemption and reissuance of units to the same unit holders on different NAV shall be allowed other than cash settled transactions based on the formal issuance and redemption request, unless permitted otherwise by the Commission under the Regulations.
 - ff) formally forward all the requests for dealing in Units, duly time and date stamped, to the Trustee within twenty four (24) hours of the receipt of such requests.
 - gg) ensure all valid redemption requests are paid based on ranking of the request in a queue.

5.5.2 The Management Company shall not;

- a) acquire or take over the management of any other collective investment scheme, unless it has obtained the prior approval of the Commission in writing to do so;
- b) pledge any of the securities held or beneficially owned by the Scheme except as allowed under the Regulations;
- c) accept deposits from a collective investment scheme ;
- d) make a loan or advance money to any person from the assets of the Scheme;
- e) participate in a joint account with others in any transaction on behalf of the Collective Investment Scheme, except for collection account of the Fund;
- f) apply any part of assets of the Scheme to real estate ;
- g) make any investment of the Scheme with the purpose of having the effect of vesting the management, or control over the affairs, of investee company by the Management Company or its group;

- h) undertake brokerage services on Stock Exchanges or in the money market;
 - (i) enter into underwriting or sub-underwriting contracts on behalf of the Scheme;
 - (ii) on behalf of Scheme, subscribe to an issue underwritten, co-underwritten or sub-underwritten by group companies of the Asset Management Company;
- i) maintain its own equity portfolio except for the investments made by it into the schemes or pension funds being managed by it or its subsidiaries licensed as Non-Banking Finance Companies.
- j) open or close or arrange to open or close any account for the Fund with a Bank, broker or depository without the prior approval of the Board of Directors of the Management Company. If the Management Company has obtained approval of its Board of Directors for opening or arranging to open an account with any particular Bank, it may open accounts with any branch of that Bank and shall obtain approval therefor from its Board of Directors in the subsequent meeting.
- k) net off any investment of the Fund against the investment of the Unit Holder(s) in the Fund.
- l) at any time rollover the investments, if in the opinion of trustee, the Fund would not be able to issue payment instrument for the redemption money to the Unit Holders within time period stipulated in the Regulations.

5.6 CHANGE OF MANAGEMENT COMPANY

- 5.6.1 The Commission may either on its own or on the recommendation of the Trustee remove the Management Company by giving at least ninety (90) in writing to the Management Company, if any of the following have occurred:
- (a) The Management Company has willfully contravened the provisions of the Trust Deed in any material respect and has failed to rectify the contravention within a reasonable period after the contravention has come to its notice by the Trustee and/or the Commission;
 - (b) Goes into liquidation;
 - (c) Becomes bankrupt;
 - (d) A liquidator is appointed over any of the assets of the Management Company;
 - (e) License has been cancelled or does not hold valid license;
 - (f) If the Management Company becomes ineligible to act as a Management Company of the Fund under the provisions of the Rules, the Regulations or any other law for the time being in force.
 - (g) Where the AMC is unable to remove the suspension of redemption of units of Open End Scheme within the fifteen (15) working days of suspension and the unit holders representing at least three fourth in value of total outstanding units of the concerned scheme pass a resolution or have given consent in writing that the scheme be transferred to another Asset Management Company; or

- (h) If in the opinion of the Commission further management of the Scheme by the existing Asset Management Company is detrimental to the interest of the unit holders, the Commission may direct the trustee to transfer the Scheme to another Asset Management Company acceptable to the Commission;
- 5.6.2 The Management Company may retire at any time with the prior written consent of the Commission and by giving at least three (3) months notice in advance to the Trustee. Provided that until a new management company is appointed, the Management Company shall continue to perform its functions as the Management Company. Further, for the purpose of transfer of management right, an Asset Management Company shall execute a supplemental Trust Deed subject to approval of the Commission.
- 5.6.3 If the Commission has cancelled the registration of the Management Company under the provisions of the Rules or the Regulations, the Commission shall appoint another asset management company as the management company of the Fund with consent of the Trustee in accordance with the provisions of the Trust Deed and the Regulations.
- 5.6.4 Upon a new management company being appointed, the Management Company shall take immediate steps to deliver all the documents and records pertaining to the Fund to the new management company and shall pay all sums due to the Trustee.
- 5.6.5 Upon its appointment, the new management company shall exercise all the powers and enjoy all rights and shall be subject to all duties and obligations of the management company hereunder as fully as though such new management company had originally been a party hereto.
- 5.6.6 The Trustee may immediately upon the issuance of notice of removal of the Management Company under Clause 5.6.1 or retirement of the Management Company under Clause 5.6.2 appoint an auditor with the consent of the Commission from amongst the panel of auditors designated as "A" category by the SBP for the audit of Financial Institutions, as Auditor.
- 5.6.7 The Auditor appointed under Clause 5.6.6 shall be other than the existing auditors of the Management Company and the Trustee.
- 5.6.8 The Auditor appointed under Clause 5.6.6 shall have the same scope as that which the existing Auditor has for the annual audit, or such other enhanced scope as may be specified by the Trustee or the Commission.
- 5.6.9 The Auditor appointed under Clause 5.6.6 shall submit the report of his audit to the Trustee not later than thirty (30) Business Days from his appointment and the Trustee shall ensure that a copy of the report shall also be provided to the Commission, the outgoing Management Company and the new Management Company.
- 5.6.10 The cost of audit conducted by the Auditor appointed under Clause 5.6.6 shall be shared equally by the outgoing Management Company, the new Management Company and the Fund.
- 5.6.11 In case of change, the old Management Company shall continue to be liable for any default in or non-performance of its duties as the Management Company or for any negligence on its part or on part of its officer or officials, nominees or agents and for any acts or omissions effectuated prior to and upto the effective date of change of Management in accordance with the provision of the Trust Deed and Offering Document, the Rules and the Regulations, where after the new Management Company shall be responsible for the same. Further the Old Management Company shall indemnify the new Management Company in respect of any default, non-performance or violations of the terms and conditions of the trust deed, offering document, the Rules and / or Regulations that may have taken place, advertently or inadvertently prior to and upto the Effective date and which may come to the notice of the

trustee and the new Management Company or the Commission at any time after the effective date.

5.7 THE TRUSTEE

5.7.1 Name and Registered Address

The trustee of the Fund is:

Central Depository Company of Pakistan Limited
CDC House, 99-B, Block 'B',
S.M.C.H.S, Main Shahrah-e-Faisal,
Karachi – 74400, Pakistan

5.7.2 CDC's Vision Statement

To be a leading national institution providing quality services to capital and financial markets stimulating economic growth.

5.7.3 CDC's Mission Statement

CDC is committed to provide secured and dependable services to the capital and financial markets in an efficient and cost-effective manner comparable to the best international practices. CDC's aim is to be the centre of excellence by continuously employing state-of-the-art technology and the best talent available in the country, while maintaining good corporate governance in its working. It is committed to provide its employees an environment of professional and personal growth.

5.7.4 Brief Profile

CDC was incorporated as a public limited company on 21 January 1993 in Pakistan and received certificate of commencement of business on 10 August 1994. The principal business activity of the company is to manage and operate the Central Depository System (CDS), which is an electronic book entry system to record and transfer securities. It was formed for facilitating efficient, risk free and cost effective settlement of securities in accordance with the international standards to cope up with the ever-rising volume of trading in securities at the Stock Exchanges in Pakistan.

From the year 2002, CDC expanded its business activity to provide trustee/custodial services to the mutual funds industry. Currently, CDC is acting as the trustee for open-end mutual funds, closed-end mutual funds and voluntary pension funds under management of all the leading asset management companies, investment advisers and voluntary pension fund managers of Pakistan. All trustee related operations of CDC are completely automated and supported by strong and efficient computerised systems and dedicated staff. The Trustee Division has the benefit of CDC's existing structure, as well as that for handling the National Clearing and Settlements System.

In a short span of time after introducing its trusteeship business, CDC has emerged as the largest trustee/custodial service provider in Pakistan.

5.7.5 Shareholders

Following are the sponsors and the shareholders of the CDC:

The Karachi Stock Exchange (Guarantee) Limited
Lahore Stock Exchange (Guarantee) Limited
Citibank Overseas Investment Corporation
MCB Bank Limited
Habib Bank Limited
National Investment Trust Limited
Industrial Development Bank of Pakistan
NIB Bank Limited
Islamabad Stock Exchange (Guarantee) Limited
Crescent Steel And Allied Products Limited
Al-Zamin Leasing Corporation Limited
Shakarganj Mills Limited
IGI Insurance Ltd.
Innovative Investment Bank Limited
Crescent Standard Business Management (Pvt.) Limited

5.7.6 Management

CDC is run purely on professional management basis and most of the directors on the Board of Directors of CDC represent their respective investor institutions, without any personal stake in the company. The chief executive of CDC is a highly qualified professional, without any affiliation in any investor institution. Operations of the company are carried out by a team of high caliber professionals from a wide spectrum of relevant disciplines, possessing graduate and postgraduate qualifications from distinguished local and international institutions.

5.7.7 Basic Role of the Trustee

- a. The Trustee shall comply with the provisions of the Trust Deed, the Rules ,the Regulations and the Offering Document for any act or matter to be done by it in the performance of its duties and such acts or matters may also be performed on behalf of the Trustee by any officer or responsible official of the Trustee or by any nominee or agent appointed by the Trustee under intimation to 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 Fund for any loss in value of the Fund Property where such loss has been caused by willful act or omission of the Trustee or any of its directors, officers, nominees or agents. The Trustee 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 of Force Majeure.
- b. The Trustee shall take into custody or under its control all the property of the Fund and hold it in trust for the Unit Holders in accordance with the Rules, the Regulations, the Trust Deed and all applicable laws, rules and regulations, and all cash and registerable assets shall be registered in the name of, or held to the order of, the Trustee.
- c. 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 document signed or purporting to be signed on behalf of the Management Company by any person whose signature the Trustee is for the time being authorized in writing by the Management Company to accept.

- d. The Trustee shall carry out the instructions of the Management Company in all matters, including investment and disposal of the Fund Property and purchase and sale of investments, unless such instructions are not in conflict with the provisions of the Constitutive Documents, the Rules, the Regulations or any applicable law or regulations.
- e. The Trustee shall accept instructions given electronically to the Trustee based on distinctive users IDs and passwords allocated to authorized person(s) of the Management Company through a computerized system which both the Management Company and the Trustee have agreed in writing.
- f. The Trustee shall carry out the settlements in a timely manner in accordance with the dictates of the specific transactions as instructed by the Management Company, unless such instructions are in conflict with the provisions of the Constitutive Documents or the Regulations.
- g. The Trustee shall, on the instruction of the Management Company, from time to time appoint, remove or replace one or more Custodians for performing custodial services on behalf of the Fund at one or more locations, on terms and conditions to be agreed between the Custodian and the Trustee and approved by the Management Company; provided that that the Trustee may also itself perform custodial services on behalf of the Fund with the approval of the Management Company at competitive terms, as part of its normal line of business.
- h. The Trustee shall make available or ensure that there is made available to the Management Company such information and/or reports as the Management Company may reasonably require from time to time in respect of the Fund Property and all other matters relating to the Fund.
- i. The Trustee shall issue a report to the Unit Holders, which shall be included in the annual and second quarter report of the Fund whether in its opinion, the Management Company has in all material respects managed the Fund in accordance with the provisions of the Rules and Regulations and the Constitutive Documents, and if the Management Company has not done so, the respect in which it has not done so and the steps the Trustee has taken in respect thereof.
- j. The Trustee may require the Auditor to provide such reports 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.
- k. The Trustee shall authorize and facilitate the Management Company to receive the copies of statements of account for all Bank Accounts being operated by the Trustee as Trustee;
- l. The Trustee shall, if requested by Management Company, institute or defend any suit, proceeding, arbitration or inquiry, or take or participate in any corporate or shareholders' action in respect of the Fund 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 necessary or incidental acts, things and deeds. All reasonable costs, charges and expenses (including reasonable legal fees) incurred in instituting or defending any such action shall be borne by the Fund 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 negligence or breach of fiduciary duties in connection with its duties as the Trustee under the Constitutive Documents or the Regulations. 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 Fund 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 Fund.
- m. 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 (save as herein otherwise provided) be liable for any act or omission of the Management Company or for anything except its own gross willful acts or omission of the Management Company or for anything except its own gross willful acts or omissions breach of duty hereunder. If for any reason it becomes impossible or impracticable to carry out the provisions of the Trust Deed, the Trustee shall not be under any liability 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. Notwithstanding removal/ resignation, the Trustee shall remain entitled to the benefit of this Clause.
 - n. The Trustee shall not be liable for any loss caused to the Fund or to the value of the Fund Property due to any elements or circumstances beyond its reasonable control.
 - o. The Trustee shall provide the Management Company with regular reports or other documents issued by the issuers of Investments,, any recipients of any of the Fund Property (as deposits, refunds, distribution of dividends, income, profits, repayment of capital or payments for any other reason), any depository, an intermediary or agent in any transaction or from any court, government, regulator, stock or other exchange or any other party having any connection with the transaction of the Fund Property. The Trustee shall promptly act on any instruction of the Management Company in all such matters relating to recovery of the Fund Property, subject to Clause 5.6.7(l).
 - p. The Trustee shall promptly provide proxies if requested by the Management Company with regard to any voting rights attaching to any investment.
 - q. The Trustee shall be required to adhere to performance standards, as mutually agreed between the Management Company and the Trustee, from time to time.
 - r. The Trustee shall ensure that the investment and borrowing limitations set out in the Constitutive Document, the Regulations are complied with.
 - s. The Trustee shall ensure that the sale, issue, re-purchase, redemption and cancellation of units are carried out in accordance with the provisions of the Constitutive Documents.
 - t. The Trustee shall arrange for its system to be audited annually by an auditor, and shall provide the report of such audit to the Commission and the Management Company, within four (4) months of the close of the financial year of the Fund.
 - u. 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 the offering of the Fund and shall also ensure that the Management Company has been diligent in appointing brokers to avoid undue concentration of business with any broker.
 - v. The Trustee shall ensure that Units are not issued until realization of subscription money. For this purpose, the Management Company shall provide the Trustee with details of subscription on a regular basis.
 - w. The Trustee shall ensure that the methodology and procedures adopted by the Management Company in calculating the value of Units are adequate and the pricing and valuation for sale, issue, re-purchase, redemption and cancellation are carried out in accordance with the provisions of the Trust Deed, the Offering Document, the Regulations and any applicable regulatory requirements.

- x. The Trustee shall immediately inform the Commission if any action of the Management Company in relation to and on behalf of Scheme contravenes the Ordinance, the Rules, the Regulations, the Constitutive Documents, guidelines, codes, circulars, directives or any other applicable laws along with details of remedial action taken by the trustee where applicable.
- y. The Trustee shall comply with the directions of the Commission given in the interest of the Unit Holders.
- z. The Trustee shall ensure that the conditions under which the Fund was registered are complied with.
- aa. Neither the Trustee or the Custodian (if the Trustee has appointed another person as Custodian) nor the Management Company or any of their Connected Persons shall sell or purchase or deal in the sale of any Investment or enter into any other transaction with the Fund (save in the capacity of an intermediary)..
- bb. The Trustee shall promptly report to the Management Company any dividends, other forms of income or inflows and any rights or warrants relating to the Investments that are received by the Trustee from time to time.
- cc. The Trustee shall ensure that where applicable, payments against investments are made against delivery and vice versa, unless specified otherwise.
- dd. The Trustee shall not invest in units of the Fund
- ee. The Trustee shall call a meeting of the unit holders in such manner specified by the Commission through circular.
- ff. The Trustee shall obtain and maintain duplicate of all the records of register of unit holders maintained by the UBL Fund Managers or Registrar and shall update the record on a fortnightly basis.

5.7.8 CHANGE OF TRUSTEE

- a) The Trustee may, subject to prior approval of the Commission and under intimation to the Management Company, retire from his office on appointment of a new trustee and the retirement shall take effect at the same time as the new trustee is appointed with the approval of the commission or from the date of assumption of assets of the Fund by the new appointed trustee, whichever is later. In the event of the Trustee desiring to retire, the Management Company shall, within a period of ninety (90) days, with the prior written approval of the Commission and by a deed supplemental hereto, appoint a new trustee in place of the retiring Trustee, under the provisions of the Rules and the Regulations, and shall also provide in such deed for automatic vesting of all the assets of the Trust in the name of the new trustee.
- b) The Management Company may by giving reasons in writing apply to the Commission for change of the Trustee and propose a new trustee.
- c) The Commission, if satisfied by the reasons given by the Management Company and after providing an opportunity of hearing to the Trustee, may approve the removal of the Trustee and the appointment of a new trustee in its place.
- d) Upon the appointment of a new trustee, the Trustee shall immediately deliver and hand over all the documents and records to the new trustee and shall transfer all the Fund Property including any amount held in any of the Bank Accounts, to the new trustee and make payments to the new trustee of all sums due from the Trustee.

- e) The new trustee shall exercise all the powers and enjoy all rights and shall be subject to all duties and obligations of the Trustee hereunder as fully as though such new trustee had originally been a party hereto.
- f) Notwithstanding the removal/ or resignation of the Trustee and its subsequent discharge from its duties under the Trust Deed and the Regulations, the Trustee shall remain responsible to liquidate any liability for which the Trustee may have become liable under the Trust Deed or the Regulations and also remain entitled to the benefit under the terms of the Trust Deed until the removal or resignation of the Trustee is effective.
- g) The Management Company may immediately upon the issuance of notice of removal of Trustee under Clause 5.6.8(c) appoint auditors with the consent of the Commission from amongst the panel of auditors designated as "A" category by SBP for the audit of Financial Institutions.
- h) The Auditors so appointed shall be other than the existing Auditor and shall be other than the auditors of, the Management Company and the Trustee.
- i) The auditors appointed under Clause 5.6.8(h) shall have the same scope as that of the Auditor for the annual audit, or such other enhanced scope as may be specified by the Management Company or the Commission.
- j) The auditor appointed under Clause 5.6.8 (h) shall submit his report of audit to the Management Company not later than thirty (30) Business Days from his appointment. The Management Company shall ensure that the copy of the report shall also be provided to the Commission, the outgoing Trustee and the new Trustee.
- k) The cost of such audit shall be shared equally by the outgoing Trustee, the new Trustee, the and the Fund.

5.8 CUSTODIAN

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

- (i) Segregating all property of the Scheme 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.

5.8.2 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 Fund Property.

5.9 AUDITORS OF THE FUND

The Auditors of the Fund are:

A.F. Ferguson & Co

State Life Building 1-C

I. I. Chundrigar Road
Karachi 74000
Pakistan

5.10 REGISTRAR OF THE FUND

As at the time of this Offering Document, UBL Funds shall be performing the Registrar Functions at its operations office at 4th Floor, STSM Building, Beaumont Road, Civil Lines, Karachi. In case of any change of the address of the operations office, the Unit Holders shall be notified by a notice published in one newspaper in English and one newspaper in Urdu having wide circulation in Pakistan.

5.11 LEGAL ADVISORS OF THE FUND

Mohsin Tayebaly and Co.

2nd Floor, Dime Centre, BC-4 Block 9, Kehkashan, Clifton,
Karachi-75600.
Pakistan.

5.12 DISTRIBUTORS AND INVESTMENT FACILITATORS

- 5.12.1 Parties detailed in Annexure 'B' of this Offering Document have each been appointed as Distributors. The addresses of the Distributors are given in Annexure 'B' of this Offering Document. These may be increased or decreased by the Management Company from time to time. The Management Company may from time to time, appoint additional Distributors or terminate the arrangement with any Distributor and intimate the Trustee accordingly. The Management Company may itself perform the functions of a Distributor either directly or through sub-distributors.
- 5.12.2 The Distributors will be responsible for receiving applications for Purchase of Units and Redemption/ Transfer applications. They will be interfacing with and providing service 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 as appropriate for further action.
- 5.12.3 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 only from its own resources

5.13 BANK ACCOUNTS

- 5.13.1 The Management Company shall perform all banking activities of the Fund through the Trustee.
- 5.13.2 The Trustee shall open Bank Accounts titled "CDC – Trustee UBL Principal Protected Fund - I" at such Bank, with a minimum investment rating of (AA-), at such branches as may be agreed between the Trustee and the Management Company from time to time for the Fund for collection, investment, redemption or any other use of the Fund's monies. The Trustee shall also open an account titled "CDC – Trustee UBL Funds". This account shall be a temporary allocation account where collections shall be held prior to their being allocated

and transferred to the Scheme on a mutually agreed frequency by the Trustee. The Management Company may also require the Trustee to open separate account for temporary parking of redemption funds.

- 5.13.3 Notwithstanding anything in the Trust Deed, the beneficial ownership of the balances in all Bank Accounts of the Fund shall vest in the Unit Holders through the scheme (the Fund).
- 5.13.4 All bank charges for opening and maintaining Bank Account(s) for the Scheme shall be charged to the Scheme
- 5.13.5 The amounts received from the Pre-IPO investors against the issue of Pre-IPO Units shall be deposited in a separate Bank Account titled “CDC Trustee – UBL Principal Protected Fund - I Pre-IPO Account”. Income earned in this account up to the day immediately preceding the Initial Offering Period shall, after deducting all expenses that may be incurred by the Management Company, be paid to the Investors in proportion to their respective investments in the form of additional Units or cash (after deducting all related expenses). Provided that the additional units, so issued, shall be issued at Par-Value and shall not be charged a Front-end Load. The remaining amount after payment of Income to Pre-IPO investors shall be transferred to the main Bank Account of the Fund upon the close of the Initial Offering Period.
- 5.13.6 The Trustee shall, if requested by the Management Company open Bank Accounts titled “CDC – Trustee UBL Principal Protected Fund- I” in foreign/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. The opening, operation and maintenance of such Bank Accounts in foreign/offshore countries on the instructions of the Management Company subject to the approval of the SBP & SECP and the exchange control regulations, as well as any directives of the SBP and the Commission. Any such proposal by the Management Company shall be submitted to the Commission and SBP with the prior consent of the Trustee. Further, Management Company shall indemnify the Trustee and the Fund against all claims arising out of opening, and operation of bank accounts and investments in offshore countries.
- 5.13.7 The Management Company shall not open or close or arrange to open or close any account for the Fund with a Bank, without the approval of the Board of Directors of the Management Company. If the Management Company has obtained approval of its Board of Directors for opening or arranging to open an account with any particular Bank, it may open accounts with any branch of that Bank and shall obtain approval therefore from its Board of Directors in the subsequent meeting.

6 CHARACTERISTICS OF UNITS

6.1 Minimum Amount of Investment

The minimum initial and subsequent amount of investment in the Fund is Pakistani Rupees Ten Thousand (PKR 10,000). However, since as an administrative arrangement, the Management Company may be offering various plans; the minimum amounts for the plans shall be specified in the respective Supplementary Offering Documents. The Management Company reserves the right to alter the minimum amounts stated hereinabove subject to prior approval of the Commission. In the event, the investment in any investor's account falls below the minimum level as a result of revised limits, changes in valuation, redemption, transfer or transmission, the Management Company may instruct the Registrar to close such account by redeeming the Units in such accounts at the close of any Accounting Period at the price applicable to redemptions on such date.

6.2 Features of Units

6.2.1 Units will be issued in registered, un-certificated or electronic form and will be confirmed to investors by means of an Account Statement issued by Transfer Agent subject to Clause 12.7.1 and Clause 12.7.2.

6.2.2 Requests for redemption, transfer or transmission of Units shall be processed only on the production of the Prescribed Application Form, Account Statement or Certificate(s) (as the case may be) if issued earlier. In the event of loss or defacing of Certificates, the process shall be carried out subject to appropriate safeguards to the satisfaction of the Trustee and the associated cost, if any, shall be borne by the Unit Holder.

6.2.3 The Registrar may register a pledge/lien on any Units in favour of any third party with the specific authority of the Management Company, if ordered by the Unit Holder. However, the pledge/lien shall be valid only if evidenced by a statement or letter issued by the Registrar indicating the Units marked in favour of the pledgee. The onus for due process having been followed in registering a lien shall lie with the Management Company.

6.3 Purchase of Units

6.3.1 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 and neither the Management Company, nor the Trustee, nor the Registrar nor the Distributors nor the Investment Facilitators accept any responsibility in this regard. Application may be made pursuant to the procedures described in paragraph 6.3.2 below including but not limited to:

- (i) Citizens of Pakistan resident in Pakistan: In respect of minors below 18 years of age applications may only be made by their guardians.
- (ii) Companies, corporate bodies, financial institutions, banks, partners of a firm and societies incorporated in Pakistan so long as such investment is permitted under their respective memorandum and articles of association and/or bye-laws.

- (iii) 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 is duly authorized to purchase such Units.
- (iv) 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.
- (v) Provident, Pension and Gratuity Funds constituted by organizations other than companies under Section 20 (h) of the Trusts Act 1882, (11 of 1882).
- (vi) Insurance companies under the Insurance Ordinance, 2000.
- (vii) Non Profit Organization under Section 213 (i) of the Income Tax Rules, 2002.

6.3.2 Purchase Application Procedure

- a) Fully completed application form for purchase of Units, accompanied by the full amount of the investment by cheque, bank draft, pay order or online transfer as the case may be in favour of “CDC - Trustee UBL Principal Protected Fund - I” or “CDC – Trustee UBL Funds” and crossed “Account Payee only” and copies of the documents mentioned in sub-Clauses (b) , (c), and (d) below, should be delivered at any of the Authorised Branches of the Distributors (as mentioned in Annexure “B” of this Offering Document). Such forms have to be submitted within the cut-off timings as specified in Clause 6.3.3. Only Authorised Branches of the Distributors as stated below in Annex ‘B’ are authorised to collect application and payment instrument for issue of Units. Further, it is to be noted that the requirements in the application forms in respect of documents/ information may be varied in light of any amendments made to such requirements by the SECP or amendments to other regulatory requirements.
- b) The prescribed application form shall not be considered to be duly completed if there is not attached to it a photocopy of each of the following, verified to the satisfaction of the Management Company:
 - i. the Valid Computerised National Identity Card (CNIC) of the applicant or his Passport;
 - ii. proof of business or employment of the applicant; and
 - iii. such other documentary requirements as are noted in the prescribed application form.
- c) For a corporate body, partnership, registered society or a trust the following documents shall be required, as applicable:
 - i. copy of the memorandum and articles of association/charter/bye-laws or rules and regulations verified as true copy by the company secretary or equivalent responsible official;

- ii. copy of the relevant resolution of the board of directors or other governing body approving the investment by the company in the Fund, certified as true copy by the company secretary or equivalent responsible official;
 - iii. copy of power of attorney and/or relevant resolution of the board of directors or other governing body delegating any of its officer to invest in the Funds and/or to realise the investment, certified as true copy by a notary public and a company secretary or equivalent responsible official;
 - iv. copy of the CNIC of the officer to whom the authority has been delegated, certified as true copy by a notary public and a company secretary or equivalent responsible official;
 - v. copy of the CNICs of all directors, partners, governing body members or trustees as the case may be; and
 - vi. audited accounts of the company or, as applicable, copies of the latest financial statements of the partnership, society, association or trust.
- d) In case of existing Unit Holders, if any of the documents have previously been submitted, fresh submission of documents will not be required, provided that the submitted documents are valid and acceptable to the Management Company and there have been no material changes in the status of the Holder.
 - e) The Distributor shall be entitled to verify the particulars given in the application form. In case of any incorrect information, the application may be rejected.
 - f) The applicant shall be provided a copy of the application form or an acknowledgement receipt, duly signed and stamped by the authorised officer of the Authorised Branch of the relevant Distributor/Management Company, where application for purchase of the Units was submitted, as the case may be, as a confirmation of the receipt of the application.
 - g) The Offer Price determined at the end of the Business Day on which application form for purchase of Units has been received shall apply to all application forms for purchase of Units, complete in all respects, including payment instrument received by the Distributor within the Cut-off timings specified in Clause 6.3.3 on that Business Day. Any Investment Request Forms received after the Cut-off timings will be transferred to the next Business Day. Provided that if a Business Day is not a dealing day, the Offer Price calculated on the next dealing day shall apply to the purchase request.
 - h) In the event payment has been accepted by cheque, bank draft or pay order the payment shall be deemed to be complete on the date the cheque bank draft or pay order is received by the Distributor. However, NAV shall be locked at the time of receipt of cheque and Units shall be issued upon realisation of funds. If the cheque is returned, no Units shall be issued. A Cheque shall be received on the condition that it is not post dated and is drawn on a Bank in the local town of the distributor or investment center. Timely deposit of cheque shall be the responsibility of Distributor. However, in case of any negligence by the Distributor with respect to delay etc. the Management Company shall make good the loss to the Unit Holder from resources of the Management Company.
 - i) The Management Company, under intimation to the Trustee, may make arrangements to receive applications to issue Units through electronic, on-line IVR (Interactive Voice Response) or other means.
 - j) Requests for issue of Units may be accepted through the ATM facilities of Banks, under intimation to the Trustee, only when the relevant Banks have been instructed by the Management Company to accept requests to purchase Units through such facilities.

- k) In general, payments from outside Pakistan shall be deemed to be complete on the date the Trustee receives the payments from international investors, in the Bank Account of the Fund.
- l) If subsequent to receipt of the application by the Distributor, but prior to issue of the Units, the application is found by the Registrar or the Distributor to be incomplete or incorrect in any material manner, the Registrar or the Distributor will advise the applicant to remove the discrepancy; in the event the discrepancy is not removed in the said fifteen (15) days, the amount shall be refunded without any profit and deduction. However, in the event the Units have been issued and a material discrepancy is discovered subsequent to that, the Registrar or the Distributor shall advise the applicant in writing to remove the discrepancy within fifteen (15) days and if the investor, in the opinion of the Registrar, fails to remove the discrepancy without good cause, the Units shall be redeemed at the Redemption Price fixed on the date the Units are so redeemed. The Unit Holder shall not be entitled to any payment beyond the redemption value so determined.
- m) The Management Company may issue Units in de-materialised form registered with a recognised depository company subject to the satisfaction of the Trustee.

6.3.3 Cut-off Timings

Cut-off timings for receiving applications forms shall be:
Monday to Friday 9:00 am to 4:00 pm

6.3.4 Joint Application

- a) Joint application can be made by up to four (4) applicants. Such persons shall be deemed to hold Units on joint holder basis. However, each person must sign the application form and submit a copy of their CNIC or Passport.
- b) The Transfer Agent shall not register more than four (4) joint Holders for a Unit. In case of the death of any one of the joint Holders the survivor or survivors shall be the only persons recognised by the Trustee as having any title to or interest in the Units held by the joint Holders. Provided, however, the Trustee shall require the survivors to provide succession certificates or other such mandate from a court or lawful authority.
- c) Where Units are registered in the name of joint Holders and subsequently additional Units are purchased by the same joint Holders but the application is made in different order, such additional units shall be registered under a different account.

6.4 Redemption of Units

6.4.1 Who Can Apply?

- a) During the Initial Period, the Units shall not be redeemed.
- b) After the Initial Period all Unit Holders are eligible to redeem the said Units (subject to applicable back-end load as specified in Annexure A). However, the units shall not be redeemable during the book closure of any of the underlying CIS. Further, no reallocation of Fund's Net Assets, shall take place during book closure of any of the underlying CIS

6.4.2 Redemption Application Procedure

- a) The Holder can request for redemption on any Business Day by submitting the complete prescribed application form and surrender the endorsed certificate (if issued) to any Authorized Branch of the relevant Distributor.
- b) In case of applications for redemption by joint Holders, unless the joint Holders of Units have specified otherwise, such application should be signed by all joint Holders (see Clause 6.4.6 below) and all joint Holders should endorse the Certificates. No money shall be paid to any intermediary except the Holder/joint Holder.
- c) The Management Company may make arrangements to accept redemption requests through electronic, IVR (Interactive Voice Response), phone transactions, under intimation to the Trustee.
- d) Requests for redemption of Units may be accepted through the ATM facilities of Banks, under intimation to the Trustee, only when the relevant Banks have been instructed by the Management Company to accept requests to redeem Units through such facilities.
- e) The Management Company shall not permit flipping mechanism (i.e. redemption and re-issuance of Units to the same Unit Holders based on different NAVs without cash settlement).
- f) No netting off transaction (adjustment of the assets of the Scheme against the investment of Unit Holders) is allowed within the Scheme.

6.4.3 Cut-off timings

Cut-off timings for receiving redemption applications shall be:
Monday to Friday 9:00 am to 4:00 p.m.

Maximum interval between the request for redemption and payment of the redemption proceeds shall be six days as mentioned in Clause 26.7 of the Trust Deed.

6.4.4 Payment of Redemption Proceeds

- a) Units shall be redeemed on the basis of daily Net Asset Value, announced by the Management Company as of the close of the Business Day on which a correctly filled Redemption Form is submitted with the Distributor within the cut-off timings of the fund specified in Clause 6.4.3 above.
- b) Payment shall be made by either online transfer into the account specified by the Unit Holder in the application form (at a Bank agreeable to the Management Company), or by a crossed cheque or demand draft in favour of the Unit Holder or first-named joint Holder in the event of joint Holders and shall be sent at the Holder's or first-named joint Holder's address provided by him in the Form.
- c) The amount payable on redemption shall be paid to the Holder or in case of Joint Holders to the first named joint Holder or any other joint Holder specified in the application for redemption of Units by dispatching a cheque/ bank draft/ pay order for the amount to the registered address of the Holder within six (6) Business Days from the date of presentation of the duly completed redemption application (please refer to Clause 6.4.2 and Clause 6.4.4 for redemption procedure) at the Authorised Branch or

office of the Distribution Company. The Management Company may, with the prior approval of Commission and to the satisfaction of Trustee make arrangements for making redemption payments by transferring the redemption proceeds to the Holder's designated bankers or by crediting the Holder's credit or debit card.

- d) The receipt of the Holder for any moneys payable in respect of the Units shall be a good discharge to the Trustee and if several persons are registered as joint holders, eligibility to receive the redemption money shall depend on the initial instructions given by the Unit Holders.

6.4.5 Circumstances under which the Dealing Methodology can change

- (i) A permanent change in the method of dealing shall be made after expiry of thirty-day (30) notice to Unit Holders and with the prior approval of the Trustee to this effect.

A temporary change shall only be made:

- (a) in circumstances as mentioned in clause 6.7 below, having regard to the interests of unit holders;
- (b) if the possibility of a change and the circumstances in which it can be made have been fully disclosed in the Offering Documents; and
- (c) With the approval of the Trustee.

6.4.6 Joint Holders

Unless the joint Holders of Units have specified otherwise, all the joint Holders shall sign requests for redemption of such Units.

6.5 Partial Redemption

Partial redemption of Units is not permitted subject to Clause 3.9.1(i)(c).

6.6 Verification of Redemption Application Form

The Registrar will verify:

- (i) The holding stated on the application for redemption form and
- (ii) Signature (s) of the holder (s).

6.7 Payment against Redemption not to be made to any intermediary

Payment shall be made only to the respective Unit Holder and no payment shall be made to any intermediary. In case of joint Holders, payment shall be made to the Holder named first in the Register or any other joint Holder specified in the application for redemption of Units

6.8 Procedure for Transfer of Units

6.8.1 Transfer Application Procedure

The procedure herein below is designed for paper-based transactions. The Management Company may at a later date introduce electronic/internet based alternatives for the transactions with prior approval of the Commission and satisfaction of Trustee.

- (a) A Holder can transfer Units held by him by:
 - (i) Transferring, pledging or otherwise encumbering the Units held by him by an instrument in such form as the Management Company may prescribe from time to time with the approval of the Trustee. The Transfer Application Form to be signed by the transferor and transferee can then be submitted to any of the Authorised Branches of the relevant Distributor along with the relevant Certificate, if issued.
 - (ii) Giving the Trustee/Distributor such notice in writing of his desire or transfer such Unit to some other person.
- (b) Any person becoming entitled to hold the Units in consequence of the death, insolvency or winding up of any sole Holder or the survivors of a joint Holder shall be registered as the Holder or joint Holder as the case may be subject to providing such evidence as to his title as the Trustee shall consider sufficient.
- (c) Application for transfer can be submitted on any Business Day during banking hours. The transferor shall be deemed to remain the holder of the Units transferred until the name of the transferee is entered in the Register. In case the transferee is not an existing investor of the Management Company, the transferee shall complete all formalities as per the purchase application procedure specified in Clause 6.3.2.
- (d) 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 Certificate where the Certificate shall have become lost, stolen or destroyed, subject to compliance by the transferor with the like requirements to those arising in the case of an application by him for the replacement thereof as provided in Clause 33 of the Trust Deed.
- (e) There shall be no charge of Front-end Load on transfer of the Units. Any taxes or duties, applicable on the transfer and transmission, shall, however, be payable by the transferee.

6.8.2 (Cut-off timings)

- (a) Cut-off timings for receiving applications of transfer shall be:
Monday to Friday From 9:00 am to 4:00 p.m.
- (b) Cut-off timings for receiving applications of conversion shall be:
Monday to Friday From 9:00 am to 4:00 p.m.

6.8.3 Partial Transfer

Partial transfer of Units subject to the relevant conditions is permitted. However, partial transfer of Units covered by a single Certificate is not permitted. Unit Holders may apply for the splitting of the Certificate before applying for a transfer. The Management Company may impose the necessary charges at its discretion for such a service.

6.9 Procedure for Pledge/ Lien/ Charge of Units

- 6.9.1 All Unit Holders are eligible to apply for pledge/lien/charge of Units if they so desire. Such pledge /lien/charge can be made via the Pledge /Lien Form as attached in Annexure "C" of this Offering Document. These forms may be obtained from Distributors, Investment Facilitators, Management Company or through the Management Company's website.
- 6.9.2 Any Unit Holder and/or joint unit holder(s) (as per the mandate in the Investment Application Form) may request the Transfer Agent to record a pledge/lien on all or any of his Units in favour of any third party legally entitled to invest in such Units in its own right. However, the lien shall be valid only if evidenced by an account statement or letter issued by the Registrar with lien on such Units marked in favour of the Pledgee. The onus for due process having been followed in registering a lien shall lie with the party claiming the lien.
- 6.9.3 The lien once registered shall be removed by the authority of the party in whose favour the lien has been registered or through an order of a competent court. Neither the Trustee, the Management Company nor the Registrar, shall be liable for ensuring the validity of any such pledge/charge/lien. The disbursement of any loan or undertaking of any obligation against the constitution of such pledge/charge/lien shall be at the full discretion of such party and neither the Trustee, the Management Company nor the Registrar shall take any responsibility in this matter.
- 6.9.4 Payments of dividends or the issue of Bonus Units and redemption proceeds of the Units or any benefits arising from the Units that are kept under lien/charge/pledge, shall be made to the order of the Unit Holder. In case of partial pledging of units, lien on such units shall be marked in favour of the pledgee but redemptions of such units shall not be allowed until the close of the Life of the Fund.
- 6.9.5 The Distributor and/or Management Company shall be entitled to verify the particulars given in the Pledge of Unit Form. In case of any incorrect information the application may be rejected if the applicant does not rectify the discrepancy.
- 6.9.6 Fully completed Pledge of Unit Form shall be submitted by the Unit Holders. This Form should be delivered to any of the Authorised Branches of the Distribution Companies within the cut-off timings specified in Clause 6.9.7 on the Business Day or as announced by the Management Company from time to time.

6.9.7 Cut-off Timings

Cut-off timings for receiving applications for pledge of Units shall be:

Monday to Friday From 9:00 am to 4:00 p.m.

6.9.8 All risks and rewards, including the right to redeem Units and operate accounts but excluding the entitlement to dividends or the Bonus Units, shall rest with the pledge/lien charge holder, unless otherwise instructed in writing to the Management Company by the Holder.

6.10 Suspension of Issuance and Redemption

Under the circumstances mentioned below and subject to Clause 3.9.3 above, the Management Company may request the Trustee to approve suspension of dealing in Units. Such approval shall not be unreasonably withheld.

6.10.1 The Management Company may suspend the issue or redemption of Units at any time up to a maximum for fifteen (15) working days:

- (a) when dealings in underlying CIS is restricted or suspended;
- (b) during the existence of any state of affairs or force majeure which in the opinion of the Management Company constitutes an emergency as a result of which disposal of any of the Investments would not be reasonably practicable or might seriously prejudice the interests of the Fund or the Unit Holders;
- (c) if any breakdown in the means of communication normally employed in determining the price of any Investment or the current price thereof on any Stock Exchange or when for any reason the price of any such Investment cannot be promptly and accurately ascertained;
- (d) during any period when remittance of money which shall or may be involved in the realization of any Investment or in the payment for any Investment cannot in the opinion of the Management Company be carried out within a reasonable time;
- (e) if the Management Company is of the view that it would be detrimental to the remaining Holders to redeem or continue to redeem Units at a price ascertained on the basis of the Net Asset Value;
- (f) if the Management Company is of the view that investment of inflow of substantial funds shall be difficult, and in such case the Management Company may decline applications for issue of Units in full or in part, at its discretion.

provided that prior approval of the Board of Directors of the Management Company is required for suspension of redemptions of Units; provided further that the Management Company shall terminate any such suspension at the order of the Commission at any time.

6.10.2 Suspension under Clause 6.10.1 shall take effect forthwith upon declaration thereof by the Management Company and shall terminate on the day following the first Business Day on which conditions giving rise to the suspension shall, in the opinion of the Board of Directors of the Management Company, have ceased to exist. Where the AMC is unable to remove suspension of redemption of unit of Open End Scheme within the fifteen (15) working days of

- suspension, the trustee shall immediately call the meeting of the unit holders at the expiry of the fifteenth (15th) days to decide whether to continue the suspension of redemptions for a further period or revoke or transfer the Open End Scheme to another Asset Management Company
- 6.10.3 The decision to continue the suspension, revoke or transfer the Open End Scheme to another Asset Management Company shall be supported by consent given in writing or resolution passed by unit holders representing at least three fourths in value of total outstanding units of the concerned scheme.
- 6.10.4 The Asset Management Company shall inform the Commission and the trustee about the date of termination of suspension of dealing in units and publish the notice regarding the termination of dealing in units in two leading daily newspapers having circulation all over Pakistan
- 6.10.5 Notwithstanding anything contained in any other provision of the Trust Deed, where the Commission is of the opinion that it is in the interests of the Unit Holders, it may direct that the operations of Fund, including the issuance, sale or redemption of Units, shall be suspended with effect from such date as specified by the Commission.
- 6.10.6 In case of suspension of redemption of the Units, the Management Company shall also suspend issuance of fresh Units and any transactions in the Administrative Plans until redemption of Units is resumed.

6.11 Queue System

- 6.11.1 In the event redemption requests for Units on any day exceed ten percent (10%) of the Units in issue, the Management Company may invoke a queue system whereby requests for redemption shall be processed on a first come first served basis for up to ten percent (10%) of the Units in issue. The Management Company shall proceed to sell adequate assets of the Fund and/ or arrange borrowing as it deems fit in the best interest of the Unit Holders and shall determine the Redemption Price to be applied to the redemption requests based on such action. The redemption requests in excess of ten percent (10%) of the Units in issue shall be carried over to the next Business Day; provided that if the carried over requests and the fresh requests received on the next Business Day still exceeds ten percent (10%) of the Units in issue as on that day, 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. Such procedure shall continue till such time that the outstanding redemption requests come down to a level below ten percent (10%) of the Units then in issue.
- 6.11.2 In the event the Management Company is of the view that the quantum of redemption requests that have built up shall result in the Fund Property being run down to an unmanageable level or is of the view that the sell-off of assets is likely to result in a significant loss in the value for the Unit Holders who are not redeeming, it may announce winding up of the Fund. In such an event, the queue system, if already invoked, shall cease to apply and all Unit Holders shall be paid after selling the assets and determining the final Redemption Price. Interim distributions of the proceeds may be made if the Management Company finds it feasible.

6.12 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 shall result in the Fund Property being run down to an

unmanageable level or is of the view that the sell-off of assets is likely to result in a significant loss in the value for the Unit Holders who are not redeeming, it may announce winding up of the Fund. In such an event, the queue system, if already invoked, shall cease to apply and all Unit Holders shall be paid after selling the assets and determining the final Redemption Price.

6.13 Frequency of Valuation, Dealing, Determination and Announcement of the Price

- (a) For the Classes of Units and the Initial Offering Period, please refer to Clauses 3.9.1, 3.9.2, and 6.2.
- (b) Subsequent to the Initial Offering Period, the Management Company shall announce the Offer (If applicable) and Redemption (Repurchase) Prices daily, calculated on the basis of the NAV and adjusted for the Front-end Load and/or Back-End load (if any) as the case may be, Transaction Costs and Duties and Charges as are described herein. The Management Company shall satisfy the Trustee that the method of calculation is adequate for ensuring accurate calculation of the prices and the prices shall likewise be cleared to the satisfaction of the Trustee. The Management Company shall announce the NAV latest by 10:30 am on next business day and shall communicate the same to MUFAP.

6.13.1 Offer Price: The Offer Price shall be equal to the sum of:

- (i) The Net Asset Value as of the close of the Subscription Day;
- (ii) Any Front-end Load;
- (iii) Such amount as the Management Company may consider an appropriate provision for Duties and Charges;
- (iv) The resultant amount is to be calculated up to two decimal places

6.13.2 Unit purchase requests, complete in all respects, received by the Management Company/Distributor before Cut-off Time shall be priced on the basis of NAV determined at the close of that Day

6.13.3 In the event the amount paid by a Unit Holder pursuant to sub-Clause 6.13.1(iii) as provision for payment of Duties and Charges is insufficient to pay in full the Duties and Charges incurred by the Fund, the Management Company shall be liable for the payment in full of the amount of such shortfall.

6.13.4 In the event the amount paid by a Unit Holder pursuant to sub-Clause 6.13.1(iii) as provision for payment of Duties and Charges exceeds the amount of Duties and Charges incurred by the Fund, the Management Company shall instruct the Transfer Agent to issue additional Units or fractions thereof to the Unit Holder based on the price applicable to the Units issued against the relevant application, or refund such excess amount to the Unit Holder through transfer to the bank account provided by the Unit Holder in the Application Form for purchase of Units or through a cheque in the name of the relevant Unit Holder and crossed "A/C payee only" dispatched to his registered address.

- 6.13.5 If the variation of the Net Asset Value on any day at any time exceeds or falls short by five per cent (5%) of the Net Asset Value calculated pursuant to sub-Clause 6.13.1 above for the current Offer Price, the Management Company shall suspend any offer of Units and shall calculate forthwith a new Offer Price as soon as possible. The Management Company shall also inform the SECP and the Trustee of the suspension of offer of Units along with the announcement of the new Offer Price, as per the procedure laid down in Clause 6.13.6.
- 6.13.6 The Offer Price determined by the Management Company shall be announced and made available to the public at the Authorised Branches on all Subscription Days before 10:30 am of the next Business Day and published on the website of the Management Company and of the MUFAP, and at the discretion of the Management Company may also be published in two daily newspapers, one in English and one in Urdu, widely circulated in Pakistan.
- 6.13.7 **Redemption Price:** During the Initial Offer Period, the Units shall not be redeemed. From the commencement of the Life of the Fund, the Redemption Price shall be equal to the Net Asset Value as of the close of the Business Day on which a correctly and properly filled redemption of Units form is received within the cut-off timings as specified in Clause 6.4.3 or as may be announced by the Management Company from time to time, less:
- (i) Any Back-end Load;
 - (ii) Any taxes imposed by the Government;
 - (iii) Such amount as the Management Company may consider an appropriate provision for Duties and Charges.
 - (iv) The resultant amount is to be adjusted downwards to the nearest Paisa.

Redemption requests complete in all respects, received by the Management Company/Distributor before Cut-off Time shall be priced on the basis of NAV determined at the close of that Day.

- 6.13.8 Units, whether issued before or during the Initial Offering Period, shall not be redeemed before the close of the Initial Offering Period.
- 6.13.9 Units shall also be not redeemable when dealing in the units of the underlying CIS is restricted and/or suspended, including during book closure of any of the underlying CIS
- 6.13.10 In the event that the amount deducted as provision for payment of Duties and Charges pursuant to sub-Clause 6.13.7(iii) is insufficient to pay in full such Duties and Charges, the Management Company shall be liable for the payment in full of such shortfall amount.
- 6.13.11 In the event that the amount deducted as provision for payment of Duties and Charges pursuant to Clause 6.13.7(iii) exceeds the relevant amount of Duties and Charges, such excess amount shall be returned to the respective Unit Holder immediately.
- 6.13.12 The Management Company shall announce the Redemption Price on a daily basis on all Business Days. The Redemption Price at which Units shall be redeemed shall be fixed by the Management Company under the terms of the Trust Deed. However, if the event in Clause 6.11.1 or Clause 6.11.2 of this Offering Document comes into application, the redemption value shall be determined in accordance with the procedure laid out in the said Clauses.
- 6.13.13 If the variation of the Net Asset Value on any day at any time exceeds or falls short by five per cent (5%) of the Net Asset Value calculated pursuant to sub-Clause 6.13.7 above for the

current Redemption Price, the Management Company shall suspend any redemption of Units and shall calculate forthwith a new Redemption (Repurchase) Price as soon as possible. The Management Company shall also inform the SECP and the Trustee of the suspension of redemption of Units along with the announcement of the new Redemption Price, as per the procedure laid down in Clause 6.13.12.

6.13.14 The Redemption Price determined by the Management Company shall be made available to the public at the Authorised Branches and the Management Company and at the office of the Transfer Agent before 10:30 am on the next Business Day and published on the website of the Management Company and of the MUFAP. At the discretion of the Management Company, the Redemption Price may also be published in at least two daily newspapers, one English and one Urdu, widely circulated in Pakistan.

6.14 Offer (Purchase) and Redemption (Repurchase) of Units outside Pakistan

6.14.1 Subject to foreign exchange control and prior approval of the SECP and other applicable laws, rules and regulations and any permissions required to be obtained under law from regulatory authority, in the event of arrangements being made by the Management Company for the issuance of Units 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 Offer Price as herein before provided, a further amount sufficient to cover any currency exchange fluctuation, any additional stamp duty or taxation, whether national, municipal or otherwise leviable in that country in respect of such issue or on the delivery or issue of Certificates in connection therewith or the remittance of money to Pakistan.

6.14.2 In the event that the Redemption Price is 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 herein before provided, a further amount sufficient to cover any currency exchange fluctuation and any additional stamp duty or taxation whether national, municipal or otherwise, leviable in that country in respect of such payment or redemption. It is clarified that the Offer Price and Redemption Price shall be calculated and paid in Pakistani Rupees and the Fund shall not carry any exchange risk. The relevant foreign investor will invest at the exchange rate prevailing at that time and redemption and other payments to such investor shall be made by the Fund in Pakistani Rupees, and such investor shall be responsible for converting such payments into the desired foreign currency.

6.14.3 The currency of transaction of the Fund is the Pakistani Rupee and the Management Company, Trustee or any Distribution Companies are not obliged to transact the issuance or redemption of 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 remittance of the dividends or redemption proceeds in foreign exchange or for any obligations arising there from.

6.14.4 The Management Company shall appoint one or more Banks as the Authorised Dealer, subject to SBP approvals, to manage offer and redemption of Units from outside Pakistan in foreign currency under the provisions of the Foreign Exchange Regulation, 1947.

6.14.5 Payments made in foreign currency to purchase Units shall be converted into Pakistani Rupees through the Authorised Dealer using SBP's quoted rates for conversion of foreign exchange into Pakistani Rupees (or National Bank of Pakistan's, in case SBP rates are not available) and any conversion cost, Duties and Charges and Front-end Load shall be deducted from the payment before Units are issued. The Units issued shall be denominated

- in Pakistani Rupees using the conversion rates quoted by the Authorised Dealer at the issue date of the Units (buying rate for the relevant currency).
- 6.14.6 At the option of the Management Company, payments made in foreign currency for Units purchased may directly be made part of Fund Property without conversion into Pakistani Rupees after deduction of the relevant Duties and Charges, Transaction Costs and applicable Front-end Load. The Units issued shall be denominated in Pakistan Rupees using a conversion rate quoted by the Authorised Dealer at the issue date of the Units.
- 6.14.7 Payments to be made in foreign currency on redemption of Units shall be converted from Pakistani Rupees through the Authorised Dealer, using the SBP's quoted rates (or National Bank of Pakistan's in case the SBP rates are not available) and any conversion cost, Duties and Charges, and Back-end Load shall be deducted from the payment to be made.
- 6.14.8 At the option of the Management Company, payments to be made in foreign currency for Unit redemptions may directly be paid from foreign currency dominated bank accounts that are part of Fund Property, after deduction of the relevant Duties and Charges, Transaction Costs and applicable Front-end Load.
- 6.14.9 The Management Company will make arrangements from time to time for receiving account opening forms, investment request forms and payments from outside Pakistan and will disclose these arrangements through its website, Distributors and Investment Facilitators outside Pakistan.
- 6.14.10 The Management Company shall arrange the remittance and / or fulfill any foreign exchange formalities at State Bank of Pakistan (SBP) through Trustee (if required). Furthermore, in case of any remittance is delayed or cannot be made due to in-availability of foreign currency from the State Bank of Pakistan and / or delay due to approval process at SBP, both management company and Trustee shall not be responsible for the same. The Fund shall not be liable for payment of any bank charges and other levies, if any in relation to issue and redemption of Units outside Pakistan.

7 DISTRIBUTION POLICY

7.1 Declaration of Dividend

- 7.1.1 The Management Company shall, for every Accounting Year of the Fund, distribute to the Unit Holders by way of dividend, including the stock dividend, not less than ninety per cent (90%) of the accounting income, as reduced by capital gains whether realized or unrealized..

Explanation- The expression “accounting income” means income calculated under the International Accounting Standards and verified by the Auditors.

The amount so determined shall be distributed among the Unit Holders within forty five (45) days of announcement of such distribution or as prescribed from time to time.

- 7.1.2 In no case, the time period for closure of register for dividend declaration shall exceed six (6) working days at a time and a total of forty five (45) days in a calendar year or as prescribed from time to time.
- 7.1.3 No reallocation of the Fund's Net Assets shall take place during book closure of the Fund.

7.2 DISTRIBUTION OF INCOME

- 7.2.1 Subject to Clause 7.2.2 the Management Company may decide to distribute, wholly or in part, the distributable income in the form of Bonus Units or cash dividends. After fixing the rate of bonus distribution per Unit, in case of distribution in the form of Bonus Units, the Management Company shall inform the Trustee of such distribution.

In case of cash dividends, the Management Company may instruct the Trustee to transfer such amount of cash as required to effect such distribution to the Distribution Account. The amount standing to the credit of the Distribution Account shall not for any purpose of the Trust Deed be treated as part of the Fund Property, but shall be held by the Trustee upon Trust to distribute the same as herein provided. The Trustee may rely on the certification of income by the Auditors for the accounting period, however the interim payout, if any, can distributed by UBL Funds without Auditor's income certification .

- 7.2.2 Before making any payment in respect of a Unit, the Trustee or the Management Company may make such deductions as may be required by law in respect of any Zakat, income or other taxes, charges or assessments whatsoever and issue to the Unit Holder the certificate in respect of such deductions in the prescribed form or in a form approved or required by the concerned authorities.
- 7.2.3 In case of cash dividends, distribution payments shall be made by warrant, cross cheque, or by way of transfer of amount to the Unit Holder's designated bank account by the Trustee or sent through the registered post to the registered address of the Unit Holder or, in case of joint Unit Holders, to the registered address of the joint Unit Holder first named on the Register; provided that the Management Company may in special circumstances agree to pay distribution amount to the Unit Holder's authorized representative as stated in the prescribed application for issue of units. Every such warrant shall be made payable to the order of the person to whom it is delivered or sent and payment of the warrant (if purporting to be duly endorsed or subscribed) shall be in satisfaction of the money payable; provided that the receipt of the Unit Holder's designated bankers in respect of the amount distributable to the Unit Holder as arranged for payment by the Management Company shall be a good

- discharge of such payment. In case the warrant is lost, defaced or time barred, the payment in respect thereof shall take place through a cheque or through such arrangement as the Management Company may consider appropriate.
- 7.2.4 Bonus Units would rank *pari passu* as to their rights in the Net Assets, earning, and the receipt of the dividends and distributions, with the existing Units of the Fund from the date of issue of the Bonus Units.
- 7.2.5 In case of distribution in the form of redeemable Bonus Units (Type '2') the Management Company may offer the Unit Holders the option to receive the amount equivalent to their share of the annual distribution in cash. In such an event, the Management Company shall at the end of the Accounting Period cause to redeem such number of the relevant Class of Units that equates to the value of the Bonus Units for that period. The Redemption Price shall be determined on the basis of the NAV at the distribution date after appropriating the dividend. If Bonus units are redeemed before the completion of the duration of Fund, they will be charged a Back-End Load. The payment of the cash equivalent shall be made, net of taxes and Zakat that the Management Company and the Trustee are obliged to recover, in the same manner that applies in the case of payment of cash dividends as described in Clause 7.2.1.
- 7.2.6 In case of issuance of non-redeemable Bonus Units (Type '1') these Units shall only be redeemable at the time of full redemption, 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.
- 7.2.7 Where Units are placed under pledge or lien, distributions in respect of such Units shall be the payment of dividends shall be made in accordance with Clause 35 of the Trust Deed.

8 FEES, CHARGES AND EXPENSES

The following expenses will be borne by the Fund:

8.1 Remuneration of the Management Company

- 8.1.1 The Management Company shall be entitled to an accrued remuneration equal to an amount not exceeding three percent (3%) of the average annual net assets of the Scheme that has been verified by the Trustee and is paid in arrears on monthly basis during the first five years of existence of the Scheme or Life of the Fund and thereafter of an amount equal to two percent (2%) of such assets or such other amount as may be specified by the Commission. Provided that the Management Company shall not charge Management Fee, if the fund invests in the CIS managed by the Management Company. Further 16% of sales tax will also be charged to the Fund on the accrued amount of management fee.
- 8.1.2 The remuneration shall begin to accrue from the commencement of the Life of the Fund. In respect of any period other than a full Accounting Period such remuneration shall be prorated on the basis of the actual number of days during such period for which remuneration is accrued.
- 8.1.3 Such remuneration shall be paid to the Management Company in arrears within fifteen (15) days after the end of each calendar month.
- 8.1.4 In consideration of the foregoing and save as provided in the Trust Deed, 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 Fund.
- 8.1.5 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.
- 8.1.6 The Management Company shall not make any charge against the Unit Holders, the Fund Property or 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 the Fund Property.

8.2 Remuneration of the Trustee

- 8.2.1 The Trustee shall be entitled to a monthly remuneration out of the Fund Property based on an annual tariff of charges as specified below. The remuneration shall begin to accrue from the commencement of the Life of the Fund. For any period other than a full calendar month such remuneration will be prorated on the basis of the actual number of days for which such remuneration has accrued in the calendar month.

NET ASSETS	TARIFF
Rs. 0.7 million or 0.13% p.a. of Net Assets, whichever is higher.	

- 8.2.2 Such remuneration shall be paid to the Trustee in arrears within fifteen (15) days after the end of each calendar month.
- 8.2.3 In consideration of the foregoing and save as provided in the Trust Deed, the Trustee shall be responsible for the payment of all expenses incurred by it from time to time in connection with their duties as Trustee of the Fund. The Trustee shall not make any charge against the Unit Holders or against the Fund Property or against the Distribution Account, for its services or for its expenses, except such expenses as are expressly authorized to be paid out of the Fund Property under the provisions of the Rules, the Regulations and the constitutive documents of the Fund.
- 8.2.4 The Trustee 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.
- 8.2.5 Any increase in the remuneration of the Trustee agreed to by the Management Company shall require prior approval of the Commission.

8.3 Custodian Remuneration

The Fund shall pay the Custodian on the basis of the inflow and outflow of securities as per the tariff structure. For the time being, the CDC shall perform the functions of the Custodian.

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 Fund Property.

8.4 Remuneration of Distributor and Investment Facilitators

8.4.1 The remuneration of Distribution Companies, Sales Agents/Investment Facilitators shall be paid exclusively from any Front-end Load received by the Management Company or its own resources, and no charges shall be made against the Fund Property or the Distribution Account in this respect. These payments shall be made by the Management Company on a as mutually agreed with the Distribution Companies, Sales Agents/Investment Facilitators.

8.4.2 Any Back End Load shall become part of the Fund Property.

8.5 Formation Cost

Formation Cost, not exceeding one per cent (1%) of the amount received during Pre-IPO or Pakistani Rupees Five Million (PKR 5,000,000), whichever is lower, shall be borne by the Management Company and shall be reimbursable by the Fund, subject to the audit of such expenses, and will be amortised over a period of not less than five (5) years or the Life of the Fund, whichever is lesser, or any other time period as may be specified by the Commission.

8.6 All other Fees & Charges

8.6.1 The following charges in relation to the Fund shall also be payable out of the Fund Property:

- a) remuneration of the Management Company;
- b) remuneration of the Trustee and any Custodian;
- c) listing fee payable to the Stock Exchange, including renewals;
- d) charges and levies of any Stock Exchange, clearing company and central depository company;
- e) rating fee of the Fund payable to approved rating agency;
- f) the Auditor's fees and out of pocket expenses as billed by them;
- g) brokerage and transaction costs related to investing and disinvesting of the assets of the Fund;

- h) expenses incurred by the Trustee in affecting registration of all registerable assets in the name of the Trustee;
- i) legal and related costs incurred in protecting the interests of the Unit Holders;
- j) bank charges, borrowing and financial costs;
- k) printing costs and related expenses for issuing the quarterly, half-yearly, annual reports;
- l) taxes, fees, duties and other charges applicable to the Fund on its income or in respect of its properties, including taxes, fees, duties and other charges levied by a foreign jurisdiction on investments made overseas;
- m) Annual Fee payable to the Commission; and
- n) Any other expense or charge as may be allowed by the Commission.

8.6.2 Any cost associated with sales, marketing and advertisement of the Fund shall not be charged to the Fund.

9 TAXATION

9.1 Taxation on income of the Fund and on Unit Holders

The following is a brief description of the income tax law (Income Tax Ordinance, 2001) currently in force and applicable in respect of the Fund.

9.1.1 Liability for Income Tax

Under the income tax law in Pakistan, the Fund is regarded as a public company for tax purposes. The income of the Fund is taxable, if the conditions stated in 9.1.2 are not met, at the tax rate applicable to a public company, which is presently as under:

- (a) Dividend income is taxable at the rate of ten per cent (10%) for public companies on gross income basis.
- (b) Capital gains arising on sale of securities, listed on any stock exchange in Pakistan at applicable tax rates in accordance with the Income Tax Ordinance, 2001;
- (c) Return from all other sources/instruments are taxable at the rate of thirty five per cent (35%), applicable to a public company.

9.1.2 Liability for Income Tax, if ninety per cent (90%) of the Fund's income is paid as dividend

Notwithstanding the tax rates and withholding tax stated under sub-Clause 9.1.1, the income of the Fund will be exempt from tax as per clause 99 of part I of the Second Schedule of the Income Tax Ordinance 2001, if not less than ninety per cent (90%) of the accounting income for the year as reduced by capital gains whether realized or unrealized is distributed amongst the Unit Holders as dividend (cash, stock or both).

9.1.3 Withholding Tax

Under the provisions of Clause 47(B) of Part 4 of the Second Schedule to the Income Tax Ordinance, 2001, the Fund's income namely, dividend, profit on government securities, return on deposits/certificates of investment with banks/financial institutions, profits from money market transactions, profit from Profit or Loss sharing accounts with Banks of the Fund will not be subject to any withholding tax.

9.1.4 Taxation of Unit Holders and Liability to Zakat

(a) Withholding Tax:

Unless exempted from such taxation or at a reduced rate under any law or Avoidance of Double Taxation Agreement, cash dividend paid to Unit holders of the Fund will be subject to withholding tax at ten per cent (10%) according to the present rates, which may change in future.

In terms of the provisions of the Income Tax Ordinance, 2001, currently the withholding tax shall be deemed to be full and final liability in respect of such distribution.

(b) Capital Gains:

Capital Gains arising on disposition of Units of the Fund before the period of one year will be subject to withholding Capital Gains Tax at the applicable rates given in the Income Tax Ordinance, 2001. Currently, as per section 37 (A) of the Income Tax Ordinance, 2001, Capital gains shall be treated as a separate block of income and losses under this head can be adjusted by the unit holder from the capital gains in the same tax year. Any unadjusted loss under this head is not allowed to be carried forward to the subsequent tax years.

(c) Tax Credit:

Subject to obtaining the listing on any stock exchange in Pakistan, a Person other than a Company as defined in the Income Tax Ordinance, 2001, shall be entitled to a tax credit under section 62 (1) and (2) of the Income Tax Ordinance 2001 on purchase of new Units. The amount on which tax credit will be allowed shall be the lower of (a) amount invested, (b) fifteen per cent (15%) of the taxable income of the Unit Holder, and (c) Pakistani Rupees five Hundred Thousand (PKR 500,000), 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 thirty six (36) months, the amount of tax payable for the tax year in which the units are disposed shall be increased by the amount of the credit allowed.

(d) Zakat:

Units held by resident Pakistani Unit Holders shall be subject to Zakat at two and a half per cent (2.5%) of the Par Value or Redemption Price of Units, whichever is lower at the time of determining Zakat under Zakat and Ushr Ordinance, 1980, (XVII of 1980), except those exempted under the said Ordinance. Zakat will be deducted at source from the dividend amount or from the redemption payment, if Units are redeemed during the Zakat year before payment of dividend.

9.1.5 Disclaimer:

The tax and Zakat information given above is based on the Management Company's interpretation of the law, which to the best of the Management Company's understanding is correct and is included for general purposes only. In view of the individual nature of tax consequences, investors are expected to seek independent advice so as to determine the specific taxability arising from their investment in the units of the Fund. Furthermore, tax and Zakat laws, including rates of taxation and withholding tax are subject to amendments from time to time. Any such amendments in future shall be deemed to have been incorporated herein.

All information contained in Clause 9 is based on current taxation status. The exemptions and rates of taxation are subject to change from time to time, as may be announced by the Government of Pakistan.

10 REPORTS AND ACCOUNTS

10.1 Accounting Period

The Accounting Period shall commence from the date on which the Fund Property is first paid or transferred to the Trustee i.e.; commencement of the Life of the Fund for the first period and from July 1 and ending on and including 30th June in the following years. Provided however, the Management Company may, with the prior approval of the Commission and intimation to the Trustee, change such date to any other date.

10.2 Accounting Date

Accounting Date is 30th June in each year and any interim dates at which the financial statements of the Fund are drawn up. Provided, however, that the Management Company may, with the consent of the Trustee and after obtaining approval of the Commission and the Commissioner of Income Tax, change such date to any other date.

10.3 Financial Reporting

10.3.1 The following reports, together with any other information required by the Regulations, shall be sent to the Unit Holders physically (or through electronic means or on the web, subject to the SECP's approval):

- (a) audited annual financial statements, together with the Auditors' report, the report by the Directors of the Management Company and the report by the Trustee, within four (4) months of the close of each Accounting Period;
- (b) un-audited half yearly financial statements (subject to limited scope review by Auditors), together with the report by the Directors of the Management Company and the report by the Trustee, within two (2) months of the close of the second quarter of the Accounting Period, as per the Regulations;
- (c) un-audited quarterly financial statements, together with the report by the Directors of the Management Company within one month of the close of the first and third quarter of each Accounting Period or such period as prescribed by the SECP or the Regulations;

10.3.2 The Trustee shall issue a report to the Unit Holders to be included in the annual report and the second quarter, or at such times as directed by the SECP in accordance with the law, whether in its opinion the Management Company has in all material respects managed the Fund Property in accordance with the provisions of the Regulations 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. The regularity of reporting will change if so required by the SECP or under the Regulations and the Ordinance.

10.3.3 The Management Company may transmit the quarterly accounts to the Unit Holders by placing them on its website subject to conditions prescribed by the SECP. However, the Management Company shall make available the printed copy of the quarterly accounts to any Unit Holder, free of cost, within seven (7) days of receiving such requests.

11 SPECIAL CONSIDERATIONS

- 11.1 The Management Company has not authorised any person to give information or make any representations, either oral or written, not stated in this Offering Document in connection with the issue of units of the Fund. Prospective investors are advised not to rely upon any information or representation not incorporated in this Offering Document as the same has not been authorised by the Management Company. Any investment made by any person on the basis of statements or representations which are not contained in this Offering Document or which are inconsistent with the information contained herein shall be solely at the risk of the investor.
- 11.2 The Management Company is committed to complying with all applicable anti-money laundering law and regulation in all of its operations. The Management Company recognises the value and importance of creating a business environment that strongly discourages money launderers from using the Management Company.
- 11.3 The Management Company may seek information or obtain and retain documentation used to establish identity. It may re-verify identity and obtain any missing or additional information for this purpose.
- 11.4 The Management Company shall have absolute discretion to reject any application or prevent further transaction by an investor, if after due diligence, the person making the payment on behalf of the investor does not fulfill the requirements of the "Know Your Customer" policy or the Management Company believes that the transaction is suspicious in nature as regards money laundering. In this behalf the Management Company reserves the right to reject any application and affect a mandatory redemption of Units allotted at any time prior to the expiry of thirty (30) Business Days from the date of the application. If the contribution is made by a third party (e.g. a Power of Attorney Investor, a relative etc.) then the Investor may be required to give such details of such transaction so as to satisfy the Management Company of the source and/or consideration underlying the transaction.

12 SERVICES TO UNIT HOLDERS

12.1 Availability of Forms, Trust Deed and Offering Document

All the forms mentioned and/or included in this Offering Document along with the Trust Deed and Offering Document shall be available at all the Authorised Branches of all Distribution Companies and the Management Company and from the Management Company's website <http://www.ublfunds.com>

12.2 Accounts with the Transfer Agent

Once a Unit Holder has purchased a Unit from an Authorised Branch of the Distributor, all his records/forms shall be kept and maintained with the Transfer Agent.

12.3 Register of Unit Holders

- 12.3.1 The Register shall be maintained by the Management Company or, if appointed, by the Transfer Agent at such place as is agreed by the Management Company. The Management Company shall ensure that the Transfer Agent shall comply with all relevant provisions of the Trust Deed and the Regulations
- 12.3.2 Every Unit Holder shall have a separate Customer Identification Number (Customer ID). The Management Company shall use such Customer ID for recording Units held by the Unit Holder. Unit Holder's account identified by the Customer ID will reflect all the transactions in that account held by such unit holder. However, certain plans may allocate a separate series of account numbers which may not be linked to the other account number of the Unit Holder. The Holder shall be entitled to inspect his record in the Register and request copies thereof on any Business Day from 10.00 a.m. to 1.00 p.m., except during the days when the Register is closed in accordance with the provisions of the Trust Deed, with prior arrangement with the Management Company or the Transfer Agent.
- 12.3.3 The Register shall be conclusive evidence as to the Units held by each Holder. The Management Company shall ensure that the Transfer Agent (if an independent entity) shall at all reasonable times on all Business Days during business hours give the Trustee and its representatives reasonable access to the Register and to all subsidiary documents and records or certified copies thereof and to inspect the same with or without notice and without charge but neither the Trustee nor its representatives shall be entitled to remove the Register or to make any entries therein or alterations thereto. Except when the Register is closed in accordance with the provisions of the Trust Deed, the Register shall during all Business Days (subject to such restrictions as are being imposed in this Offering Document and for a period or at least two (2) hours on each Business Day) be open in legible form to the inspection of any Holder without charge.
- 12.3.4 Any change of name or address of any Unit Holder as entered in the Register shall forthwith be notified in writing by the relevant Unit Holder to the Distribution Company or the Transfer Agent. The Distribution Company shall forward such application to 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 Unit Holder, and the payment of the applicable Duties and Charges) 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 Unit Holder.
- 12.3.5 The Unit Holder of any Units shall be the only person to be recognised by the Trustee and the Management Company as having any right, title or interest in or to such Units and the Trustee and the Management Company may recognise the Unit Holder as the absolute owner thereof and shall not be bound by any notice to the contrary or to take notice of or to see to the execution of any trust, except where required by any court of competent jurisdiction; provided that the Management Company may authorise the Transfer Agent to record a pledge on any or all Units held by a Unit Holder in favour of a third party at the request of such Unit Holder or joint Unit Holders, as the case may be, in accordance with Clause 35 of the Trust Deed.
- 12.3.6 The executors or administrators or succession certificate holders of a deceased Unit Holder shall be the only persons recognised by the Trustee and the Management Company as having title to the Units represented thereby.
- 12.3.7 Any person becoming entitled to a Unit in consequence of the death or bankruptcy of any sole Unit Holder or of the last survivor among the joint Unit Holders may, subject as hereinafter provided, upon producing such evidence as to his title as the Trustee shall think sufficient, either be registered himself as Unit Holder of such Unit upon

giving the Management Company, the Distribution Company or the Transfer Agent such notice in writing of his desire or transfer such Unit to some other person. All the limitations, restrictions and provisions of the Trust Deed relating to transfer shall be applicable to any such notice or transfer as if the death or bankruptcy had not occurred and such notice or transfer was a transfer executed by the Unit Holder.

12.3.8 The Trustee shall retain any money payable in respect of any Unit of which any person is under the provisions as to the transmission of Units hereinbefore contained, entitled to be registered as the Unit Holder or which any person under those provisions is entitled to transfer, until such person shall be registered as the Unit Holder of such Unit or shall duly transfer the same.

12.4 Information in the Register

The Register will contain the following information:

About Unit Holders

- (a) For individuals:
 - Full name,
 - Customer ID
 - Father's/husband's name
 - Addresses of Unit Holder
 - CNIC and/or Passport Number (if applicable)

- (b) For institutions:
 - Full name
 - Customer ID
 - Address
 - National Tax Number (if applicable)

About Units

- (a) the number and type of the Units held and the distinctive numbers of Certificate(s), if any;
- (b) the date and Certificate numbers, if any, of Units acquired through transfer;
- (c) information about Certificates reported as lost or destroyed;
- (d) the date on which the name of every Unit Holder was entered in respect of the Units standing in his/her name;
- (e) the date on which any Transfer or Redemption is registered;
- (f) information about lien, pledge or charge on Units;
- (g) tax and Zakat status of the Unit Holder;
- (h) record of the signature of the Unit Holder;
- (i) nominees of the Unit Holder; and
- (j) such other information as the Management Company may require.

12.5 Closure of Register

The Register may be closed with intimation to the Trustee for such period as the Management Company may from time to time determine and after giving at least fourteen days' prior notice to the Unit Holders, provided that it is not closed for more than six (6) working days at a time and forty-five (45) days in any calendar year. During the period the register is closed, transfer applications shall not be received.

12.6 Account Statement

The Management Company shall send directly to each Unit Holder a non-transferable account statement either electronically or otherwise, each time there is a transaction in a registration number, i.e.

- (a) any Unit is issued/subscribed;
- (b) any Unit is redeemed;
- (c) any Unit is transferred in favour of a third person;
- (d) any Unit is pledged;
- (e) any Unit is transferred from a third person in favour of the Unit Holder;
- (f) any Unit is consolidated/split;
- (g) additional Units are issued against re-investment of dividend or Bonus Units are issued;
- (h) any Unit is converted ;
- (i) the date of maturity of any Unit is determined or reached;
- (j) any such information which is required under the Rules or Regulations or determined by the Management Company to be noted in the Account Statement.

An account statement shall be posted within fifteen (15) Business Days after any transaction. However, in case you have subscribed for an administrative plan the frequency of statements shall be in accordance with the respective Supplementary Offering Documents.

12.7 Certificates

12.7.1 Upon being satisfied, that the proceeds for each Unit or fraction thereof has been received in full from the applicant, the Management Company shall intimate the Registrar/Transfer Agent who shall issue an account statement that will constitute evidence of the number of Units registered in the name of the Holder.

12.7.2 Certificates shall be issued only if so requested by the Holder after issuance of electronic Units or at any later stage and upon payment of a fee not exceeding Twenty Five Rupees (PKR 25) per Certificate of any denomination, subject to revision of fee from time to time by the Management Company. The proceeds of such fee shall accrue to the Management Company.

12.7.3 Certificates shall be issued for whole or fractional Units that have been fully paid for, in such denomination as may be required by the Unit Holders thereof; provided the minimum denomination shall not be for less than one Unit.

- 12.7.4 Certificates where requested shall be issued as herein provided not later than fifteen (15) Business Days after the date of such request. The Certificate may be sent to the Unit Holder or his duly authorized nominee at his own risk by registered post or by delivery.
- 12.7.5 In case of Units held jointly the Transfer Agent shall not issue more than one Certificate for the Units held by such joint Holders and delivery of such Certificate to the Unit Holder, subject to Clause 6.4.4(c) named first therein shall constitute sufficient delivery to all joint Holders.
- 12.7.6 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 registration number/Customer Identification Number of the Unit Holder, the name and address of the Management Company and the Trustee, and a certificate number and shall specify the number of Units represented thereby and the name and address of the Unit Holder as appearing in the Register.
- 12.7.7 Certificates may be engraved or lithographed or printed as the Management Company may determine from time to time with the approval of the Trustee and shall be signed on behalf of the Trustee by a duly authorized officer of the Trustee and on behalf of the Management Company by a duly authorized officer of the Management Company. Every such signature shall be autographic unless there shall be for the time being in force an arrangement authorized by the Trustee adopting some lithographic or other mechanical method of signature in which event all or any of such signatures may be effected by the method so adopted. The Certificates shall also bear the signature of the authorized representative of the Transfer Agent, which shall always be autographic. No Certificate shall be of any force or effect until signed as herein notwithstanding that before the date of delivery thereof the Trustee or the Management Company or the Transfer Agent or any person whose signature appears thereon as a duly authorized signatory may have ceased to be the Trustee, Management Company, Transfer Agent or an authorized signatory.

12.8 REPLACEMENT OF CERTIFICATES

- 12.8.1 Subject to the provisions of the Trust Deed and in particular to the limitations of the denominations of Certificates as may be fixed by the Management Company and subject to any regulations from time to time made by the Trustee with the approval of the Management Company every Unit Holder shall be entitled to exchange upon surrender of the existing Certificate any or all of his Certificates for one or more Certificates of such denominations as the Unit Holder may require representing the same aggregate number of Units.
- 12.8.2 In case any Certificate shall be lost, stolen, mutilated, defaced or destroyed, the Transfer Agent with the approval of the Management Company may issue to the person entitled new Certificate in lieu thereof. No such new Certificate shall be issued unless the applicant shall previously have:
- (I) returned the mutilated or defaced Certificate or furnished the Distribution Company/ Transfer Agent evidence satisfactory to the Management Company of the loss, theft or destruction of the original Certificate;
 - (II) paid all expenses incurred in connection with the investigation of the facts and any notice to be issued in newspapers inviting any claim (if any) against the lost Certificate to be notified to the Management Company, Trustee or Transfer Agent; and

- (III) furnished such indemnity as the Management Company and the Trustee may require. Neither the Management Company nor the Trustee nor the Distribution Company/ Transfer Agent shall incur any liability for any action that they may take in good faith under the provisions of this Clause.

12.8.3 Before the issuing of any Certificate under the provisions of this Clause 12, the Distribution Company or the Transfer Agent may require a fee of Rupees Twenty Five (PKR 25) as certificate fee from the applicant, subject to revisions of fee from time to time by the Management Company, together with a sum sufficient in the opinion of the Management Company to cover any Duties and Charges payable in connection with the issue of such Certificate.

13 GENERAL INFORMATION

13.1 Inspection of Constitutive Documents

The copies of Constitutive Documents, that is Trust deed and Offering Documents, can be inspected free of charges at the registered office of the fund or the registered office and place of business of the Trustee or at any of the Authorized Branches of the Distribution Company(ies).

UBL Fund Managers Limited

- **Corporate Office:**
8th Floor, Executive Tower, Dolmen City
Block 4, Clifton
Karachi
Pakistan
- **Operations Office:**
4th Floor STSM Building,
Beaumont Road, Civil Lines
Karachi, Pakistan

13.2 Date of Publication of Offering Document

The Offering Document has been published on November 25, 2011 The Management Company accepts responsibility for the information contained in the Offering Document as being accurate.

14 REVOCATION AND LIQUIDATION OF TRUST

- 14.1** The Fund may be extinguished by the occurrence of any of the following events,-
- (a) The Fund has reached its maturity date as specified in the Trust Deed;
 - (b) Where the AMC is unable to remove the suspension of redemption of units of the fund within the fifteen (15) working days of suspension and the unit holders representing at least three fourth in value of total outstanding units of the concerned scheme pass a resolution or have given consent in writing that the scheme be revoked;
 - (c) Where the Asset Management Company goes into liquidation, becomes bankrupt or has a liquidator appointed over its assets, or its license has been cancelled or does not hold valid license ;
 - (d) In the opinion of the Asset Management Company the scheme is not commercially viable or the purpose of the scheme cannot be accomplished subject to the consent of trustee;
 - (e) On occurrence of any event or circumstances which, in the opinion of the trustee, requires the Scheme to be revoked; and
 - (f) where the Commission deems it necessary to revoke the fund so directs either trustee or Asset Management Company in the interest of unit holders;
- 14.2** Where a scheme is to be revoked the trustee shall immediately give notice to the Commission and in two newspapers having circulation all over Pakistan disclosing the circumstances leading to the revocation of the Scheme provided that this clause shall not be applicable to Clause 14.1 (a).
- 14.3** On the date of publication of the notice under Clause 14.2, the affairs of and all information relating to the Open End Scheme shall be transferred to the trustee till the completion of the final settlement of the affairs of the Open End Scheme.
- 14.4** From the date of publication of the notice under Clause 14.2, the issuance and redemption of unit shall be suspended and scheme shall cease to carry on its business except so far as may be required for the beneficial revocation thereof.
- 14.5** The trustee shall be authorized to dispose off the assets of the scheme in the best interest of the unit holders of that scheme and any sale, settlement or arrangement executed by the trustee in pursuance of revocation of open end scheme shall be binding on the Asset Management Company and unit holders of the scheme.
- 14.6** The trustee upon the commencement of revocation process shall also submit, in addition to specified statutory reports, quarterly reports to the Commission providing details of the various steps taken by it in the final settlement of the affairs of the trust.
- 14.7** The proceeds from the sale of the asset of the scheme shall be first utilized towards discharge of such liabilities as are due and payable under the scheme and after making appropriate provision for meeting the expenses connected with such revocation the balance shall be paid to the unit holders in proportion to their respective interest in the assets of the scheme on the date when the decision for revocation was taken.
- 14.8** On the completion of the revocation process the trustee shall forward to the Commission and the unit holders a report on the revocation process containing particulars such as circumstances leading to the revocation, the steps taken for disposal of assets of the fund

before revocation, expenses of the fund for revocation, net assets available for distribution to the unit holders and a certificate from the auditors of the fund.

- 14.9** After the receipt of winding up report by trustee, if the Commission is satisfied that all measures for revocation of the scheme have been complied with, the Commission shall cancel the registration of the fund and the scheme shall cease to exist.
- 14.10** The minimum size of an Open End Scheme shall be one hundred million rupees at all times during the life of the scheme and all existing Open End Schemes shall ensure compliance with this minimum scheme size limit by the first day of July, 2012

Explanation:- The minimum fund size means the Net Assets of the Open End Scheme

- 14.11** Subject to Clause 14.10, after the initial public offering or subsequently at any time if the size of any Open End Schemes falls below that minimum size specified in Clause 14.10, the asset management company shall ensure compliance with the minimum fund size within three (3) months of its breach and if the fund size remains below the minimum fund size limit for consecutive ninety (90) days, the Asset Management Company shall immediately intimate the grounds to the Commission upon which it believes that the Open End Scheme is still commercially viable and its objective can still be achieved.
- 14.12** Where the Asset Management Company intimates grounds to the Commission for commercial viability of the Open End Scheme, it shall also submit the following documents to the Commission,-
- (a) the unit holders resolution passed by at least three fourths in value of total outstanding units supporting the Asset Management Company's views; and
 - (b) a time bound action plan to increase the fund size to the minimum requisite fund size for consideration of the Commission.
- 14.13** Where the Commission is not satisfied with the submission of Asset Management Company under Clause 14.11 and Clause 14.12 it may direct the Asset Management Company or the trustee to revoke the Open End Scheme.

15 REVOCATION AND LIQUIDATION OF TRUST AT END OF THE DURATION OF FUND

- 15.1** The Fund shall stand automatically dissolved after the end of the duration of fund. Upon the Fund being dissolved, the Management Company shall suspend issue and redemption of Units forthwith and proceed to liquidate/ sell all Investments as part of the Fund Property and shall repay all borrowing effected by the Trust together with any markup remaining unpaid.
- 15.2** All Units in all forms (certificate and/ or electronic) shall stand automatically redeemed within ninety (90) Business Days of the end of the duration of fund at the redemption price which shall be determined by the Management Company after completion of the realization of all Investments.
- 15.3** The redemption price so determined by the Management Company shall not fall below the Initial Investment Value subject to Clause 20.20, Clause 20.41, Clause 3.10, Clause 4.2 and Clause 4.3 respectively.

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

15.5 The Management Company may open a separate account, as specified in Clause 5.13.2, for temporary parking of redemption funds in order to facilitate the payments of redemption proceeds.

16 DISTRIBUTION ON REVOCATION OF TRUST

16.1 Upon the Fund being revoked, the Management Company shall suspend the Sale and Redemption of Units forthwith and proceed to sell all investments and other Fund Property then remaining in the hands of the Trustee and shall repay any borrowing effected by the Fund together with any mark-up remaining unpaid. In case of any shortfall, the Trustee shall not be liable for the same.

16.2 The Trustee on the recommendation of the Management Company shall from time to time distribute to the Unit Holders pro rata to the number of Units held by them respectively all net cash proceeds derived from the realization of the Fund Property after making payment as mentioned in Clause 16.1 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.

17 WARNINGS

17.1 Offering Document

The provisions of the Trust Deed, the Rules and Regulations govern this Offering Document. This Offering Document sets out the arrangements covering the basis of the Fund 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.

17.2 Fluctuation in Price and Income

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

17.3 Disclaimer

- (a)** Investment in this Fund is suitable for investors who have the ability to take the risks associated with financial and other market investments whether listed or otherwise. Capital invested in extreme circumstances may lose its entire value. However, diversification of the investment into a number of highly liquid money market instruments tends to reduce the risk substantially. The historical performance of this Fund, financial and other markets or instruments or investments whether listed or otherwise included in the Fund portfolio does not necessarily indicate future performance.
- (b)** Investors are advised to read risk disclosure and disclaimer as mentioned in this document in Clause 4.11 & Clause 4.12 above for more information concerning risk.
- (c)** The Units of the Fund are not bank deposits and are neither issued by, insured by, obligation of, nor otherwise supported by the SECP, any Government agency, the Trustee (except to the extent specifically stated in this document and the Trust Deed) or any of the shareholders of the Management Company or any other bank or financial institution.
- (d)** If you are in doubt about the contents of this Offering Document, you should consult your stock-broker, bank manager, legal adviser or other financial adviser.

18 ARBITRATION

.In the event of any disputes arising out of the Trust Deed or 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 Parties hereto, as well as those relating to the interpretation of the terms and the conditions of the Trust Deed, Offering Document and/ or the Supplementary Trust Deed, Supplementary Offering Documents, 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 the 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 umpires 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 business men or senior executives. The venue of the arbitration shall be Karachi. The arbitration shall be conducted in accordance with the Arbitration Act, 1940.

19 STATEMENT OF RESPONSIBILITY BY THE MANAGEMENT COMPANY

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

20 DEFINITIONS AND INTERPRETATIONS

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

20.1 “Accounting Date” means the thirtieth day of June in each year or such other date that may be determined by the Management Company with the written consent of the Trustee and after obtaining prior approval of the Commission and Commissioner of Income Tax.

20.2 “Accounting Period” means, a period ending on and including an Accounting Date and commencing, in case of the first such period, from the date on which the Fund Property is first paid or transferred to the Trustee and, in any other case, from the day after the preceding Accounting Period.

20.3 “Account Statement” means statement of transactions in Units in the account of a Unit Holder.

20.4 “Annexure” means an annexure to this Offering Document.

20.5 “Annual Fee” means any fee payable to the Commission under the Regulation.

20.6 “Auditor” means a firm of Chartered Accountants that is appointed by the Management Company with the consent of Trustee, as the auditor of the Fund.

20.7 “Authorized Branch” means any branch of a Distributor/Distribution Company which has been from time to time authorized by the Management Company under intimation to the Trustee to perform the Distribution Function and whose address has been given in the Offering Document and/or on the website of the Management Company.

20.8 “Authorized Investments” means investments transacted, issued, traded or listed inside or outside Pakistan and includes any of the following:

20.8.1 for the Capital Protection Segment:

- a. Cash and/or Near Cash Instruments which include cash in bank accounts (excluding TDRs), and treasury bills not exceeding 90 days maturity;
- b. Money Market Scheme(s) offered by the Management Company
- c. Money Market Scheme(s) offered by other Asset Management Companies.

20.8.2 for the Investment Segment:

The Investment Segment of the Fund is further divided into:

(i) Equity Component

- a. Equity and Asset Allocation Scheme(s) (including any other equity based schemes such as Index Funds) offered by the Management Company
- b. Equity and Asset Allocation Scheme(s) (including any other equity based schemes such as Index Funds) offered by other Asset Management Companies.

- (ii) **Debt/ Income Component**
- a. Money Market Scheme(s) offered by the Management Company
 - b. Money Market Scheme(s) offered by other Asset Management Companies.
 - c. Cash and/or Near Cash Instruments which include cash in bank accounts (excluding TDRs), and treasury bills not exceeding ninety (90) days maturity;
- 20.8.3 Any other authorized investment which may be permitted or authorized by the Commission under SECP Rules, Regulations or any other directive from time to time
- 20.8.4 All the authorized investments are subject to rating and exposure limits as defined in the Regulations, the Trust Deed, the criteria for Categorization of Open-end Collective Investment Scheme (subject to any written exemptions that may be specifically given to the Fund and/or to the Management Company by the Commission), or any other directives that may be introduced from time to time.
- 20.9 “Back-end Load”** means the charge (excluding Duties and Charge) not exceeding five percent of the Net Asset Value, if any, applicable on certain classes and/or type of units in accordance with the Offering Document ,and deducted from the Net Asset Value in determining the Redemption Price. Any Back-end Load charged shall become part of the Fund Property;
- 20.10 “Bank”** means a banking company licensed under the Banking Companies Ordinance, 1962 or any other law for the time being in force, or, if operating outside Pakistan, under the banking laws of the jurisdiction of its operation outside Pakistan.
- 20.11 “Bank Accounts”** means those accounts with Banks in the name of the Trustee of the Fund, the beneficial ownership of which rests with the Unit Holders.
- 20.12 “Base Currency”** means the currency used transacting and the pricing of Units and presenting the financial statements of the Fund, which shall be the Pakistani Rupees (PKR).
- 20.13 “Bond Event”** means a trigger point, whereby Fund’s Net Assets is about to hit or actually hits the Bond Floor, which if reached will cause the Fund’s Net Assets to be invested hundred percent (100%) in the Capital Protection Segment till the remaining Life of the Fund. From thereon, there shall be no further exposure in the Investment Segment of the Fund.
- 20.14 “Bond Floor”** means the present value of the Initial Fund Size (adjusted for redemptions, if any, during the Life of the Fund and inclusive of any Front-end Load). It can be defined as the minimum value the Fund should have on a given day, to be able to provide Capital Protection of the Initial Investment Value, if investments are held till completion of the duration of Fund. The Bond Floor value shall be calculated using yield of any authorized investment(s) from the Capital Protection Segment of Fund, that potentially yields a return higher than or at least equal to the yield required to provide Capital Protection to the Unit Holders, subject to Clause 4.2 and Clause 4.3 at completion of the duration of Fund.
- 20.15 “Bond Yield”** means the yield used by the Management Company, to calculate the Bond Floor.
- 20.16 “Bonus Units”** means the Units issued instead of cash dividend, on distribution of the distributable income.

- 20.17 “Business Day”** means any day of the week but does not include any day which is a gazetted Government of Pakistan holiday or on which the Stock Exchange(s) are closed for business.
- 20.18 “Capital Protected Units”** means “Class A” units and Class “B” units as defined in terms of the Trust Deed and the Offering Document.
- 20.19 “Capital Protection”** means that the investment strategy of the Fund is such that the Net Realizable Value of investment should not fall below the Initial Investment Value, subject to Clause 3.10, Clause 4.2 and Clause 4.3 if the Units are held till completion of the duration of Fund. The Management Company envisages the provision of Capital Protection through the use of the Constant Proportion Portfolio Insurance (CPPI) Methodology.
- 20.20 “Capital Protection Segment”** means the portion of investment generally made in Authorized Investments as mentioned in Clause 4.2 with an objective of protecting the initial investment value at completion of the duration of Fund.
- 20.21 “Certificate”** means the definitive certificate acknowledging the number of Units registered in the name of the Unit Holder issued at the request of the Unit Holder pursuant to the provisions of the Trust Deed.
- 20.22 “CIS”/“Collective Investment Scheme(s)”** means Open End Scheme(s) managed by the Management Company and/or by other Asset Management Companies (both local and international).
- 20.23 “Commission” or “SECP”** means the Securities and Exchange Commission of Pakistan (SECP).
- 20.24 “Companies Ordinance”** means the Companies Ordinance, 1984, as amended or substituted from time to time.
- 20.25 “Connected Person”** shall have the same meaning as given in the Rules and Regulations.
- 20.26 “Constitutive Document(s)”** means the Trust Deed which is the principal document governing the formation, management and operation of the Trust, the Offering Document and all other related material agreements.
- 20.27 “CPPI”** means Constant Proportion Portfolio Insurance.
- 20.28 “CPPI Methodology”** is an internationally recognized, dynamic asset allocation methodology with a highly versatile and flexible framework that allocates fund’s Net Assets between equity and debt instruments in a way that the exposure to equity is increased as Fund’s Net Assets increases and reduced as Fund’s Net Assets declines, while simultaneously aiming to provide capital protection at completion of the duration of Fund.
- 20.29 “Custodian”** means a company which comes within the meaning of “custodian” as defined in the Rules and which for the time being may be appointed by the Trustee, with the approval of the Management Company, to hold and protect the Fund Property or any part thereof as custodian on behalf of the Trustee. The Trustee may also itself provide custodial services for the Trust at competitive terms, as part of the normal line of its business.
- 20.30 “Cut-Off Time”** means the time specified in the Offering Document by the Management Company and communicated to the Trustee and the Unit Holders before

which unit transactions for issue, redemption, conversion, transfer, pledge/lien etc. on a Business Day will be allowed.

- 20.31 “Debt/Income Component”** means Net Assets allocated to the debt/income component of Investment Segment of the Fund.
- 20.32 “Distribution Account”** means the Bank Account which may be opened by the Management Company for distribution of income to the Unit-Holders and which may be a current, savings or deposit account maintained by the Trustee with a Scheduled Commercial Bank, with a minimum rating of AA- and above, in which the amount required for the distribution of income to the Unit-Holders 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 Fund Property for the benefit of the Unit-Holders.
- 20.33 “Distributor/ Distribution Company”** means a company, firm or Bank which is appointed by the Management Company for performing the Distribution Function, and shall also include the Management Company, if it performs the Distribution Function.
- 20.34 “Distribution Function”** means:
- (a) receiving applications for issue of Units together with the aggregate Offer Price for Units applied for by the applicants;
 - (b) interfacing with and providing services to the Unit Holders, including receiving redemption applications, transfer applications, conversion notices and applications for change of address or issue of duplicate Certificates, in accordance with the instructions given by the Management Company, the Trustee or the Transfer Agent, as appropriate;
 - (c) issuing receipts and acknowledgements in respect of (a) and (b) above; and
 - (d) accounting to the Management Company for all (i) moneys received from the applicants for issuance of Units; (ii) payments made to the Unit Holders on redemption of Units; and (iii) all expenses incurred in relation to the Distribution Function; and
 - (e) any other Distribution Function as specified in the Constitutive document(s) of the Fund and determined by the Management Company from time to time.
- 20.35 “Duration”** means the period starting from realization of all investment proceeds till the maturity of the Fund, as per the terms of the Offering Document. The Duration of the Fund shall start no later than (5) five business days from the close of Initial Offering Period.
- 20.36 “Duties and Charges”** means in relation to any particular transaction or dealing all stamp and other duties, taxes, Government charges, bank charges, transfer fees, registration fees and other duties and whether in connection with the constitution of the Fund Property or the increase or decrease of the Fund Property on the creation, issue, sale, transfer, redemption or purchase of Units or on the sale or purchase of Investments 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 Distributor/Distribution Company, any Front-end Load, any commission payable to the agents on sale or any commission, charges or costs which may have been taken into account in ascertaining the Net Asset Value.

- 20.37** “**Equity Component**” means Net Assets allocated to the equity component of Investment Segment of the Fund.
- 20.38** “**Exposure**” shall have the same meaning as provided in the Regulations.
- 20.39** “**Financial Institution**” shall have the same meaning as provided in the Companies Ordinance.
- 20.40** “**Financial Year**” means the period commencing from 1st July in any year, and ending on 30th June in the following year.
- 20.41** “**Force Majeure**” means any occurrence or circumstance or element which delays or prevents performance of any of the terms and conditions of the Trust Deed or any obligations of the Management Company or the Trustee and shall include but not be limited to any circumstance or element that cannot be reasonably controlled, predicted, avoided or overcome by any Party and which occurs after the execution of this Agreement and makes the performance of the Agreement in whole or in part impossible or impracticable or delays the performance, including but not limited to any situation where performance is impossible without unreasonable expenditure. Such circumstances include but are not limited to floods, fires, droughts, typhoons, earthquakes and other natural events and other unavoidable or unpredictable elements beyond reasonable control, such as war (declared or undeclared), insurrection, civil war, acts of terrorism, accidents, strikes, riots, turmoil, civil commotion, any act or omission of a governmental authority, failure of communication system, hacking of computer system and transmissions by unscrupulous persons, closure of stock exchanges, banks or financial institutions, freezing of economic activities and other macro-economic factors, etc.
- 20.42** “**Formation Cost**” means all expenses incurred in connection with the establishment and registration of the Fund, including execution and registration of the Constitutive Documents, issue, legal costs, printing, circulation and publication of the Offering Document, announcements describing the Fund and expenses incurred during the Initial Offering Period.
- 20.43** “**Front-end Load**” means the charge (not including Duties and Charges) not exceeding five (5) percent of the Net Asset Value, if any, applicable to certain classes and/or type of units in accordance with the Offering Document.
- 20.44** “**Fund**” or “**Scheme**” or “**Trust**” means the trust named “UBL Principal Protected Fund-I ” constituted under the Trust Deed and executed between the Trustee and the Management Company
- 20.45** “**Fund Property/Trust Property**” means the aggregate proceeds of the sale of all Units at Par Value/Offer Price after deducting therefrom or providing there out any applicable Front-end Load as specified in the Offering Document, Duties and Charges applicable to the purchase or redemption of Units and any other expenses chargeable to the Fund, and after adding thereto any charges for redemption of Units in the form of Back-end Load as specified in the Offering Document, and includes the Investments and all income, profit, securities, deposits, cash, bank balances, fees, commissions, receivables, claims, contracts, licenses, privileges and other benefits arising therefrom and all cash, bank balances and other movable or immovable assets and property 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 Holders pursuant to the Trust Deed and shall include the income, profit, interest etc. earned on the amount credited to the Distribution Account.

- 20.46** “**Gap Event**” means an event, whereby, Fund’s Net Assets falls below the Bond Floor.
- 20.47** “**Gap Risk**” means the probability of occurrence of a Gap Event
- 20.48** “**Gap Risk Coverage**” means the coverage, provided by the Management Company, on occurrence of a Gap Event, whereby, the Management Company shall contribute to the Fund, within a certain period as specified in the Offering Document, an amount by which the Net Assets of the Fund falls below the Bond Floor, subject to the maximum coverage agreed and provided, by the Management Company as specified in the Offering Document.
- 20.49** “**Initial Fund Size**” means the proceeds of Units issued to Class “A”, and Class “B” Units till the close of Initial Offering Period.
- 20.50** “**Initial Investment Value**” means the amount determined by multiplying price paid by the Unit Holder with the number of capital protected Units purchased and held by such Unit Holder till completion of the duration of Fund.
- 20.51** “**Initial Period**” or “**Initial Offering Period**” means a period determined by the Management Company not exceeding ninety (90) days during which Units shall be offered at the Offer Price, as provided in the Offering Document.
- 20.52** “**Investment(s)**” means any Authorized Investment(s) forming part of the Fund Property.
- 20.53** “**Investment Policy**” means the investment policy outlined in Clause 4.2 of this Offering Document.
- 20.54** “**Investment Segment**” means the portion of investment generally made in Authorized Investments as mentioned in Clause 20.8.2 with an objective of providing Unit Holders a higher return.
- 20.55** “**Life of the Fund**” shall be the duration of the Fund as specified in the Offering Document.
- 20.56** “**Management Company**” means UBL Fund Managers Limited (UBL Funds) or any other management company of the Fund appointed in accordance with Clause 5.6 of this Offering Document.
- 20.57** “**Multiplier**” is a measure of risk applied to the Fund’s Net Assets, to determine the amount of Net Assets to be allocated to the Equity Component. A higher Multiplier means greater allocation to Equity Component; whereas a lower Multiplier means greater allocation to the Debt/Income Component. The Multiplier value usually ranges from (1) one to (5) five. The Management Company may, at its discretion, change the Multiplier from time to time, based on the market conditions.
- 20.58** “**Net Assets**” or “**Fund Value**” means, in relation to the Fund, the excess of assets over liabilities of the Fund, such excess being computed in the manner specified under the Regulations.
- 20.59** “**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.
- 20.60** “**Net Realizable Value**” means the proceeds paid to the Unit Holder at completion of duration of the Fund.

- 20.61** “**Offer Price**” means the sum to be paid to the Trustee for issuance of one unit, such price to be determined pursuant to Clause 6.13.1 of this Offering Document.
- 20.62** “**Offering Document**” means the prospectus, advertisement or other document approved by the Commission, which contains the investment and distribution policy and all other information in respect of the Unit Trust, as required by the Regulations, and which is circulated to invite offers by the public to invest in the Unit Trust, and includes any Supplementary Offering Document(s).
- 20.63** “**Par Value**” means the face value of a Unit that shall be Pakistani Rupees One Hundred (PKR 100).
- 20.64** “**Pre-IPO**” means the period preceding the Initial Offering Period during which investments are made in the Scheme by the Pre-IPO Investors.
- 20.65** “**Pre-IPO Investor(s)**” mean(s) the investors, who make investments in the Scheme before the Initial Offering Period.
- 20.66** “**Pre-IPO Units**” means Units issued to the Pre-IPO Investors.
- 20.67** “**Proportion of Debt/Income Allocation**” means Net Assets’ allocation to the Debt/Income Component of the Fund, as determined and calculated by the CPPI methodology at Pre-defined Intervals
- 20.68** “**Proportion of Equity Allocation**” means Net Assets’ allocation to the Equity Component of the Fund, as determined and calculated by the CPPI methodology at Pre-defined intervals.
- 20.69** “**Pre-defined Intervals**” means reallocation frequency of Fund’s Net Assets between Equity and Debt/Income Component as determined by the CPPI methodology. The reallocation frequency of the Fund shall be disclosed in the Offering Document. However, the Management Company, may at its discretion, in the best interest of Unit-Holders, change Pre-defined Intervals/reallocation frequency from time to time.
- 20.70** “**Reallocation Frequency**” will be on a daily basis (i.e. on every Business Day). However, the Management Company, may at its discretion, in the best interest of Unit-Holders, change Pre-defined Intervals/reallocation frequency from time to time. There may be instances, when the Management Company may be unable to reallocate Fund’s Net Assets due to market conditions. In such a case, the reallocation may take place on the next business day or on a business day as deemed appropriate by the Management Company.
- 20.71** “**Redemption Price**” means the amount to be paid to the relevant Holder of a Unit upon redemption of that Unit, such amount to be determined pursuant to Clause 6.13.7 of this Offering Document.
- 20.72** “**Register**” means the Register of the Unit Holders kept and maintained pursuant to the Regulations and the Trust Deed.
- 20.73** “**Registrar**” or “**Transfer Agent**” means a company that the Management Company may appoint for performing the Registrar Functions, and may include the Management Company.
- 20.74** “**Registrar Functions**” means the functions with regard to:
- i. maintaining the Register;

- ii. processing requests for issue, redemption, conversion, transfer and transmission of Units and requests for recording of pledge or lien or for recording of changes in information with regard to Unit Holders;
 - iii. issuing Certificates, including Certificates in lieu of undistributed income, to Unit Holders;
 - iv. allocating Units to Unit Holders on re-investment of dividends in accordance with Clause 7.2;
 - v. cancelling old Certificates on redemption or replacement;
 - vi. maintaining records of lien, pledge or charge on Units, transfer or switching of Units and Zakat;
 - vii. keeping records of change of addresses and other particulars of the Unit Holders; and
 - viii. other related or incidental functions.
- 20.75** “**Regulations**” means the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and/or circulars, directives, and guidelines issued by the Commission,, as amended or substituted from time to time.
- 20.76** “**Rules**” means the Non-Banking Finance Companies (Establishment and Regulation) Rules 2003, as amended or substituted from time to time.
- 20.77** “**Sales Agent**”/”**Investment Facilitators**” means an individual, firm, company or other entity appointed by the Management Company to identify, solicit and assist investors in investing in the Fund as its agents.
- 20.78** “**SBP**” means the State Bank of Pakistan.
- 20.79** “**Stock Exchange**” means any stock exchange on which securities are generally traded and quoted and shall include stock exchanges registered and operating outside Pakistan.
- 20.80** “**Subscription Day**” means every Business Day on which any class of Unit is available for subscription; provided that the Management Company may, upon giving not less than (7) seven-day notice in at least one widely circulated newspapers, either in the English language or in the Urdu language, declare any particular Business Day not to be a Subscription Day. Such notice shall be deemed to be duly served on the Unit Holders.
- 20.81** “**Supplementary Offering Document**” means a document supplemental to the Offering Document issued by the Management Company with the approval of the Commission and the Trustee.
- 20.82** “**Supplementary Trust Deed**” means a supplemental deed executed between the Management Company, and the Trustee, with the approval of the Commission for making amendments made to the Trust Deed, pursuant to Clause 3.5 of the Offering Document.
- 20.83** “**Transaction Costs**” means the costs incurred or estimated by the Management Company to cover the costs related to the investing or disinvesting activity of the Fund’s portfolio and necessitated by creation or cancellation of Units. Transaction

Costs may be added to the NAV for determining the Offer Price of Units or be deducted from the NAV in determining the Redemption Price. Transaction Costs shall become part of Fund Property.

- 20.84** “**Trust Deed**” or “**Deed**” means the Trust Deed, as amended from time to time by any supplemental trust deed.
- 20.85** “**Unit**” means one undivided share in the Fund and, where the context so indicates, a fraction thereof.
- 20.86** “**Unit Holder**” or “**Holder**” means any 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.
- 20.87** “**Zakat**” has the same meaning as in Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

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

21 SIGNATORIES TO THE OFFERING DOCUMENT

Name	Position on the Board of the Management Company	Signature
Mr. Tariq Kirmani	Director/Chairman	-sd-
Mir Muhammad Ali, CFA	Director/Chief Executive Officer	sd-
Mr. Ali Sameer Farooqui	Director	sd-
Mr. Saeed Iqbal	Director	sd-
Mr. Shabbir Hussain Hashmi	Director	sd-
Mr. Rayomond H. Kotwal	Director	sd-
Mr. Muhammad Hanif Akhai	Director	sd-

Annexure “A”

Current Level of Front-end, Back-end Load and Management Fee

A maximum of 5% of NAV can be charged as Front End Load. Current level of Front End Load as decided by the Management Company is as follows:

Front-end Load (including Structuring Fee): 3% on sale of units

Back-end Load: 5% on redemption of units before the Maturity Date

Current Level of Management Fee: 1%* per annum

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

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

Annexure “B”

Distribution Details (Addresses of Management Company Investment Centers, Designated Branches of UBL and Other Distributors)

Annexure “C”

Copy of Forms