

Risk Disclaimer: All Investments in Exchange Traded Fund are subject to market risks. The NAV of Units may go down or up based on the market conditions. The investors are advised in their own interest to carefully read the contents of the Offering Document, in particular the Investment Policies mentioned in Clause 2, Risk Factors mentioned in clause 2.8, Taxation Policies mentioned in Clause 7 and Warnings in Clause 9 before making any investment decision.

Consolidated till 31-03-2020

OFFERING DOCUMENT OF

UBL Pakistan Enterprise Exchange Traded Fund (UBL PAK ETF)

**Risk Profile (Exchange Trade Fund): High¹
Risk of Principal Erosion: Principal at High Risk**

(An Open Ended Exchange Traded Fund)

Open for Subscription: 20-03-2020

MANAGED BY

UBL FUND MANAGERS LIMITED

¹ Amended as per 2nd consolidated SOD effective date 31-03-2020

OFFERING DOCUMENT OF

UBL Pakistan Enterprise Exchange Traded Fund

(An Open Ended Exchange Traded Fund)

MANAGED BY

UBL FUND MANAGERS LIMITED

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

Date of Publication of Offering Document 20-03-2020

The **UBL Pakistan Enterprise Exchange Traded Fund** (the Fund/the Scheme/the Trust/the Unit Trust/UBL PAK ETF) has been established through a Trust Deed (the Deed) dated 28-11-2019, under the Trust Act, 1882 entered into and between **UBL Fund Managers Limited**, the Management Company, **Central Depository Company of Pakistan Limited**, the Trustee.

REGULATORY APPROVAL AND CONSENT

Approval of the Securities and Exchange Commission of Pakistan

The Securities and Exchange Commission of Pakistan (SECP) has authorized the offer of Units of UBL Pakistan Enterprise Exchange Traded Fund and registered (UBL PAK ETF) as a notified entity under the Non-Banking Finance Companies and Notified Entities Regulations 2008 (“Regulations”) vide Letter No SCD/AMCW/UPETF/173/2019 dated 12-12-2019, SECP has approved this Offering Document, under the Regulations vide Letter No SCD/AMCW/UBLFML//UBL PEETF/220/2020 dated 13-02-2020.

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

Offering Document

This Offering Document sets out the arrangements covering the basic structure of the **UBL Pakistan Enterprise Exchange Traded Fund** (the “Fund”, the “Scheme”). It sets forth information about the Fund that a prospective investor should know before investing in any class of Units. The provisions of the Trust Deed, the Rules, the Regulations, circulars, directives etc. as specified hereafter govern this Offering Document.

Prospective investors in their own interest are advised to carefully read this Offering Document to understand the Investment Policy, Risk Factors, Warning and Disclaimer. If the prospective investor

has any doubt about the contents of this Offering Document, he/she/it should consult their investment advisers, legal advisers, bank managers, stockbrokers, or financial advisers to seek independent professional advice before investing.

Investors must recognize that the investments involve varying levels of risk. The portfolio of the Fund consists of investments, listed as well as unlisted that are subject to market fluctuations and such risks are inherent in all such investments. Neither the value of the Units in the Fund nor the dividend declared by the Fund is, or can be, assured. Investors are requested to read the Risk Disclosure and Warnings statement contained in Clause 2.10 and Clause 9 respectively in this Offering Document.

Filing of the Offering Document

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

License No. AMCW/13/UBLFML/AMS/06/2019 dated June 17, 2019 and AMCW/01/UBLFML/IAS/01/2019 dated July 5, 2019 granted by SECP to UBL Fund Managers to carry out Asset Management and Investment Advisory Services, respectively;

- (1) Trust Deed (the Deed) of the Fund;
- (2) SECP's Letter No SCD/AMCW/UPETF/173/2019 dated 12-12-2019 registering the Fund in terms of Regulation 44 of the NBFC and Notified Entities Regulations 2008;
- (3) Letters from EY Ford Rhodes. Auditors of the Fund , consenting to the issue of statements and reports;
- (4) SECP's letter No. SCD/AMCW/UBLFML//UBL PEETF/220/2020 dated 13-02-2020 approving this Offering Document.

1. CONSTITUTION OF THE SCHEME

1.1 Constitution

The Fund is an Open-End Fund and has been constituted by a Trust Deed entered into at Karachi on 28-11-2019 between:

UBL Fund Managers Limited, a Non-Banking Finance Company incorporated under the Companies Ordinance 1984 and licensed by SECP to undertake asset management services, with its principal place of business at 4th Floor, STSM Building, Beaumont Road, Civil Lines, Karachi, , Pakistan , as the Management Company; and

Central Depository Company of Pakistan Limited, a company incorporated under the Companies Ordinance, 1984 and registered with the Securities and Exchange Commission of Pakistan 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, Pakistan as the trustee.

1.2 Trust Deed (the “Deed”)

The Deed is subject to and governed by the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 and Non-Banking Finance Companies and Notified Entities Regulations, 2008, Securities Act 2015, Companies Act 2017 and all other applicable laws and regulations. The terms and conditions in the Deed and any supplemental deed(s) shall be binding on each Unit Holder. In the event of any conflict between the Offering Document and the Deed the latter shall supersede and prevail over the provisions contained in this Offering Document. In the event of any conflict between the Deed and the Rules or Regulations and Circulars issued by SECP, the latter shall supersede and prevail over the provisions contained in the Deed.

1.3 Modification of Trust Deed

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

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

1.4 Duration

The duration of the Fund is perpetual. However, SECP or the Management Company may wind it up or revoke, on the occurrence of certain events as specified in the Regulations or clause 10.4 of this document.

1.5 Trust property

It is hereby irrevocably and unconditionally declared that:

- a) The Trustee shall hold and stand possessed the Trust Property that may from time to time hereafter be vested in the Trustee upon trust as a single common fund for the benefit of the Unit Holder(s) ranking pari passu inter se, according to the number of Units held by each Unit Holder(s);
- b) The Trust Property shall comprise of the Portfolio Deposit and cash component received from all the Creation Units issued, as specified in this Document and the conditions stipulated in Trust Deed, the Regulations and the requirements prescribed by the Commission, as amended or substituted from time to time ("SECP Requirements");
- c) The Management Company shall offer Creation Units or multiples thereof to Authorized Participants in exchange of underlying Portfolio in term of provision contains in this Document. and
- d) The Management Company shall track the Index of Securities which comprises basket of Equity securities as specified in clause 2.1.2 of this Document.

1.6 Issuance, Buying and selling of ETF units

Units of the Fund may be acquired or redeemed directly from the Fund only in Creation Units lot size

or multiples thereof, as specified in the Creations and Redemptions section of this document. Only an Authorized Participant may engage in creation or redemption transactions directly with the Fund.

Once created, units of the Fund generally trade in the secondary market in multiplier of Marketable lot size which can be less than a Creation Unit lot size. Units of the Fund are listed on a Pakistan Stock Exchange for trading. Units can be bought and sold throughout the trading day like shares of other publicly-traded companies. The Trust does not impose any minimum investment for units of the Fund purchased on an exchange in the secondary market **however PSX may impose certain restrictions on LOT size of ETF to be traded at the Exchange**

Buying or selling Fund shares on an exchange in secondary market generally involves two types of costs that may apply to all securities transactions. When buying or selling units of the Fund through a broker, you may incur a brokerage commission and other charges..

In addition, you may incur the cost of the “spread,” that is, any difference between the bid price and the ask price. The spread varies over time for shares of the Fund based on the Fund’s trading volume and market liquidity, and is generally lower if the Fund has high trading volume and market liquidity, and higher if the Fund has little trading volume and market liquidity. The Fund’s spread may also be impacted by the liquidity of the underlying securities held by the Fund, in instances of significant volatility of the underlying securities.

The Pakistan Stock Exchange, on which the Fund’s shares are listed is open for trading Monday through Friday and is closed on weekends and the holidays as specified and announced by the PSX.

Difference between ETF and open end fund;

An ETF is one way to invest in the stock or bond market without buying individual stocks or bonds. An exchange-traded fund is much like a regular mutual fund in that when you buy a share of an exchange-traded fund each share represents a tiny slice of all of the funds' underlying investments, allowing you to diversify across a pre-determined set of stocks or bonds by owning one single fund.

Most exchange-traded funds function like an index fund. For example, let's say you buy an KMI-30 Index exchange-traded fund; that fund will own all 30 stocks listed in the KMI-30 index. It will not trade in and out of those stocks (except for rebalancing caused by any changes in KMI-30 Index or corporate actions in the ETF underlying constituents) - it simply owns the stocks listed in the index. By buying a share of the fund your money is instantly diversified across all of the underlying stocks.

Exchange traded funds differ from regular mutual funds in the way they are priced and in the way they trade, which means you can apply certain trading strategies with an exchange-traded fund which you cannot do with a regular mutual fund.

Pricing of an Exchange Traded Fund; A regular mutual fund sets its price once each day after the market has closed. The actual price you trade at is unknown because orders are placed during or before a market close and then “filled” at the closest new market value. The closing value will be repriced based on the number of shares bought and sold and the net asset value of the total fund.

An exchange-traded fund prices just like a stock with fluctuations to the penny throughout the trading period. Since exchange trade funds price throughout the day, you can purchase or sell them mid-day, buy on a dip in the market, or sell on a rally. Because the stock market prices are influenced by current news and worldwide opinions, the prices are prone to sudden and frequent impulse changes.

Because the calculating of share value is automated, it is fascinating to watch the changing prices. One advantage ETF's have over regular mutual funds is typically a lower operating expense fee which means you are paying less to own the fund.

Trading of an Exchange Traded Fund; When you buy or sell shares of a regular mutual fund you buy or sell them directly to and from the investment company that issues them, so you cannot trade them mid-day, nor can you use trading strategies like limit orders. You will buy shares of mutual funds in Rupees, which means you may end up with an odd number of shares, including fractions. When you sell a mutual fund, it will be in shares, not Rupees.

An exchange-traded fund, however, trades like a stock, pricing throughout the day however there may be situations where the ETF may not have liquidity as the management company does not monitor or provide liquidity in the secondary market

Parties to an ETF

Subject to the NBFC Regulation, Rule book of PSX and agreements created under this arrangement, following parties are directly associated with the Creation Redemption and trading of ETF securities and are defined in this document;

- Assets Management Company of the scheme,
- Trustee of the scheme,
- Authorized Participants of the scheme,
- Market Maker of the scheme, and
- The Pakistan Stock Exchange

Advantages and Disadvantages of ETF

Apart from the risk associated with the ETF fund as specified in this document, following are the advantages and disadvantages of ETF.

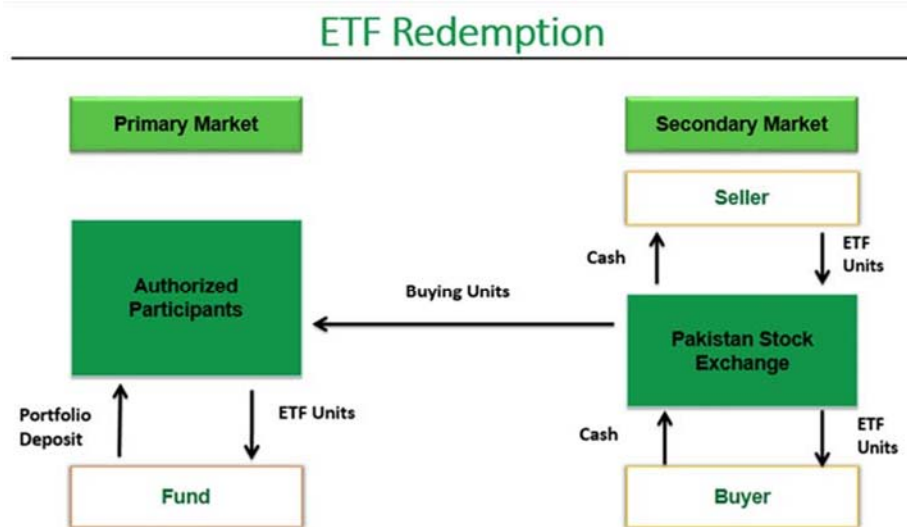
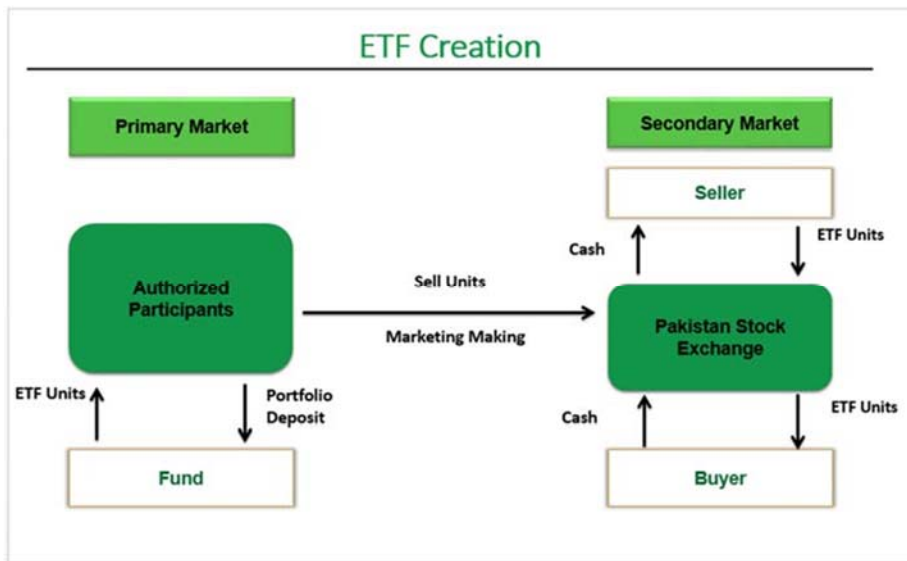
Advantages

- They have lower fees than managed funds.
- Investors are able to diversify more broadly with an ETF. You can buy the market and get instant diversification with the purchase of one ETF. You can have a portfolio of different stocks and not have to manage all the stocks yourself.
- There is less administration required with ETFs. An application form is required when buying units in a managed fund and a redemption form is required when selling units. With an ETF, you can just buy and sell at the Exchange.
- ETFs are traded on the stock exchange and so pricing is in real time, with managed funds pricing is not as regular.

Disadvantages

- ETFs track an index offering a passive strategy. These particular types do not actively try and beat the market. With managed funds, you can select different trading strategies. Investors have more choice of finding an actively traded fund with managed funds.
- Trading volumes with ETFs may be low so there may be a wide bid ask spread. This means liquidity may be low.

ETF Creation/Redemption Flow:



1.7 Offering Document

The provisions of the Trust Deed, the Rules, the Regulations, circulars and the Directives issued by the Commission govern this Replacement Offering Document. It sets forth information about the Fund that a prospective investor should know before investing in any Unit. Prospective investors in their own interest are advised to carefully read this Offering Document to understand the Investment Policy, Risk Factors and Warning and Disclaimer and should also consult their legal, financial and/or other professional adviser before investing.

1.8 Modification of Offering Document

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

1.9 Responsibility of the Management Company for information given in this Document

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

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

2.1 Investment Objective

UBL Pakistan Enterprise Exchange Traded Fund (UBL PAK ETF) is an open-ended scheme that is traded on Pakistan Stock Exchange and shall aim to track the performance of the Benchmark index. The index shall be periodically re-balanced & reconstituted as specified in this document in order to provide long-term capital appreciation and dividends yield to the investors.

2.2 Investment Policy

The Fund invests in a particular basket of the securities and to track the performance of a representative securities index, which is constituted by the Management Company and managed by PSX

The performance of the Fund may vary from the underlying Index for a number of reasons, including transaction costs, asset valuations, corporate actions (such as mergers and spin-offs), timing variances and differences between the Fund's portfolio and the Underlying Index resulting from the non-availability of any specific security on a given time period. These factors result in Tracking Error; the "Tracking error" is the divergence of the performance (return) of the Fund's portfolio from that of the Underlying Index. AMC expects that, over time, the Fund's tracking error will not exceed 5%.

The AMC shall use a replication indexing strategy. "Replication" is an indexing strategy in which a fund invests in substantially all of the securities in its underlying index in approximately the same proportions as in the underlying index.

The AMC has appointed PSX to determine and maintain the Index on its behalf. For that purpose the AMC has entered into an agreement with PSX.

The AMC shall ensure that at all times, at least 85% of the Assets of the ETF remain invested in the component securities of the Benchmark Index being Tracked by it, while the remaining assets may comprise of cash or cash equivalents.

2.2.1 The Benchmark of Fund

The benchmark of the fund shall be to track the performance of index based on weighted average cumulative performance of all securities included in the index. The Management Company shall disseminate the Fund's performance with this Benchmark to the unit holders and/or PSX with certain intervals as specified by the Commission.

The Management Company shall immediately notify the Commission, the Exchanges on which it registered the underlying Unit Holders and the Trustee upon rebalancing of the UBL Pakistan Enterprise Exchange Traded Fund (UBL PAK ETF) based on the process agreed with PSX relating to intimation of rebalancing, announcement of INAV during that period etc. Notice to the Exchange and a notice on the website of management company would be sufficient to comply with the notice

requirements

The AMC shall ensure that per party, per group and sector exposure limits and restrictions in relation to the securities held by the ETF are in accordance with their weightage in the Benchmark index.

UBL Pakistan Enterprise Exchange Traded Fund Benchmark Index

Security Selection

Filter 1	Exclusion of Oil and Gas sector*
Free Float Market Cap	Top 25 Companies from KSE-100 index
Top traded value of last 2 years	Top 25 companies (70% weight assigned to last year & 30% to preceding LY)
Number of Stocks	Highest 9 stocks in terms of free float market capitalization shortlisted from previous 2 criteria**

Determination of weight

Based on free float Market Capitalization	
Minimum 3.5%, maximum 16%	Weight should be assigned in such a way that it should vary between minimum & maximum threshold of 3.5% & 16.0% respectively. ***
Fractional Shares Rounded Down	Weights adjusted for fractional shares after rounding down will result in the cash component in addition to 1% allocated on the onset.

Rebalancing

<ul style="list-style-type: none"> • Quarterly weight adjustment • Addition Deletion every six months • Corporate actions shall trigger reallocation/rebalancing* *** 	Weights realigned to fall between 3.5% & 16.0%
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Rebalancing/Reconstitution		
Basis	Implementation	*****
Last working day of April	2nd working day of May	Reconstitution
Last working day of July	2nd working day of Aug	Rebalancing
Last working day of October	2nd working day of Nov	Reconstitution
Last working day of January	2nd working day of Feb	Rebalancing

*Oil and Gas sector includes: Oil & Gas Exploration Companies, Oil & Gas marketing Companies, Refinery

** In case fewer than 9 stocks are derived, the Free Float Market Cap list may be extended beyond 25 stocks till the portfolio has a minimum of 9 stocks

***i) In case weight for a security is less than 3.5% in the original distribution, then the weight from those stocks which are beyond 16% would be allocated to increasing the weight to 3.5%. ii) In case weight of stock does not suffice or initial weight of no stock is greater than 16% , weights from those barring the ones falling below 3.5% would be proportionately distributed to ones falling below 3.5%, until a minimum weight of 3.5% is achieved. iii) Even if after redistribution of weight to those falling below the minimum threshold, the weight of a certain stock remains higher than 16%, then the weight would be distributed proportionally to the original allocation to the remaining stocks.

****The event of rights issue shall trigger rebalancing of weights to account for additional capital issue. Moreover deletion & addition could also be triggered in the event of any other special corporate events such as merger, acquisition & buy back etc.

Fund is required to comply with clause 55(7), hence is not allowed to buy a share in excess of 25% of the paid up capital of investee company for all its Funds including ETFs combined

Detailed methodology shall be available at the website of management company and the PSX
However it is clarified that cash component will not become part of the index

2.3 Risk Control in the Investment Process

In line with the investment objective of the scheme, the management company shall specify the equity security with proportion of individual security which comprises the index.

While selecting the security, the management company will consider the index methodology only

2.4 Changes in Investment Policy

The investment policy will be governed by the Regulations and/or SECP directives. Any Fundamental change in the Investment Policy will be implemented only after obtaining prior approval from SECP and inform the PSX within due time as specified in the PSX Rule Book.

2.5 Investment Restrictions

The Trust Property shall be subject to such exposure limits or other prohibitions as are provided in the Regulations, Trust Deed, this Offering Document of the Fund, circulars and directives and shall also be subject to any exemptions that may be specifically given to the Fund by SECP or subsequently in writing. Management company shall ensure that per party, per group and per sector exposure are in accordance with the benchmark index weights. The Fund will be reallocating its weights on a quarterly basis accordingly the changes in weights will be adjusted after the quarter rebalancing. Fund is also required to do a six-monthly reconstitution as per the index methodology. Accordingly management company shall ensure to realign the portfolio as per revised index within the time allowed under clause 55(13) of the NBFC Regulations

2.5.1 The Management Company on behalf of the Scheme shall not:

- i.* Lend, assume, guarantee, endorse or otherwise become directly or contingently liable for or in connection with any obligation or indebtedness of any person as specified in the Regulation;
- ii.* Make any investment which will vest with the Management Company or its group the management or control of the affairs of the investee company.
- iii.* invest in securities of the Management Company
- iv.* issue a senior security which is either stock or represents indebtedness, without the prior written approval of the Commission

- v. apply for de-listing from stock exchange, unless it has obtained prior written approval of the Commission.
- vi. Merge with, acquire or take over any scheme, unless it has obtained the prior approval of the SECP in writing to the scheme of such merger, acquisition or take over.
- vii. enter on behalf of the Scheme, into underwriting or sub-underwriting contracts.
- viii. subscribe to an issue underwritten, co-underwritten or sub-underwritten by group companies of the Management Company.
- ix. pledge any of the securities held or beneficially owned by the Scheme except as allowed under the Regulations.
- x. accept deposits
- xi. make a loan or advance money to any person from the assets of the Scheme
- xii. Rating of Bank with which Funds are placed shall be as per Investment Grade & Above.

Management company may however enter into SLB mechanism to lend shares on such terms and to such extent allowed under NBFC rules, Regulations or through circulars issued by the Commission from time to time

Requirements of circular 552/2017 dated 28th April 2017 shall not be applicable on this Fund
 Requirements of clause 37 7 h of the NBFC Regulations will not be applicable on this Fund,
 Requirements of circular 13 of 2017 relating to criteria for investing in equity shares will not be applicable on this Funds.

- 2.5.2 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.

2.6 Exemption to Investment Restrictions

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

2.6.1 Transactions Relating to Investment/Portfolio Management

In case of Issuance of Creation Units, the Trustee shall ensure that, Portfolio Deposit and Cash Component is received (where Cash Component is a positive value) against Creation of Units.

In case of redemption of Units, the Trustee shall ensure that the requisite Units of ETF equaling the Creation Unit size have been transferred to the Fund's Depository account and the Cash Component. There may be situation where the Authorized participant has to pay cash component at the time of redemption. For example if the FUND NAV is below the value of portfolio deposit.

The Trustee shall promptly forward to the Management Company any notices, reports or other documents issued by the issuers of securities, recipients of any of the Trust Funds (as deposits, refunds, distribution of dividends, income, profits, repayment of capital or 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.

The Management Company shall also advise the Trustee, of the details of amounts to be paid and to deliver Portfolio Deposit to respective Authorized Participants against redemption requests. Such transfer of Portfolio Deposit/payments shall be effected by the Trustee out of the respective accounts of the Unit Trust by way of transfer to the appropriate account of the Authorized Participant.

The Management Company shall provide the Trustee with regular reports indicating dividends, other forms of income or inflows and any rights or warrants relating to the Investments that are due to be received. The Trustee shall report back to the Management Company any such amounts or warrants that are received on such accounts, from time to time.

There may be situations where management company may decide to allow creation and redemption in cash/partial cash on such terms and conditions as announced by the management company. There may be certain charges imposed by the management company in such situation at its discretion

2.7 Restriction of Transactions with Connected Persons

2.7.1 All transactions carried out by or on behalf of the Scheme with connected person(s) shall be made as provided in the Constitutive Documents, and shall be disclosed in the Scheme's annual reports.

2.8 Risk Disclosure

Investors must realize that all investments in mutual Funds, Exchange Traded Funds and securities are subject to market risks. Our target return / dividend range cannot be guaranteed and it should be clearly understood that the portfolio of the Fund is subject to market price fluctuations and other risks inherent in all such investments. The risks emanate from various factors that include, but are not limited to since ETF is traded at the Exchange, it may have other risks including secondary market liquidity etc which are generally not there in a typical open end mutual Fund

Authorized Participant/ Market Maker Concentration Risk

Only an Authorized Participant/ Market Maker may engage in creation or redemption transactions directly with the Fund. The Fund has a limited number of institutions that may act as Authorized Participants/ Market Maker. To the extent that Authorized Participants/ Market maker exit the business or are unable to proceed with creation or redemption orders with respect to the Fund and no other Authorized Participant/ Market maker is able to step forward to create or redeem Creation Units, Fund shares may be more likely to trade at a premium or discount to NAV and possibly face trading halts or delisting. Since the Fund is starting with one Authorized participant/Market maker that risk is currently high and will reduce overtime as the number of Authorized participants/Market makers increase.

Concentration Risk

The Fund may be susceptible to an increased risk of loss, including losses due to adverse events that affect the Fund's investments more than the market as a whole, to the extent that the Fund's investments are concentrated in the securities of a particular issuer or issuers, country, group of countries, region, market, industry, group of industries, sector or asset class. The Fund may be more adversely affected by the underperformance of those securities, may experience increased price volatility and may be more susceptible to adverse economic, market, political or regulatory occurrences affecting those securities.

Equity Securities Risk

The Fund invests in equity securities, which are subject to changes in value that may be attributable to market perception of a particular issuer or to general stock market fluctuations that affect all issuers. Investments in equity securities may be more volatile than investments in other asset classes. The Underlying Index is comprised of common stocks, which generally subject their holders to more risks than preferred stocks and debt securities because common stockholders' claims are subordinated to those of holders of preferred stocks and debt securities upon the bankruptcy of the issuer.

Market Trading Risk

Although shares of the Fund are listed for trading on one or more stock exchanges, there can be no assurance that an active trading market for such shares will develop or be maintained by Market Makers or Authorized Participants.

Tracking Error Risk.

The Fund may be subject to tracking error, which is the divergence of the Fund's performance from that of the Underlying Index. Tracking error may occur because of differences between the securities and other instruments held in the Fund's portfolio and those included in the Underlying Index, differences in transaction costs, the Fund's holding of un-invested cash, differences in timing of the accrual of or the valuation of dividends or interest, the requirements to maintain pass-through tax treatment, portfolio transactions carried out to minimize the distribution of capital gains to shareholders, changes to the Underlying Index or the costs to the Fund of complying with various new or existing regulatory requirements. This risk may be heightened during times of increased market volatility or other unusual market conditions. Tracking error also result because the Fund incurs fees and expenses, while the Underlying Index does not. It may also be due to the inability of the FUND to not timely rebalance the portfolio after the index rebalancing

Government Regulation Risk –

Government policies or regulations are more prevalent in some securities and financial instruments than in others. Funds that invest in such securities may be affected due to change in these regulations or policies, which directly or indirectly affect the structure of the security and/or in extreme cases a governmental or court order could restrain payment of capital, principal or income.

Price Risk –

The price risk is defined as when the value of the Fund, due to its holdings in such securities rises and falls as a result of change in interest rates.

Liquidity Risk –

Liquidity risk is the possibility of deterioration in the price of a security in the Fund when it is offered for sale in the secondary market.

Settlement Risk –

At times, the Fund may encounter settlement risk in purchasing / investing and maturing / selling its investments which may affect the Fund’s performance etc.

Events Risk –

There may be adjustments to the performance of the Fund due to events including but not limited to, natural calamities, market disruptions, mergers, nationalization, insolvency and changes in tax law.

Investor Concentration Risk –

The Risk that the performance and liquidity of the Portfolio is adversely impacted due to a few large investors investing-in or redeeming from the fund over a short-time period.

There may be times when a portion of the investment portfolio of the Scheme is not compliant either with the investment policy or the minimum investment criteria of the assigned ‘category’. This non-compliance may be due to various reasons including, adverse market conditions, liquidity constraints or investment – specific issues. Investors are advised to study the latest Fund Manager Report specially portfolio composition and Financial Statements of the Scheme to determine what percentage of the assets of the Scheme, if any, is not in compliance with the minimum investment criteria of the assigned category.

2.9 Disclaimer

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

3. OPERATORS AND PRINCIPALS

3.1 Management Company

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.62+ Billion as of 30th November 2019, making it one of the largest AMCs with respect to AUM.

UBL Funds has been awarded a Management Quality Rating of “AM1” from JCR VIS Credit Company Limited.

UBL Funds is currently managing Sixteen (26) mutual funds, ten (27) investment plans and two (2) Voluntary Pension Schemes.

3.2 Organization - Principal Shareholders

Name	Paid Up Capital	
	Number of	Amount in

	Shares	Rupees
United Bank Limited	32,870,992	328,709,920
Non-Executive Directors	4	40
Total	32,870,996	328,709,960

3.3 Board of Directors of the Management Company

Name	Residential Address	Common Directorship	Occupation
Mr. Azhar Hamid	House No, 44, Khayaban-e-Ghazi, Phase V, DHA, Karachi	Al Baraka Bank (Pakistan) Limited	Banker
Mr. Yasir Qadri	House # 12/2, Gizri Avenue, DHA, Phase 4, Karachi	1. Al Ameen Islamic Financial Services Limited 2. Mutual Funds Association Of Pakistan	Business Executive, CEO
Ms. Naz Khan	House No, 58/1, Street 5, Phase V, DHA, Karachi	1. X-Petroleum Limited 2. X-Co Partners (Pvt) Limited 3. Shell Pakistan Limited 4. Pakistan Stock Exchange Limited 5. IGI Life Insurance Limited 6. Pakistan Human Development Fund (Member of Investment Committee)	Business Executive, CEO
Syed Furrukh Zaem	124/11 Khayaban-e-Hilal, Phase 6, D.H.A., Karachi	UBL Insurers Limited	Banker
Mr. Imran Sarwar	House 88/1, 10th Street Off, Khayaban-e-Rahat, DHA, Phase – 6, Karachi	1- Pakistan Mortgage Refinance Company Limited 2- UBL Bank (Tanzania) Limited	Banker
Ms. Sadia Saeed	39/2, 22nd Street, Khayaban-e-Mujahid, Phase V, DHA, Karachi.	None	Banker
Mr. Tauqeer Mazhar	House No. 85/2 , 26th Street, Khayaban-e-Bukhari, DHA, Phase VI, Karachi	None	Banker

Mr. Azhar Hamid

Mr. Azhar Hamid is an international banker with a career spanning over 41 years with Grindlays Bank, ANZ Bank and latterly Standard Chartered Bank. He was appointed as the first Pakistani Country Head of ANZ Grindlays Bank in Pakistan in 1994. After acquisition of the Bank in 2000 by Standard Chartered Bank, was asked to continue as the Country Head of the combined bank, Retired in 2003. After introduction of a Riba free financial system in Pakistan in 1985, he led the team that established the First Grindlays Modaraba which became the most successful and dominant modaraba company in the Country.

Senior overseas assignments with ANZ Bank include UK, Bahrain, Jordan, and Australia. He has served on the board of Grindlays Bahrain Bank in Bahrain.

Upon retirement in 2003 served as Director Main Board of the State Bank of Pakistan which position he relinquished when asked by the Government to establish a Banking Mohtasib (Ombudsman)

function in the Country. He was thus the first Banking Mohtasib (Ombudsman) in Pakistan and completed his 3 years term in May 2008.

He has served as Director on the Board of the Bank of Punjab the position which he relinquished in September 2009 and served on the Board of Burj Bank for 3 years up to end 2015.

He has also served on several Pakistan Government and State Bank of Pakistan committees on economic reforms and monetary policy.

Mr. Yasir Qadri – Chief Executive Officer

Mr. Qadri has been associated with the asset management industry for the past 16 years, last serving as CEO of MCB-Arif Habib Savings & investments, prior to which he served as CEO MCB Asset Management where he led the merger that brought together two leading asset managers established by two of the largest local business houses. Mr. Qadri has been member of two founding teams in the industry and has experience in business development, investment management, product development, and human resource management.

He has previously served as Senior Vice Chairman of the Mutual Funds Association of Pakistan (MUFAP) and continues to chair their Technical Committee for the fourth year running. Mr. Qadri has also been visiting faculty for graduate and undergraduate classes with leading educational institutions of Pakistan and served on pan-industry committees set up by regulators and industry players. He has earned an M.B.A. and a B.B.A. degree from the University of Central Oklahoma, USA.

Ms. Naz Khan

Ms. Naz Khan has worked as the Chief Financial Officer of Engro Corporation Ltd. During this period she was part of the team at Corp that implemented a successful turn-around through several transactions including restructurings, listings and new projects, which resulted in a tripling of the market cap of the company. Prior to her last role at Engro Corporation she was the CFO of Engro Fertilizers.

Previously, Naz has been involved with the financial markets for over 18 years on the asset management, investment banking and broking sides. She was CEO of KASB Funds from 2005 to August 2010 and earlier has been actively involved in primary as well as secondary markets for both debt and equity securities. She has also held key positions of Executive Director, Head of Money Market and Fixed Income, Head of Investment Advisory Division and Co-Head of Investment Banking Division at KASB Securities Limited, where she led major capital market transactions on the debt and equity side.

Naz has also served on the Boards of Mutual Fund Association of Pakistan (MUFAP), Young Presidents' Organization (YPO) and several of the Engro company boards, including publicly listed companies, as well as the recent project companies of Thar and LNG.

Naz has served as a member of various task forces and committees, including the Debt committees of the SECP and the KSE and is currently a member of the Investment

Committee of Pakistan Human Development Fund (PHDF). She has also worked as a consultant for the Asian Development Bank on Mortgage Backed Securities.

Naz holds a B.A. in Economics from Mount Holyoke College, MA, USA and has attended leadership and management courses at INSEAD, Harvard University and Georgetown University.

Sadia Saeed

Ms. Sadia Saeed has over 30 years of domestic and international banking experience. She has extensive exposure to almost all departments of commercial banking with leadership roles in Human Resources, SME, Credit and Wholesale Banking. She has been a member of Country and Regional Management Committees at MCB Bank, Standard Chartered Bank Pakistan & UAE.

She holds a Master in Business Administration (MBA) from Institute of Business Administration (IBA)-Karachi. She has attended several Leadership, HR and Credit Seminars including HR Strategy in Transforming Organizations (London Business School) and Managing Change & Change of Management in Asia (INSEAD Singapore Campus).

Ms. Sadia Saeed is currently the Group Executive–Human Resource at United Bank Limited (UBL)-Karachi. Prior to joining UBL, she held senior positions at various banks including Standard Chartered Bank and MCB Bank Limited in the capacity of ‘Regional General Manager SME Banking’ and ‘Group Head Human Resources’.

Mr. Imran Sarwar

Mr. Imran Sarwar has over 25 years of leadership, management, strategy and risk experience in banking. He holds a business degree from Ohio Wesleyan University and Law from the University of Punjab.

Mr. Imran Sarwar is currently the Group Executive –Risk and Credit Policy, Chief Risk Officer at United Bank Limited (UBL)-Karachi. Prior to joining UBL, he held various senior positions at Standard Chartered Bank UAE and Pakistan. His last role was Head of Corporate Banking UAE.

Mr. Tauqeer Mazhar

Mr. Tauqeer Mazhar, currently Group Head – Branch Banking at UBL, has a banking career spanning over 28 years in Pakistan and abroad. His last assignment was at Habib Bank Limited where he worked for over seven years, first as Business Head Central Region & Chief Representative Punjab and then as Head Branch Operations.

Tauqeer started his career at CitiBank, Lahore. His later career is interspersed with tenures in global institutions like Samba Bank, ABN Amro and KazInvest Bank (Kazakhstan) with senior assignments at CitiBank in UAE, Saudi Arabia and USA.

As Group Head for Branch Banking at UBL he is responsible for areas of Retail, Consumer and SME banking. Tauqeer holds an MBA from LUMS, Lahore.

Mr. Syed Farrukh Zaem

Mr. Syed Farrukh Zaem has been associated with UBL as Executive Vice President & Group Head – Treasury & Capital markets for the past 6 ½ Years and brings with him around 20 years of financial market experience. He has played a pivotal role in restructuring the treasury protocols and improved on transparency in running the day to day activity in the Treasury dealing room. He serves as the ALCO secretary for UBL and is a member of risk/investment committees in the Bank. In addition to his domestic treasury management responsibility he also provides necessary support to the International Treasury.

Mr. Zaem worked as Head Financial markets & Treasurer at American Express Bank Pakistan and was with them for 11 years in different roles. He joined JS Bank as Executive Vice President and Head of Treasury where he played an instrumental role in setting up and running of the new established Treasury for JS Bank.

Mr. Zaeem has been associated with Financial market association of Pakistan (FMAP) from time to time in different capacity. Very recently he was the assistant secretary of FMAP in the year 2011-2014 where he worked on market development activity & introduction of new financial products. He has also served as General Secretary for FMAP from 2007-2008. He holds a Master's Degree in Business Administration from the Institute of Business Administration, Karachi, Pakistan.

3.4 Profile of the Management

Mr. Yasir Qadri - Chief Executive Officer

For background please see the section above.

Mr. Ammar Valika – Head of Sales Strategy & Channel Development

With over 8 years of experience in asset management and management consulting, Ammar holds a B.A in Economics from McGill University, Canada. In his last role he was looking after Institutional & Retail Investments for BMA Financial Services Ltd., Pakistan's first independent financial products distribution company, where he initially joined as Head of Business Development and Strategy.

Previously he worked as a senior consultant for Sidat Hyder Morshed Associates (Watson Wyatt Pakistan) serving on various projects for clients including The World Bank, Asian Development Bank, State Bank of Pakistan, State Life Insurance Company, SingTel (Singapore), Microsoft (Turkey), Motor India Company amongst others.

Ammar has extensive knowledge of the fixed income & equity markets in Pakistan and has strong relationships with High Net Worth Individuals and Corporate clientele nationwide.

Mr. Umair Ahmed – Chief Financial Officer

Mr. Ahmed is an Associate member of the Institute of Chartered Accountant of Pakistan having a professional experience of 14 years with over 9 years in Asset Management industry. During his career, Mr. Ahmed has mostly remained associated with MCB Arif Habib Savings & Investments Ltd (MCBAH), where he worked for over 8 years and was elevated to the position of its Chief Financial Officer. During his stint with MCBAH, he remained actively involved in Management of the Finance and Fund Operations functions, setting financial strategy, budgeting and forecasting, and providing the financial input to the overall management of the Company.

Prior to joining UBL Funds, Mr. Ahmed was at PIA Investments Ltd as General Manager Finance. Being a member of Senior Management, his primary responsibility included overseeing financial affairs of Company's investments in hospitality sector that were collectively valued at more than US\$600 million."

Mr. Amin Gulamani – Head of Human Resources

Amin has over 13 years of work experience in the field of human resources both at the strategic and operational level. Prior to his joining UBL Fund Managers, he was associated with the Aga Khan University where he was handling all functions of HR including talent acquisition, retention and development as well as was involved in several change management and organizational development related initiatives. Amin holds a Master's degree in Business Administration with specialization in Human Resources from the Institute of Business Management and a certification in Social Enterprise Management from Lahore University of Management Sciences

Mr. Zeeshan Quddus – Chief Business Development Officer

Zeeshan is a Chartered Accountant, having qualified in 2003. He completed his Articleship from Ernst and Young. Zeeshan has a diversified experience of working in areas such as finance, Operations, Business Development and Strategic planning. Zeeshan has been associated with many prestigious organizations such as Arif Habib Investments, Al-Meezan Investments and NBP Fullerton Asset Management. Zeeshan has served on various committees including Tax committee of MUFAP, Economic advisory committee of the Institute of Chartered Accountants of Pakistan.

Syed Suleman Akhtar – Chief Investment Officer

Suleman is a CFA Charter holder and, has done Masters in Business Administration with majors in Finance from Institute of Business Administration. He has over 16 years of well- rounded experience in equity research and corporate treasury management.

Prior to joining UBLFM, Mr. Suleman was associated with NBP Fullerton Asset Management Limited as Head of Research for the past 04 years.

Hadi Hassan Mukhi – Head of Compliance Risk, QA & IS

Hadi has over 12 years of work experience in the field of Compliance, Internal Audit and Operational Risk at the strategic and operational level. Prior to his joining UBL Fund Managers, he was associated with Arif Habib Investments for over 5 years in Internal Audit and Compliance function. Hadi is a commerce graduate from Karachi University and has obtained a certificate from Institute of Business Administration with specialization in Banking and Finance and is a Certified Director.

3.5 Performance of Listed Associated Companies

United Bank Limited

(Rupees in Millions)	2012	2013	2014	2015	2016	2017	2018
Profit before tax	28,410	28,908	33,400	42,175	46,015	40,160	24,966
Profit after tax	19,279	19,724	21,930	25,727	27,730		15,226
Paid up Capital	12,242	12,242	12,242	12,242	12,242		12,242
Shareholders' Equity	85,599	98,987	100,913	142,135	151,786		151,269

Total Assets	960,210	1,083,632	1,111,414	1,400,651	1,577,551	2,007,381	1,889,599
Earnings per share (Rs.)	15.71	15.75	17.91	21.02	22.65		12.44

Associated Companies *
United Bank Limited
Al Ameen Financial Services Limited (formerly Al Ameen Islamic Financial Services Limited)
UBL Insurers Limited
Pakistan Mortgage Refinance Company Limited
Mutual Funds Association Of Pakistan

3.6 Existing Schemes under Management and their performance

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 Feb 19 2019)	Rs. 12,725 million	
Net Assets (as at June 30 2018)	Rs. 14 billion	
Net Assets (as at 30 June 2017)	Rs. 4,082 million	
Net Assets (as at 30 November 2016)	Rs. 3450 million	
Net Assets (as at 30 June 2015)	Rs. 4,466 million	
Net Assets (as at 30 June 2014)	Rs. 10,569 million	
Net Assets (as at 30 June 2013)	Rs. 15,680.million	
Net Assets (as at 30 June 2012)	Rs. 15,588 million	
Net Assets (as at 30 June 2011)	Rs. 27,969 million	

Net Assets (as at 30 June 2010) Net Assets (as at 30 June 2009)	Rs. 7,838 Million Rs. 1,287 Million	
NAV (as at Feb 19, 2019)	Rs. 100.922	
NAV (as at June 30 2017)	Rs. 100.6834	
NAV (as at June 30 2016)	Rs. 100.5229	
NAV (as at June 30 2015)	Rs. 100.468	
NAV (as at June 30 2014)	Rs. 100.3844	
NAV (as at June 30, 2013)	Rs. 100.1577	
NAV (as at June 30, 2012)	Rs. 100.3527	
NAV (as at June 30, 2011)	Rs. 100.2122	
NAV (as at June 30 2010)	Rs. 102.95	
NAV (as at June 30 2009)	Rs. 100.22	
Listing	Pakistan Stock Exchange	
Fund Rating: (Credit Rating Agency: JCR-VIS)	AA	
Performance:	Return (p.a.)	Payout
Year ended 30 June 2017	7.40%	Rs. 6.0800 per unit
Year ended 30 June 2016	5.55%	Rs. 5.50 per unit
Year ended 30 June 2015	8.56%	Rs. 8.47 per unit Rs. 7.49 per unit
Year ended 30 June 2014	8.02%	Rs. 8.69 per unit
Year ended 30 June 2013	8.94%	Rs. 8.24 per unit
Year ended 30 June 2012	11.34%	Rs. 3.1179 per unit
Year ended 30 June 2011	11.85%	
Year ended 30 June 2010	10.52%	Rs. 2.9449 per unit
Year ended 30 June 2009	9.07%	Rs. 0.1842 per unit

Al-Ameen Islamic Cash Fund - AICF (Formerly UBL ISLAMIC CASH FUND (UICF))

Al-Ameen Islamic Cash Fund - AICF (Formerly UBL ISLAMIC CASH FUND (UICF)) is an open-end Shariah Compliant Money Market Fund which aims to provide high liquidity and competitive returns to investors, while seeking maximum possible preservation of capital by investing in low risk and liquid instruments.

Date of launching	17 September 2012	
Par Value of units	Rs. 100	
Net Assets (as at Feb 19 2019)	Rs. 4,000 million	
Net Assets (as at June 30 2018)	Rs. 5.2 billion	
Net Assets (as at 30 June 2017)	Rs. 4,013 million	
Net Assets (as at June 30, 2016)	PKR 4672 million	

Net Assets (as at June 30, 2015)	PKR 5,302 million	
Net Assets (as at June 30, 2014)	PKR 1,694 million	
Net Assets (as at June 30, 2013)	PKR 137.7 million	
NAV (as at Feb 19, 2019)	Rs. 100.4652	
NAV (as at June 30 2017)	Rs. 100.2424	
NAV (as at June 30 2016)	Rs. 100.2414	
NAV (as at June 30, 2015)	Rs. 100.2632	
NAV (as at June 30, 2014)	Rs. 100.2968	
NAV (as at June 30, 2013)	Rs. 105.2401	
	Pakistan Stock Exchange	
Listing		
Fund Rating:	AA	
Performance:	Return (p.a.)	Payout
Year ended June 30 2017	4.70%	Rs. 4.7100 per unit
Year ended June 30 2016	4.83%	Rs. 4.85 per unit
Year ended June 30 2015	6.55%	Rs. 6.61 per unit
Year ended June 30 2014	6.45%	Rs.6.24 per unit
As at June 30, 2013 (since public launch)	6.76%	Rs. 4.98 per unit

UBL Money Market FUND (UMMF)

(formerly UBL Savings Income Fund (USIF))

UBL Money Market Fund is an open end Money Market 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, and other permissible money market/fixed income based investments. 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 Feb 19 2019)	Rs. 1,873 million	
Net Assets (as at June 30 2018)	Rs. 1.6Bn	
Net Assets (as at 30 June 2017)	Rs. 876 million	
Net Assets (as at June 30 2016)	645 Million	
Net Assets (as at June 30 2015)	2,069 Million	
Net Assets (as at June 30 2014)	1,555 Million	
Net Assets (as at 30 June 2013)	2,595 Million	
Net Assets (as at 30 June 2012)	5,555 Million	
Net Assets (as at 30 June 2011)	Rs. 2,206 Million	

NAV (as at Feb 19, 2019)	Rs. 105.4266	
NAV (as at June 30 2017)	100.4661	
NAV (as at June 30 2016)	100.4353	
NAV (as at June 30 2015)	100.36	
NAV (as at June 30 2014)	100.5662	
NAV(as at 30 June 2013)	100.2752	
NAV (as at 30 June 2012)	100.5197	
NAV (as at 30 June 2011)	101.1386	
Listing	Pakistan Stock Exchange	
Fund Rating: (Credit Rating Agency: JCR-VIS)	AA	
Performance:	Return (p.a.)	Payout
Year ended June 30 2017	5.41%	Rs. 5.40 Per unit
Year ended June 30 2016	5.16%	Rs. 5.10 Per unit
Year ended June 30 2015	7.98%	Rs. 8.22 per unit
Year ended June 30 2014	7.81%	Rs. 7.30 per unit
Year ended 30 June 2013	9.31%	Rs. 9.06 per unit
Year ended 30 June 2012	12.05%	Rs. 2.90 per unit
Year ended 30 June 2011	12.05%	Rs. 8.30 per unit

AL-AMEEN ISLAMIC SOVEREIGN FUND (AISF)

(Formerly UBL Islamic Sovereign Fund)

AISF 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 government securities and other 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 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 Feb 19 2019)	Rs. 7,630 Million	
Net Assets (as at June 30 2018)	Rs. 4.9 Bn	
Net Assets (as at June 30 2017)	Rs. 7,746 Million	
Net Assets (as at June 30 2016)	Rs. 2,723 Million	
Net Assets (as at June 30 2015)	Rs. 1,504 Million	
Net Assets (as at June 30 2014)	Rs. 3,631 Million	

Net Assets (as at 30 June 2013)	Rs. 4,119 Million	
Net Assets (as at 30 June 2012)	Rs. 5,555 Million	
Net Assets (as at 30 June 2011)	Rs. 2,185 Million	
NAV (as at Feb 19, 2019)	Rs. 104.2467	
NAV (as at June 30 2017)	100.8615	
NAV (as at June 30 2016)	101.0818	
NAV (as at June 30 2015)	100.698	
NAV (as at June 30 2014)	101.2966	
NAV (as at 30 June 2013)	100.1319	
NAV (as at 30 June 2012)	100.2765	
NAV (as at 30 June 2011)	100.1635	
Listing	Pakistan Stock Exchange	
Fund Rating: (Credit Rating Agency: JCR-VIS)	AA-	
Performance:	Return (p.a.)	Payout
Year ended June 30 2016	5.56%	Rs. 5.85 per unit
Year ended June 30 2016	4.36%	Rs. 4.10 per unit
Year ended June 30 2015	6.15%	Rs. 6.82 per unit
Year ended June 30 2014	8.10%	Rs. 6.72 per unit
Year ended 30 June 2013	9.09%	Rs. 8.78 per unit
Year ended 30 June 2012	11.34%	Rs. 9.05 per unit
Year ended 30 June 2011	12.03%	Rs. 7.45 per unit

Note: Effective from July 18th, 2012, UBL Islamic Savings Fund (UISF) is now renamed as UBL Islamic Sovereign Fund (UISF) and has been reconstituted as a Shariah Compliant Government Securities Fund under the Shariah Compliant Income Category.

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 Feb 19 2019)	Rs. 1,577 million	
Net Assets (as at June 30 2018)	Rs. 1.8Bn	
Net Assets (as at June 30 2017)	3,339 Million	
Net Assets (as at June 30 2016)	15,296 Million	

Net Assets (as at June 30 2015)	6,251 Million	
Net Assets (as at June 30 2014)	5,788 Million	
Net Assets (as at 30 June 2013)	1,905 Million	
Net Assets (as at 30 June 2012)	4,654 Million	
Net Assets (as at 30 Aug 2011)	1,166 Million	
NAV (as at Feb 19, 2019)	Rs. 110.565	
NAV (as at June 30 2017)	105.5946	
NAV (as at June 30 2016)	105.4801	
NAV (as at June 30 2015)	107.012	
NAV (as at June 30 2014)	100.3739	
NAV (as at 30 June 2013)	100.0913	
NAV (as at 30 June 2012)	100.3820	
NAV (as at 30 Aug 2011)	101.4471	
Listing	Pakistan Stock Exchange	
Fund Rating: (Credit Rating Agency: JCR-VIS)	A (JCR-VIS)	
Performance:	Return (p.a.)	Payout
Year ended June 30 2017	4.81%8.97%	Rs. 4.95 per unit
Year ended June 30 2016	15.47%	Rs. 8.10 per unit
Year ended June 30 2015	8.26%	Rs. 8.86 per unit
Year ended June 30 2014	9.90%	Rs. 7.73 per unit
Year ended 30 June 2013	12.12%	Rs. 9.25 per unit
Year ended 30 June, 2012	16.02%	Rs. 7.97 per unit
Since Inception till 30 Aug 2011		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.

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	100	
Net Assets (as at Feb 19 2019)	Rs. 1,189 million	
Net Assets (as at June 30 2018)	Rs. 1.3Bn	

Net Assets (as at June 30 2017)	Rs. 5,707Million	
Net Assets (as at June 30 2016)	Rs. 1,701 Million	
Net Assets (as at June 30 2015)	Rs. 3,384Million	
Net Assets (as at June 30 2014)	Rs. 3,592Million	
Net Assets (as at 30 June 2013)	Rs. 3,067Million	
Net Assets (as at 30 June 2012)	Rs. 2,805Million	
Net Assets (as at 30 June 2011)	Rs. 8,231 Million	
Net Assets (as at 30 June 2010)	Rs. 15,859Million	
Net Assets (as at 30 June 2009)	Rs. 14,626Million	
Net Assets (as at 30 June 2008)	Rs. 11,479Million	
Net Assets (as at 30 June 2007)	Rs.1, 303 Million	
NAV (as at Feb 19, 2019)	Rs. 88.4997	
NAV (as at June 30 2017)	Rs. 84.8927	
NAV (as at June 30 2016)	Rs. 84.8042	
NAV (as at June 30 2015)	Rs. 80.9952	
NAV (as at June 30 2014)	Rs. 78.7438	
NAV (as at 30 June 2013)	Rs.84.9024	
NAV (as at 30 June 2012)	Rs.76.5075	
NAV (as at 30 June 2011)	Rs. 100.8203	
NAV (as at 30 June 2010)	Rs. 97.9604	
NAV (as at 30 June 2009)	Rs. 103.4033	
NAV (as at 30 June 2008)	Rs. 111.6250	
NAV (as at 30 June 2007)	Rs. 109.5939	
Listing	Pakistan Exchange Stock	
Fund Rating (Credit Rating Agency: JCR-VIS)	BBB+ (JCR-VIS)	
Performance:	Return (p.a.)	Payout
Year ended June 30 2017	6.77%	Rs. 5.6500 Per unit
Year ended June 30 2016	12.12%	6.00 per unit
Year ended June 30 2015	11.92%	Rs. 7.14 per unit
Year ended June 30 2014	18.35%	Rs. 12.52 per unit
Year ended June 2013	10.71%	Rs. 7.76 per unit
Year ended June 2012	-12.29%	NIL
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

UBL STOCK ADVANTAGE FUND (USF)

(formerly United Stock Advantage Fund)

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 (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 Feb 19 2019)	Rs. 6,568 million	
Net Assets (as at June 30 2018)	Rs. 6.8Bn	
Net Assets (as at June 30 2017)	Rs. 7,872 Million	
Net Assets (as at June 30 2016)	Rs. 3,492 Million	
Net Assets (as at June 30 2015)	Rs. 3,985 Million	
Net Assets (as at June 30 2014)	Rs. 4,059 Million	
Net Assets (as at 30 June 2013)	Rs. 1,557 Million	
Net Assets (as at 30 June 2012)	Rs. 1,392 Million	
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 Feb 19, 2019)	Rs. 67.50	
NAV (as at June 30 2017)	Rs. 76.23	
NAV (as at June 30 2016)	Rs. 62.78	
NAV (as at June 30 2015)	Rs. 56.85	
NAV (as at June 30 2014)	Rs. 47.09	
NAV (as at 30 June 2013)	Rs. 53.42	
NAV (as at 30 June 2012)	Rs. 44.81	
NAV (as at 30 June 2012)	Rs. 39.18	
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. 1039.01	
NAV (as at 30 June 2007)	Rs. 129.73	
Listing	Pakistan Exchange Stock	
Fund Rating: (Credit Rating Agency: JCR-VIS)	MFR 3-Star (JCR-VIS) (3 year avg)	
Performance:	Return	Payout
Year ended June 30 2017	30.15%	Rs. 5.50 Per unit
Year ended June 30 2016	14.01%	Rs. 2.00 per unit
Year ended June 30 2015	22.05%	Rs. 0.62 per unit
Year ended June 30 2014	31.48%	Rs. 11.04 per unit
Year ended 30 June 2013	55.20%	Rs. 9.14 per unit
Year ended 30 June 2012	12.43%	Rs. 4.5 per unit
Year ended 30 June 2012	35.58%	Rs. 8.66 per unit
Year ended 30 June 2011	24.11%	Rs. 48.44 per unit
Year ended 30 June 2010	-35.25%	NIL
Year ended 30 June 2009*		NIL
Year ended 30 June 2008*	-4.11%	Rs. 3.01 per unit
Year ended 30 June 2007	29.73 %	Rs. 22.3 per unit

Al-Ameen Shariah Stock Fund (ASSF)

(Formerly UBL Shariah Stock Fund (USSF) – Formerly United Composite Islamic Fund (UCIF))

ASSF is an open-end Islamic Equity Fund which offers its investors an opportunity to invest in a portfolio of Shariah compliant equity stocks. The fund seeks to maximize medium to long term returns for a given level of risk. 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 Feb 19 2019)	Rs. 7,105 Million	
Net Assets (as at June 30 2018)	Rs. 6.8Bn	
Net Assets (as at June 30 2017)	Rs. 8,781 Million	
Net Assets (as at June 30 2016)	Rs. 1,812 Million	
Net Assets (as at June 30 2015)	Rs. 7,198 Million	
Net Assets (as at June 30 2014)	Rs. 4,134 Million	
Net Assets (as at 30 June 2013)	Rs. 1,233 Million	
Net Assets (as at 30 June 2012)	Rs. 531 Million	
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 Feb 19, 2019)	Rs. 132.30	
NAV (as at June 30 2017)	Rs. 153.26	
NAV (as at June 30 2016)	Rs. 128.59	
NAV (as at June 30 2015)	Rs. 115.01	
NAV (as at June 30 2014)	Rs. 96.64	
NAV (as at 30 June 2013)	Rs. 109.980	
NAV (as at 30 June 2012)	Rs. 82.30	
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	Pakistan Exchange Stock	
Fund Rating: (Credit Rating Agency: JCR-VIS)	MFR 5-Star (JCR-VIS) (3 year avg)	
Performance:	Return	Payout
Year ended June 30 2017	29.19%	Rs. 13.00 per unit
Year ended June 30 2016	10.32%	Rs. 3.00 per unit
Year ended June 30 2015	27.07%	Rs. 7.74 per unit
Year ended June 30 2014	34.36%	Rs. 23.75 per unit
Year ended 30 June 2013	49.76%	Rs. 19.94 per unit
Year ended 30 June 2012	17.75%	Rs. 9 per unit
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%	NIL
Year ended 30 June 2008*	0.81%	Rs. 5.14 per unit

Note: Effective from July 18th, 2012, the fund has been re-categorized from a Shariah Compliant Balanced Fund to a Shariah Compliant Equity Fund and has been renamed as Al- Ameen Shariah Stock Fund

Al Ameen Islamic Aggressive Income Fund (Formerly Al-Ameen Islamic Income Fund (AIAIF))

An open end Islamic aggressive income fund, AIAIF endeavors to provide attractive returns to its investors by investing in Shariah compliant income instruments while taking into account capital

security and liquidity considerations. AIAIF 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 June 30 2018)	Rs. 795Mn	
Net Assets (as at Feb 19 2019)	Rs. 442 Million	
Net Assets (as at June 30 2017)	Rs. 1,105 Million	
Net Assets (as at June 30 2016)	Rs. 1,023 Million	
Net Assets (as at June 30 2015)	Rs. 829 Million	
Net Assets (as at June 30 2014)	Rs. 1,274 Million	
Net Assets (as at 30 June 2013)	Rs. 595 Million	
Net Assets (as at 30 June 2012)	Rs. 313 Million	
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 Feb 19, 2019)	Rs. 103.3328	
NAV (as at June 30 2017)	Rs. 99.9376	
NAV (as at June 30 2016)	Rs. 99.67	
NAV (as at June 30 2015)	Rs. 97.99	
NAV (as at June 30 2014)	Rs.95.5500	
NAV (as at 30 June 2013)	Rs. 100.0900	
NAV (as at 30 June 2012)	Rs. 89.4300	
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	Pakistan Stock Exchange	
Fund Rating:	BBB+ (JCR-VIS) “as of 31 March 2014”	
Performance:	Return	Payout
Year ended 30 June 2017	4.81%	Rs. 4.52 per unit
Year ended 30 June 2016	7.08%	Rs. 5.25 per unit
Year ended June 30 2015	8.26%	Rs. 5.44 per unit
Year to date (30th June’ 13 –June 30	14.36%	Rs. 13.94 per unit

2014)		
Year to date (30th June' 12 - 31st March' 13)	6.91%	Rs. 4.08 per unit
Year ended 30 June 2012	6.12%	NIL
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

UBL Income Opportunity Fund (UIOF) (formerly UBL FINANCIAL SECTOR BOND FUND)

UBL Income Opportunity Fund (UIOF) (formerly UBL Financial Sector Bond Fund) offers investors a convenient mode of investing in high quality TFC's/Sukuks issued by Financial Sector Institutions.

Furthermore, this scheme offers investors the opportunity to generate comparatively higher return(s) than other Fixed Income Category Fund(s) – i.e. Government Securities fund(s).

Date of launching	29 March 2013	
Par Value of units	Rs. 100	
Net Assets (as at Feb 19 2019)	Rs. 1,662 Million	
Net Assets (as at June 30 2018)	Rs. 557Mn	
Net Assets (as at June 30 2017)	Rs. 177Million	
Net Assets (as at June 30 2016)	Rs. 151 Million	
Net Assets (as at June 30 2015)	Rs. 67 Million	
Net Assets (as at June 30 2014)	Rs. 170 Million	
Net Assets (as at 30 June 2013)	Rs. 673 Million	
NAV (as at Feb 19, 2019)	Rs. 115.5142	
NAV (as at June 30 2017)	109.9753	
NAV (as at June 30 2016)	109.7889	
NAV (as at June 30 2015)	108.436	
NAV (as at June 30 2014)	100.7328	
NAV (as at 30 June 2013)	100.0997	
Listing	Pakistan Exchange Stock	
Fund Rating:	Not yet Rated	
Performance:	Return	Payout
Year ended June 30 2017	4.73%	Rs. 5.00 per unit
Year ended June 30 2016	7.71%	Rs. 7.00 per unit
Year ended June 30 2015)	10.86%	Rs. 3.24 per unit
Year ended June 30 2014)	6.99%	Rs. 6.56 per unit
Year ended 30 June 2013	9.55%	Rs. 1.95 per unit

UBL ASSET ALLOCATION FUND (UAAF)

UBL Asset Allocation Fund (UAAF) is asset allocation scheme that offers you an opportunity to earn competitive return by investing in various asset classes based on market outlook.

Date of launching	19 August 2013	
Par Value of units	Rs. 100	
Net Assets (as at Feb 19 2019)	Rs. 1,931 million	
Net Assets (as at June 30 2018)	Rs. 2.2Bn	
Net Assets (as at June 30 2017)	Rs. 2,635 mn	
Net Assets (as at June 30 2016)	Rs. 2,085 mn	
Net Assets (as at June 30 2015)	Rs. 1,000 mn	
Net Assets (as at June 30 2014)	Rs. 1,088 mn	
NAV (as at Feb 19, 2019)	Rs. 138.4318	
NAV (as at June 30 2017)	Rs. 134.7754	
NAV (as at June 30 2016)	Rs. 124.09	
NAV (as at June 30 2015)	Rs. 116.537	
NAV (as at June 30 2014)	Rs. 104.90	
Listing	Pakistan Exchange Stock	
Fund Rating: (Credit Rating Agency: JCR-VIS)	Not yet Rated	
Performance:	Return	Payout
Year ended June 30 2017	14.51%	Rs. 7.34 per unit
Year ended June 30 2016	12.31%	Rs. 6.75 per unit
Year ended June 30 2015	22.7%	Rs. 12.17 per unit

AL-AMEEN ISLAMIC ASSET ALLOCATION FUND (AIAAF)

(formerly UBL Islamic Asset Allocation Fund)

Al-Ameen Islamic Asset Allocation Fund (AIAAF) is a shariah compliant asset allocation scheme that offers you an opportunity to earn competitive return by investing in various shariah compliant asset classes based on market outlook

Date of Launching	10 December 2013	
Par Value of Units	Rs. 100	
Net Assets (as at Feb 19 2019)	Rs. 4,965 million	
Net Assets (as at June 30 2018)	Rs. 6.4Bn	

Net Assets (as at June 30 2017)	Rs. 7,895 mn	
Net Assets (as at June 30 2016)	Rs. 2,235 mn	
Net Assets (as at June 30 2015)	Rs. 1,120 mn	
Net Assets (as at June 30 2014)	Rs. 163 mn	
NAV (as at Feb 19, 2019)	Rs. 119.121	
NAV (as at June 30 2017)	Rs. 118.7962	
NAV (as at June 30 2016)	Rs. 113.2392	
NAV (as at June 30 2015)	Rs. 108.369	
NAV (as at June 30 2014)	Rs. 102.59	
Listing	Pakistan Stock Exchange	
Fund Rating: (Credit Rating Agency: JCR-VIS)	Not yet Rated	
Performance:	Return	Payout
Year ended June 30 2017	14.58%	Rs. 11.00 per unit
Year ended June 30 2016	9.2%	Rs. 5.00 per unit
Year ended June 30 2015	18%	Rs. 5.44 per unit

AL-AMEEN ISLAMIC ACTIVE ALLOCATION PLAN – VII (AIActAP-VII) – under Al-Ameen Islamic Financial Planning Fund-II

AIActAP-VII is the 7th offering of our Shariah compliant Active Allocation Plan series. It gives investors up to 95% equity participation. This scheme is invested dynamically in Shariah Compliant Equity and Shariah Compliant Income/Money Market mutual funds,. Investments are made primarily in Al-Ameen Dedicated Equity Fund (AIDEF) for the equity component, and in Al-Ameen Islamic Cash Fund/Al-Ameen Islamic Sovereign Fund for the money market/income component

IPO Date	21 Feb 17	
Par Value of units	Rs. 100	
Net Assets (as at Feb 19 2019)	Rs. 1,587 million	
Net Assets (as at June 30 2018)	Rs. 1.6Bn	
Net Assets (as at June 30 2017)	Rs. 2,250 Million	
NAV (as at Feb 19, 2019)	Rs. 90.4483	
NAV (as at June 30 2017)	Rs. 98.0880	
Listing	Pakistan Stock Exchange	
Fund Rating: Credit Rating Agency: JCR-VIS	Not Yet Rated	
Performance: Since Inception (as at June 30 2017)	Return: -1.91%	Payout: N/A

AL-AMEEN ISLAMIC ACTIVE ALLOCATION PLAN – VIII (AIActAP-VIII) – under Al-Ameen Islamic Financial Planning Fund-II

AIActAP-VIII is the 8th offering of our Shariah compliant Active Allocation Plan series. It gives investors up to 95% equity participation. This scheme is invested dynamically in Shariah Compliant Equity and Shariah Compliant Income/Money Market mutual funds,. Investments are made primarily in Al-Ameen Dedicated Equity Fund (AIDEF) for the equity component, and in Al-Ameen Islamic Cash Fund/Al-Ameen Islamic Sovereign Fund for the money market/income component

IPO Date	30 May 17	
Par Value of units	Rs. 100	
Net Assets (as at Feb 19 2019)	Rs. 4,131 Million	
Net Assets (as at June 30 2018)	Rs. 4.3Bn	
Net Assets (as at June 30 2017)	Rs. 4,995 Million	
NAV (as at Feb 19, 2019)	Rs. 90.3169	
NAV (as at June 30 2017)	Rs. 96.8685	
Listing	Pakistan Stock Exchange	
Fund Rating: Credit Rating Agency: JCR-VIS	Not Yet Rated	
Performance: Since Inception (as at June 30 2017)	Return: 3.13%	Payout: N/A

AL-AMEEN ISLAMIC ACTIVE ALLOCATION PLAN – IX (AIActAP-IX) – under Al-Ameen Islamic Financial Planning Fund-II

AIActAP-IX is the 9th offering of our Shariah compliant Active Allocation Plan series. It gives investors up to 95% equity participation. This scheme is invested dynamically in Shariah Compliant Equity and Shariah Compliant Income/Money Market mutual funds,. Investments are made primarily in Al-Ameen Dedicated Equity Fund (AIDEF) for the equity component, and in Al-Ameen Islamic Cash Fund/Al-Ameen Islamic Sovereign Fund for the money market/income component

IPO Date	25 August 2017	
Par Value of units	Rs. 100	

Al-Ameen Islamic Dedicated Equity Fund (AIDEF)

AIDEF is an Open end Shariah Compliant Fund of funds that aims to provide other ‘Fund of Funds’ schemes an avenue for investing in Shariah compliant Equities.

IPO Date	15 December 2015	
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Par Value of units	Rs. 100	
Net Assets (as at Feb 19 2019)	Rs. 8,100 million	
Net Assets (as at June 30 2018)	Rs. 11.1Mn	
Net Assets (as at June 30 2017)	Rs. 11,735 Million	
NAV (as at Feb 19, 2019)	Rs. 113.9039	
NAV (as at June 30 2017)	Rs. 133.7224	
Listing	Pakistan Stock Exchange	
Fund Rating: Credit Rating Agency: JCR-VIS	Not Yet Rated	
Performance: Since Inception (as at June 30 2017	Return: 39.49%	Payout: Rs. 4.50 per unit Rs. 1.00 per unit

3.7 Role and Responsibilities of the Management Company

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

3.7.1 Administration of the Scheme

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

3.7.2 Management of Fund Property

The Management Company shall constitute the Index and manage the Fund Property in the interest of the Unit Holders in good faith, to the best of its ability and without gaining any undue advantage for itself or any of its Connected Persons and group companies or its officers, and subject to the restrictions and limitations as provided in the Deed and the Rules and Regulations. Any purchase or sale of investments made under any of the provisions of the Deed shall be made by the Trustee according to the instructions of the Management Company in this respect, unless such instructions are in conflict with the provisions of the Deed or the Rules and Regulations. The Management Company shall not be liable for any loss caused to the Trust or to the value of the Fund Property due to elements or circumstances beyond its reasonable control. Management company may outsource some of its functions.

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

3.7.3 Maintenance of Accounts and Records

The Management Company shall maintain at its principal office, complete and proper accounts and records to enable a complete and accurate view to be formed of the assets and liabilities and the income and expenditure of the Scheme, all transactions for the account of the Scheme, portfolio received by the Scheme in respect of issuance of Units, portfolio transfer from the Scheme on redemption of the Units. The Management Company shall maintain the books of accounts and other records of the Scheme for a period of not less than ten years.

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

3.8 Maintenance of Unit Holders Register

3.8.1 A Register of Unit Holders will be maintained by CDC share registrar Limited.

The office of the Transfer Agent is located at CDC House, 99-B, Block "B", S.M.C.H.S, Shakra-e-Faisal, Karachi , where Register of Unit Holder will be maintained.

3.8.2 Only authorized participants are required to transact with the FUND, all other investor can buy and sell ETF in the secondary market. Accordingly all details of ETF unit holders will be available with CDC Share registrar Limited

3.7.4 Other Responsibilities of the Management Company

- The Management Company is responsible for daily NAV and for producing financial reports from time to time. The Management Company shall provide the Trustee unhindered access to all records relating to the Scheme. Management company has outsourced the maintenance and dissemination of the INAV to the PSX through an agreement.
- The Management Company may from time to time, with the consent of the Trustee, frame procedures for conducting the business of the Trust or in respect of any other matter incidental thereto; provided that such procedures are not inconsistent with the provisions of the Rules and the Regulations any directives, circulars and guidelines issued by SECP and this Deed.
- The Management Company has constituted the Index of the Fund As per methodology given above. Once the methodology is finalized, PSX will be responsible for the maintenance , determination, rebalancing and dissemination of the index
- The Management Company shall endeavor to maintain the Tracking Error at minimum level as specified in Offering Document.

The Management Company shall be responsible to facilitate investments and disinvestments by investors in the Scheme and to make adequate arrangements for receiving and processing request in this regard.

- The Management Company shall not be under any liability except such liability as may be expressly assumed by it under the Rules, Regulations, this Deed and the Offering Documents, nor shall the Management Company (save as herein otherwise provided) be liable for any act or omission of the Trustee nor for anything except for its own gross negligence or willful breach of duty . If for any reason it becomes impossible or impracticable to carry out the provisions of this

Deed and the Offering Document, the Management Company shall not be under any liability thereof or thereby and it shall not incur any liability by reason of any error of law or any matter or thing done or suffered or omitted to be done in good faith hereunder.

- The Management Company shall nominate and notify to the Trustee one or more of its officer(s) to act as authorized persons for interacting with and giving instructions to the Trustee. Any instruction or notice given by such authorized persons shall be deemed to be the instruction or notice given by the Management Company. Any change in such authorized persons shall promptly be notified to the Trustee.
- The Management Company shall, from time to time, advise the Trustee of any settlement instructions relating to any transactions, including issuance of Creation Unit in exchange of Portfolio securities and cash (if any), entered into by it on behalf of the Trust. The Management Company shall ensure that settlement instructions are given promptly after entering into the transaction so as to facilitate timely settlement. The Management Company shall ensure that all the requests for dealing in Creation Units, duly time and date stamped as specified in the Offering Documents.
- The Management Company shall designate and disclosed the location of its official points for acceptance of applications for issuance / conversion of Creation units in the Offering Document of the Scheme and on its website.
- The Management Company shall provide the Trustee with regular reports indicating interest income and other forms of income or inflows, relating to the investments that are due to be received.
- The Management Company may, if it considers necessary for the protection of Trust Property or safeguarding the interest of the Unit Holders, request the Trustee to institute or defend any suit, proceeding, arbitration or inquiry or any corporate or shareholders' action in respect of the Trust Property or any part thereof at the cost of the Fund.
- The Management Company shall appoint eligible institutional investors as Authorized Participants for creation and redemption in kind units from the Fund under the Authorized Participant Agreement to be signed among the Management Company, Trustee and Authorized Participant.
- The Management Company shall ensure that entry and exit to the Scheme (including redemption and re-issuance of Creation Units to Authorized Participants) shall be allowed only in the form of Portfolio Deposits and Cash Component, as may be the case unless specified otherwise in this offering document
- The Management Company may, from time to time appoint, remove or replace one or more Authorized Participants, on terms and conditions to be incorporated in the Agreement(s) to be entered into among the Authorized Participant(s) Trustee and the Management Company. The names and credentials of the Authorized Participants shall be disclosed in this Document and/or at PSX and AMC website.
- The Management Company may delegate to a third party any of its functions except core functions which includes investment decision making, risk management and compliance

functions. However, the Management Company shall be fully responsible for such functions of third party. The cost incurred in relation to such functions will be borne by the Management Company.

- The Management Company shall establish and maintain sufficient risk management systems and controls to enable it to identify, assess, mitigate, control and monitor risks in the best interest of the Unit Holders of the Scheme.
- The Management Company shall announce the Net Asset Value (NAV) of the Scheme within such time period and at such frequency as prescribed by SECP from time to time and shall disclose such time period and frequency in the Offering Document. However, PSX will calculate and discriminate the INAV of the Fund as described below.

While the transactions with Authorized participants will be in Kind as explained above, there may be situations where the management company may have to buy and sell Shares directly at the market. Such situations includes rebalancing of index, reconstitution of index, utilization of excess cash component.

3.8.3 Disclaimer

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

3.9 Role of the Trustee

The trustee shall perform its role as specified in the Rules, Regulation and directives issued thereunder, this Deed and the Offering Document.

The Trustee shall nominate one or more of its officers to act as authorized persons for performing the Trustee's functions and for interacting with the Management Company. Any change in such authorized persons shall be promptly notified to the Management Company.

The Trustee shall under prior intimation to the Management Company appoint, remove or replace from time to time one or more bank(s) and/or other depository company(ies) etc. to act as the Custodian(s) for holding and protecting the Trust Property and every part thereof and for generally performing the custodial services at one or more locations and on such terms as the Trustee and the Management Company may mutually agree and to be incorporated in custodial services agreement(s) to be entered into between the Trustee and the Custodian(s), except where the Trustee itself is acting as a Custodian.

The Trustee shall be responsible for the acts and omissions of all persons to whom it may delegate any of its duties, as if these were its own acts and omissions and shall account to the Trust for any loss in value of the Trust Property where such loss has been caused by gross negligence or any reckless act or omission of the Trustee or any of its directors, officers, nominees or agents.

The Trustee shall exercise all due diligence and vigilance in carrying out its duties and in protecting the interests of the Unit Holder(s). The Trustee shall not be under any liability on account of anything done or suffered by the Trust, if the Trustee had acted in good faith in performance of its duties under this Trust Deed or in accordance with or pursuant to any request of the Management Company provided it is not in conflict with the provisions of this Trust Deed or the Rules and Regulations. Whenever pursuant to any provision of this Trust Deed, any instruction, certificate, notice, direction or other communication is required to be given by the Management Company, the Trustee may accept as sufficient evidence thereof:

- (a) a document signed or purporting to be signed on behalf of the Management Company by any authorized representative(s) whose signature the Trustee is for the time being authorized in writing by the Management Committee to accept; and
- (b) any Instructions received online through the software solution adopted by the Management Company/Trustee in consultation with each other shall be deemed to be instructions from the authorized representative(s).

The Trustee shall not be liable for any loss caused to the Fund or to the value of the Trust Property due to any elements or circumstances of Force Majeure.

In the event of any loss caused due to any gross negligence or willful act and/or omission, the Trustee shall have an obligation to replace the lost investment forthwith with similar investment of the same class and issue together with all rights and privileges pertaining thereto or compensate the Trust to the extent of such loss. However, the trustee shall not be under any liability thereof or thereby and it shall not incur any liability by reason of any error of law or any matter or thing done or suffered or omitted to be done in good faith hereunder.

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

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

The Trustee shall not be under any liability except such liability as may be expressly assumed by it under the Rules and Regulations and this Trust Deed nor shall the Trustee be liable for any act or omission of the Management Company nor for anything except for loss caused due to its willful acts or omissions or gross negligence or that of its agents in relation to any custody of the Trust Property forming part of the

Deposited Property. If for any reason it becomes impossible or impracticable to carry out the provisions of this Deed the Trustee shall not be under any liability thereof or thereby and it shall not incur any liability by reason of any error of law or any matter or thing done or suffered or omitted to be done in good faith hereunder.

The Trustee shall promptly forward to the Management Company within one Business Day any notices, reports or other documents issued by the issuers of securities, recipients of any of the Trust funds (as deposits, refunds, distribution of dividends, income, profits, repayment of capital or for any other reason), any depository, an intermediary or agent in any transaction or from any court, government, regulator, stock exchange or any other exchange.

The Trustee shall ensure that Creation Units are not issued until the payment (portfolio deposit and cash component) has been received and upon completion of transfer of title of the Portfolio Deposit and Cash Component in the name of the Fund.

The Trustee shall issue or redeem Creation Units only upon the instructions of the Management Company, subject to compliance with the procedures specified in the Rules, the Regulations, the Authorized Participant Agreement and the Constitutive Documents.

The Trustee shall ensure that issuance and redemption of Creation Units is done on Historic price basis and any transfer of underlying securities into and out of the Fund is also based on the valuation used in determining the Fund's NAV. In situation such as rebalancing, reconstitution or due to any other reason as determined appropriate by the management company, creation and redemption may be processed on a forward NAV as determined and announced by the management company with the prior intimation to the trustee.

3.9.1 Disclaimer

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

3.9.2 Role of Authorized Participants

Authorized participant is bind to perform its functions and duties as specified in the Authorized Participant Agreement and change therein from time to time signed between AMC, Trustee and Authorized Participant. Management company has appointed JS Global as the Authorized participant on a non non-exclusive basis. Other Authorized participants may be appointed in future. Details of such participants will be available at the website of the management company

Authorized Participants are authorized under the agreement to create and to redeem Creation Units in Creation Unit size or multiples thereof, directly with the Fund. The Management Company may authorize any brokerage house or any eligible Institutional Investor as Authorized Participant. The Authorized Participants shall have sufficient resources and capabilities to satisfactory fulfill their roles and obligations and comply with the SECP Requirements. For avoidance of doubt, it is clarified that the Creation Units shall be issued only by the Management Company and neither the Authorized Participants nor any other person shall be empowered to issue Creation Units.

The Authorized Participant shall, at all time, comply with the applicable regulatory and contractual obligations as specified in the Authorized Participant Agreement duly signed between AMC, AP and Trustee.

The Authorized Participant(s) shall, effectively make arrangements either through Broker or Market Maker to market the Units in smaller lots through Exchanges to attract the general investors by putting bid and offer prices on Stock Exchange, fully abiding by the Exchange Regulations.

Market Maker, who may be an Authorized Participant, shall maintain a sufficient inventory (as may be considered reasonable) for market making activities subject to the requirements stipulated in its agreement with the Exchange.

3.9.3 Role of Market Maker

Role and responsibilities of the Market Maker shall be governed by the Market Maker Regulation of the PSX and through Market Maker Agreement.

PSX has appointed JS Global as a non exclusive authorized Market Maker, who will perform their functions in accordance with the terms and conditions specified in the Market Maker Agreement and/or Market Making Regulations of the Exchange. The Market Maker may withdraw his bid and offer price in the secondary market for any period of time in a circumstances specified in the Market Maker Regulation and /or Market Maker Agreement Management company does not control or govern market maker as this function is governed by PSX Rules book based on the agreement between PSX and Market maker.

The Market Maker shall quote prices during Designated Market Making Period as mentioned in the Market Maker Agreement and/or Market Making Regulation of the Pakistan Stock Exchange.

The Market Maker shall be obliged to make available both buy and sell orders or quotes during the Designated Market Making Period as specified in the market making agreement

The Market Maker shall be obliged to replenish its orders or quotes within time specified in the Market Maker Agreement. subsequent to execution of already queued orders/quotes, within the Designated Market Making Period as specified in the market making agreement

The Market Maker shall keep its market making activities separate from other trading activities as governed by the Market Maker Regulation. For this purpose, the Market Marker shall:

- Register separate Trading code(s) for market making activities;
- Maintain separate ledger account(s) for recording trades pertains to Market Making activities including detail records of Blank sale of UBL PAK ETF; and

3.10 Transfer Agent

The Management Company has outsourced the Transfer Agent Function to CDC Share registrar Limited who will be responsible for maintaining the Unit Holder's Register, preparing and issuing account statements, Unit Certificates and dividend warrants/advice and providing related services to the Unit Holders.

3.11 Trustee/Custodian

Central Depository Company of Pakistan Limited (CDC) Trustee, with offices at “CDC House 99-B, Block ‘B’ S.M.C.H.S Main Shakra-e-Faisal, Karachi”, will also be performing the functions of the custodian of the Trust Property. The salient features of the custodial function are:

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

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

3.12 Auditors

EY Ford Rhodes

Chartered Accountants.

Progressive Plaza, Beaumont Road, P.O. Box 15541, Karachi 75530

- i. They will hold office until the transmission of the reports and accounts, which will cover the period from commencement of the Trust up to the end of the Accounting Period and will, afterwards, be eligible for reappointment by the Management Company with the concurrence of the Trustee. However, an auditor may be reappointed for such terms as stipulated by the Regulations and/or the Ordinance, as amended from time to time. The appointment of Auditor and contents of the Auditor’s report shall be in accordance with the provisions of the Rules and Regulations.
- ii. The Auditors shall have access to the books, papers, accounts and vouchers of the Trust, whether kept at the office of the Management Company, Trustee, Custodian, Transfer Agent or elsewhere and shall be entitled to require from the Management Company, Trustee and their Directors, Officers and Agents such information and explanations as considered necessary for the performance of audit.
- iii. The Trustee shall be entitled to require the Auditors to provide such further reports as may be agreed between the Trustee and the Management Company as may be considered necessary to facilitate the Trustee in issuing the certification required under the Regulations.
- iv. The Auditors shall prepare a written report to the Unit Holders on the accounts and books of accounts of the Trust and the balance sheet, profit and loss account, cash flow statement and statement of movement in Unit Holders’ Funds and on every other document forming part of the balance sheet and profit and loss account, including notes, statements or schedules appended thereto.
- v. The contents of the Auditors report shall be as mentioned in the Regulations.

3.13 Legal Advisors

Akhund Forbes Hadi.

D-21 26th Street, Karachi 75500, Pakistan

3.14 3.17.1 Bank Accounts

(a) The Trustee, at the request of the Management Company, shall open Bank Account(s) titled “**CDC Trustee - UBL Pakistan Enterprise Exchange Traded Fund**” for the Unit Trust at designated Bank(s) inside or outside Pakistan, subject to the relevant laws, Trust Deed, Rules and Regulations, for collection, investment, redemption or any other use of the Trust’s Funds. Trustee may open a collection account titled as “CDC TRUSTEE UBL FUNDS”.

(b) The Management Company may also require the Trustee to open Bank Account(s) as Distribution Account(s) for dividend distribution out of the Unit Trust. Notwithstanding anything in the Deed, the beneficial ownership of the balances in the Accounts shall vest in the Unit Holders.

(c) All bank charges for opening and maintaining Bank Accounts for the Trust shall be charged to the Fund.

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

3.15 Minimum Fund Size

Minimum Fund size and provisions relating to maintenance of minimum Fund size and other conditions as specified under clause 54(3a) would not apply to this Fund.

4. CHARACTERISTICS OF UNITS

4.1 Units

All Units 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 creation of units lot size of Rs. **10,000 units** having an Initial Offer Price of Rs. 10/- each share. During initial offer which may be a preipo and or IPO, management company may invest or arrange to invest from an investor in cash or against portfolio deposit as determined by the management company. Such investor may not necessarily be the Authorized participant.

4.2 Creation and Redemptions

Shares of the Fund may be acquired or redeemed directly from the Fund only in Creation Units or multiples thereof, as discussed in the Creations and Redemptions section of this document. Only an Authorized Participant or eligible investor may engage in creation or redemption transactions directly with the Fund. Management company in the interest of unit holders may allow some Authorized participants and other unit holders of the Fund to deal directly with the FUND for creation and redemption in cash fully or partly or against a portfolio deposit and cash component on such terms and conditions as deemed fit and announced by the management company. Management company may impose certain charges while allowing the unit holders/AP for creation and redemption in cash/part cash.

Purchase and sale of shares in Secondary Market: Once created, shares of the Fund generally trade in the secondary market in multiplier of Marketable lot size which will be less than a Creation Unit lot size. Shares of the Fund are listed on a Pakistan Stock Exchange for trading. Shares can be bought and sold throughout the trading day like shares of other publicly-traded companies. The Trust does not impose any minimum investment for shares of the Fund purchased on an exchange or otherwise in the secondary market. **However the Exchange may impose a minimum lot size for transactions in ETF**

Authorized Participant can purchase the Units at the Offer Price and redeemed at the Redemption Price at any of the Authorized Distribution Offices during Business Hours on any Dealing Day in accordance with the procedure set out in of this Offering Document.

During the period the register is closed, the sale and redemption of Units may not be suspended.

Management company will be responsible to complete KYC/AML/EDD etc for only authorized participants accordingly conditions mentioned under Securities and Exchange Commission of Pakistan (Anti Money Laundering and Countering Financing of Terrorism) Regulations, 2018. and any other rules and regulations that may be issued from time to time by whatever name called shall not apply to management company for unit holders who have bought/sold/transacted in the units of the Fund in secondary market since the management company can not control such transactions

4.4.2 Account Opening Procedure

The units shall only be issued in Depository Account in dematerialized form therefore account opening with AMC is not required. However, Authorized Participant before requesting for creation units open CDS account either with broker or IAS or in his own account maintained as CDS Participant. While opening in CDS account, the investor shall follow the procedure as specified by the Central Depository Company in its Regulation.

4.4.3 CREATION OF UNITS

- (a) After opening an account an Authorized Participant may purchase Units of Fund using the UNIT CREATION FORM. Cash component must also accompany the form.
- (b) Application for Purchase of Units shall be made by completing the prescribed Form or the mode agreed in the AP agreement along with “CDS Securities Movement Report” and submitting it to the authorized branches of the r to the Management Company together with the payment by cheque, bank draft, pay order or online transfer as the case may be in favor of Trustee Bank Account and crossed “Account Payee only” in favor of “*CDC Trustee – UBL Pakistan Enterprise Exchange Traded Fund*” or the *collection account* maintained by the Trustee. For convenience management company may require the Authorized participant to keep some advance money in the Fund account to account for the request for creation/redemption on a timely basis
- (c) The Management Company may also notify, from time to time, arrangements or other forms of payment within such limits and restrictions considered fit by it with the prior approval of Commission.
- (d) Applicants must indicate their valid CDS account number in the Investment Application Form.
- (e) The Management Company will make arrangements, from time to time, for receiving Investment Request Forms and payments from outside Pakistan and will disclose these arrangements through its website and its Distributors and agents outside Pakistan.

4.4.4 Minimum Amount of Investment

Units shall be issued as per clause 4.2 with a minimum investment size of **10,000 Units having a face value of Rs 10 each**. The Management Company reserves the right to alter the minimum amounts stated hereinabove.

4.4.5 Determination of Purchase Price on creation

- (a) Units shall be offered initially at Rs.10 and thereafter at offer price declared by the Management Company from time to time for Dealing Days during the period when the Fund is open for subscription.
- (b) The Purchase (Offer) Price shall be equal to the sum of:
 - (i) The Net Asset Value (NAV) as of the close of the previous Business Day (Historical pricing);
 - (ii) Such amount as the Management Company may consider an appropriate provision for Duties and Charges; and
 - (iii) such sum shall be adjusted upward to the nearest paisa.
- (c) The Purchase (Offer) Price open for subscription, shall be calculated and announced by the Management on a daily basis and be made available to the public at the office and branches of the Distributors and will also be published daily on the Management Company's and MUFAP's website.

4.4.6 Pricing and Dealing

Determination of Net Asset Value

The NAV of the Fund normally is determined once daily Monday through Friday, generally as of the regularly scheduled close of business of the Fund (normally 4:00 p.m., Pakistan Standard Time) on each day that the Fund is open for trading, based on the closing price of securities of PSX.

The NAV of the Fund is calculated by dividing the value of the net assets of the Fund (i.e., the value of its total assets less total liabilities) by the total number of outstanding shares of the Fund, generally rounded to two decimal place. The value of the securities and other assets and liabilities held by the Fund are determined pursuant to valuation policies and procedures adopted by the AMC subject to the condition specified in the NBFC Regulation or any other law for the time being enforced.

Units Prices and dissemination of INAV.

The trading prices of the Fund's shares in the secondary market may differ from the Fund's daily NAV and are affected by market forces such as the supply of and demand for ETF shares and shares of underlying securities held by the Fund, economic conditions and other factors. Information regarding the intraday value of shares of the Fund, also known as the "indicative Net Assets Value" ("INAV"), is calculated and disseminated every **15 seconds or earlier** throughout each trading day by the PSX, the Exchange on which the Fund's shares are listed, based on the ETF basket information provided by the Fund, . The INAV is based on the current market value of the securities or other assets and/or cash required to be deposited in exchange for a Creation Unit. The INAV does not necessarily reflect the precise composition of the current portfolio of securities or other assets held by the Fund at a particular point in time or the best possible valuation of the current portfolio. Therefore, the INAV should not be viewed as a "real-time" update of the Fund's NAV, which is computed only once a day on a historical price basis.

The Management Company delegates its responsibility of determination of INAV to the Pakistan Stock Exchange. The Pakistan Stock Exchange shall carry out determination of the INAV per Unit on a current basis, within a Business Day as deemed necessary by the Management Company and as specified in the

Offering Document. The Pakistan Stock Exchange shall ensure that INAV is disseminated to the Stock Exchange terminal at regular interval as mentioned above and agreed with PSX from time to time and shared with the Management Company to be displayed on the website of the management company.

The Management Company ensure that the INAV per Unit is calculated on the basis of a process and criteria which is consistently applied by the Management Company or the third-party to whom this function is delegated to ensure that the valuations are objective and independently verifiable.

SECP has clarified that responsibility of the management company relating to INAV under clause 21 of circular 15 of 2012 dated May 8 2012 shall not be applicable due to circumstances beyond its control such as force majeure , failure or malfunctioning of hardware/software despite the best effort by an AMC or the third party to which such function is delegated and virus or cyber-attack despite the fact that antivirus and other reasonable measures were in place by the management company or the third party to whom such function is delegated . Currently such function is outsourced to PSX. This clarification limits the liability of the management company in such situations.

INAV may be suspended in certain situation such as rebalancing and reconstitution. IN cases INAV is disseminated, a notice to such effect shall be sent to the exchange for the information of all investors.

4.4.7 Creation Procedure

The Authorized Participants can directly create Units with the Fund in Creation Unit Size as follows: -

The Fund creates Units in large blocks known as "Creation Units". The size of the Creation Units and multiples thereof are stated in this Document. The value of the "Creation Unit" is the basket of underlying Benchmark Index securities called as the "Portfolio Deposit" and a "Cash Component" which will be exchanged for a fixed number of Units to be issued by the Management Company. The Portfolio Deposit and Cash Component may change from time to time and will be announced through its website. The Management Company may change Creation Unit Size after obtaining prior approval of the Trustee and the Commission. Any such change shall be intimated to the pertinent Stock Exchange within three (3) Business Days prior to the date of such change.

Authorized Participant may create units on its own behalf or on the behalf of its clients.

4.5.1 Redemption Procedure for In-Kind Redemption

Request for Redemption of Units shall be made by completing the prescribed redemption form along with "CDS Delivery-out Report" and the same is received at the Authorized office of the management company on a Dealing Day during the Business Hours as may be announced by the Management Company from time to time.

The requisite Units of the Fund equaling the Creation Unit size or multiples thereof shall be transferred to the Fund's Depository Account and the Cash Component (if applicable) shall be paid to the Trustee through bank transfer in the Bank Account titled as "**CDC Trustee UBL Pakistan Enterprise Exchange Traded Fund**". On confirmation of the same by the Trustee, Portfolio Deposit will be transferred to the CDC account of the Authorized Participant along with the payment of Cash Component (if applicable and as per arrangements between the Fund and AP). Trustee may take the proceeds in the collection account if deemed appropriate.

The redemption request can be submitted by Authorized Participants through physical or electronic form at authorized branches and office of AMC as specified in this Document and AP agreement.

Management company may request the Authorized participant to place advance money in Fund account to incorporate the cash component

Authorized Participant may redeem units on its own behalf or on the behalf of its clients.

Determination of Redemption (Repurchase) Price

Investors can sell the Units of ETF at market prices at any Exchange on which Fund is listed, which may be above or below actual NAV of the Scheme. Only the Authorized Participants can directly redeem Units with the Fund in Creation Unit Size or multiples thereof. The Units shall be redeemed on all Business Days. Units can be redeemed on in-kind basis calculated on the basis of NAV determined on the Business Day prior to the day of receipt of the duly completed redemption Application Form.

The Management Company at the time of announcing the NAV of the Fund, would also announce the composition of Portfolio Deposit and the Cash Component required to be exchanged against redemption of Units.

In situation where management company has decided to apply forward NAV to creation and redemption, all such requests will be processed using forward NAV.

As explained in this Offering document, management company may allow creation and redemption of units in cash/part cash to AP or unit holders. While doing that management company will announce conditions and procedure for such creation and redemption along with the reasons. Management company may impose some charges for creation and redemption in such situation.

4.6 Procedure for Requesting Change in Unit Holder Particulars

where the Unit Holder desires to change Unit Holder details pertinent to their respective CDS account then request should be made to Broker Participant or the Investor Account Service (IAS) with which the account is maintained, according to the procedure laid down in CDCPL Regulations.

4.6.1 Transfer, Nomination and Transmission

Where the Unit Holder desires to Transfer of units to any other Unit holder either through Gift or through NDM market of the PSX, the request of such Transfer shall be made to Broker Participant or the Investor Account Service (IAS) with which the account is maintained, according to the procedure laid down in CDCPL Regulations.

If unitholder nominated any of the authorized person in his /her CDS Account and upon death of the Principal holder the units of Funds shall be Transferred in CDS account of that Nominee (act as trustee of the Principal holder) and thereafter the Nominee shall distribute the rights among the successors according to the Succession Certificate issued by the Court as specified in the Companies Act, 2017.

Transmission of Units to successors in case of inheritance or distribution of the estate of a deceased Unit Holder shall be processed by the CDCPL according to the procedure laid down in CDCPL Regulations.

4.7 Procedure for Pledge / Lien / Charge of Units

If Units are held in CDS account then request should be made to Broker Participant or the Investor Account Service (IAS) with which the account is maintained, according to the procedure laid down in CDCPL Regulations.

4.8 Temporary Change in Method of Dealing, Suspension of Dealing and Queue System

4.8.1 Temporary Change in the Method of Dealing

Subject to compliance with Regulation (having regard to the interests of Unit Holders), the Management Company may request the Trustee to approve a temporary change in the method of dealing in Units. A permanent change in the method of dealing shall be made after expiry of at least one month's notice to Unit Holders and with the approval of Trustee.

4.8.2 Suspension of Fresh Issue of Units

The Management Company may during the rebalancing of the ETF or at any other time, subject to the Regulations and in the best interest of Unit Holders or under the circumstances of Force Majeure as defined in this offering Document or any other situation in which the issuance of fresh units is, in management company's opinion, against the interest of the unit holders, suspend issue of fresh Units.

Such suspension may, however, not affect the payment of cash dividend or the issue of bonus Units as a result of dividend distribution. The Management Company shall announce the details of exemptions at the time a suspension of fresh issue is announced. The Management Company shall immediately notify the Commission, Trustee and Exchange if creation/redemption in Units is suspended.

Provided that the Management Company shall, at any time, terminate such suspension at the order of the Commission.

Further provided that the trading in ETF Units on the exchange may continue during the period of suspension of issuance and redemption of ETF Units.

4.8.3 Suspension of Redemption of Units

The Redemption of Units may be suspended during rebalancing of the ETF, extraordinary circumstances/ Force Majeure etc or in any other circumstances determined by the management company to be in the interest of the unit holders

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

4.8.4 Winding up in view of Major Redemptions

In the event the Management Company is of the view that the quantum of redemption requests that have built up are likely to result in the Fund being run down to an unsustainable level, 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.. In case of shortfall, neither the Trustee nor the Management Company shall be liable to pay the same.

5. DISTRIBUTION POLICY

5.1 Declaration of Dividend

- a) The Management Company shall decide as soon as possible but not later than forty-five days after the Accounting Date / interim period whether to distribute among Unit Holders, profits, either in form of bonus Units (stock dividend) or cash dividend, if any, available for the distribution at the end of the Accounting Period

and shall advise the Trustee of the amount of such distribution per Unit. The Fund will comply with regulatory and taxation requirements and the distribution policy may be amended accordingly.

- b) The Management Company on behalf of the Fund shall, for every accounting year, distribute by way of dividend to the Unit Holders, not less than ninety per cent of the accounting income of the Collective Investment Scheme received or derived from sources other than capital gains as reduced by such expenses as are chargeable to a Collective Investment Scheme under the Regulations.
- c) For the purpose of this Clause the expression "accounting income" means income calculated in accordance with the requirements of International Accounting Standards (IAS) as are notified under the

Companies Ordinance, 1984, the Regulations and the directives issued by SECP. Wherever the requirement of Regulations or the directives issued by SECP differs with the requirement of IAS, the Regulations and the said directives shall prevail.

5.2 Determination of Distributable Income

The amount available for distribution in respect of any Accounting Period shall be the sum of all income and net realized appreciation, from which shall be deducted:

- the expenses, as stated in Clause 7.2 to 7.4 of this Offering Document; and
- any taxes of the Fund

All the receipts deemed by the Management Company to be in the nature of capital accruing from Investments shall not be regarded as available for distribution but shall be retained as part of the Trust Property, provided that such amounts out of the sale proceeds of the Investments and all other receipts as deemed by the Management Company to be in the nature of the net realized appreciation may be distributable to the Unit Holders by the Trustee upon instructions of the Management Company and shall thereafter cease to form part of the Trust Property.

5.3 Payment of Dividend

All payments for dividend shall be made through transfer of Funds to the Unit Holder's designated bank account and such payment shall be subject to the Regulations and any other applicable laws and taxes.

5.4 Bonus Units

The Management Company may decide to distribute, wholly or in part, the distributable income in the form of bonus / stock dividend (which would comprise of the Bonus Units of the Trust), if it is in the interest of Unit Holders. After the fixing of the rate of distribution per Unit, in case of distribution in the form of Bonus Units, the Management Company shall, under intimation to the Trustee, issue additional Units for Bonus / Stock Dividend.

The Bonus units would rank *pari passu* as to their rights in the net assets, earnings and receipt of dividend and distribution with the existing units from the date of issue of these Bonus units.

5.5 Closure of Register

The Management Company may close the Register provided that the time period for closure of register shall not exceed six (6) working days at a time and whole forty five days in a Financial Year.

6. FEE AND CHARGES

6.1 Fees and Charges Payable by an Investor

Issuance, Redemption and Transfer of units can only be made through CDS therefore Transaction cost would be applicable as per the Depository and Clearing House Tariffs.

6.1.1 Expenses borne by the Management Company and the Trustee

The Management Company and Trustee shall bear all expenditures in respect of their respective secretarial and office space and professional management services provided in accordance with the provisions of the Deed. Neither the Management Company nor the Trustee shall make any charge against the Unit Holders nor against the Trust Property nor against the Distribution Account for their services nor for expenses, except such expenses or fees as are expressly authorized under the provisions of the Regulations and the Deed to be payable out of Trust Property.

Any cost associated with sales, marketing and advertisement of collective investments schemes shall not be charged to the collective investment schemes, unless specifically allowed by the commission in Regulation.

6.1.2 Remuneration of / Investment Agent / Investment Facilitator

The. The Investment Facilitator/Investment Adviser/Sales Agent employed by the Management Company will be entitled to a remuneration payable by the Management Company out of its own resources. Management company is allowed to charge certain expense as specified in this OD

6.2 Fees and Charges Payable by the Fund

The following expenses shall be borne by the Fund:

6.2.1 Remuneration of the Management Company and Its Authorized Participants

The Management Company shall be entitled to prescribe and receive maximum remuneration up to the maximum rate of remuneration permitted under the Regulations and directives issued thereunder.

The remuneration shall begin to accrue from the issue of Initial Creation Units

Such remuneration is payable to the Management Company in arrears within thirty (30) Business Days after the end of each calendar month.

In consideration of the foregoing and save as aforesaid, the Management Company shall be responsible for the payment of all expenses incurred by the Management Company from time to time in connection with its responsibilities as Management Company of the Trust. The Management Company shall not make any charge against the Unit Holder(s) or against the Trust Property for its services or for its expenses, except such expenses as are expressly authorized under the provisions of the Regulations and directives issued there under and this Deed to be payable out of Fund Property.

6.2.2 Remuneration of the Trustee

The Trustee shall be entitled to a monthly remuneration out of the Trust Property determined in accordance with Annexure "D". The remuneration shall begin to accrue from the issue of Initial Creation Units.

Such remuneration shall be paid to the Trustee in arrears within thirty (30) Business Days after the end of each calendar month.

In consideration of the foregoing and save as aforesaid the Trustee shall be responsible for the payment of all expenses incurred by the Trustee from time to time in connection with its duties as Trustee of the Trust. The Trustee shall not make any charge against the Holders or against the Trust Property for their services or for their expenses, except such expenses as are expressly authorized to be paid out of the Trust Property under the provisions of the Regulations and the Constitutive Documents.

Any increase in the remuneration of the Trustee agreed to by the Management Company shall require the approval of the Commission. However, any decrease in remuneration of the Trustee shall not require such approval.

6.3 Formation Costs

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

Formation Cost shall be charged to the Scheme and shall not exceed such limits as specified in the Regulations or directives issued thereunder.

6.4 Other costs and expenses

The following charges in addition to above shall also be payable out of the Fund Property

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

6.5 Expense Ratio

The expense ratio shall be in line with the limits assigned for Exchange Traded Fund , and as defined by the Commission from time to time.

7. TAXATION

7.1 Taxation on the Income of the Fund

7.1.1 Liability for Income Tax

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

Under the Tax Law in Pakistan, the definition of a public company includes a trust formed under any law for the time being in force. The Fund is considered as a public company liable to a tax rate applicable to a public company. However, the income of the Fund will be exempted from tax if not less than 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.

7.2 Withholding tax

Under the provision of Clause 47(B) of part (IV) of second schedule of the Income Tax Ordinance 2001, the Fund's income from dividend from Term finance certificates, Sukuks, return on (Riba free) deposits with banks/financial institutions, return from contracts, securities or instruments of companies, organizations and establishments will not be subject to any withholding tax.

7.3 Zakat on Fund

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

7.4 Taxation and Zakat on Unit Holders

7.4.1 Taxation on Income from the Fund of the Unit Holder

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

7.4.2 Unit Holders of the Fund will be subject to applicable Income Tax on dividend income distributed by the Fund

7.4.3 Capital gain arising from sale/disposal of Units of the Fund in the secondary market will be subject to tax at the applicable tax rate as mentioned in Income Tax Ordinance 2001 and shall be computed determined and collected by the NCCPL.

7.4.4 Capital Gain on Redemption by authorized participant /Institutional investor or any other unit holder through the management company will also be computed determined and collected from the AP/customer/unit holder by NCCPL, considering the ageing and price maintained by NCCPL in its system,

7.4.5 Zakat

Units held by resident Pakistani Unit Holders shall be subject to Zakat at 2.5% of the value of

the Units under Zakat and Ushr Ordinance, 1980, (XVII of 1980), except those exempted under the said Ordinance. Zakat will be deducted at source from the redemption proceeds. Above deduction will not be made if Unit Holder provides declaration in due course of time to the Management Company.

7.5 Disclaimer

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

8. REPORTS TO UNIT HOLDERS

8.1 Account Statement

The Broker and/ or the IAS Participant as the case may be shall send the Account Statement to each unitholder, maintained by them, periodically as specified in the CDC Regulation/ Procedure.

8.2 Financial Reporting

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

8.3 Trustee Report

The Trustee shall report to the Unit Holder, to be included in the annual and second quarter Financial Reports issued by the Management Company to the Unit Holders, as to whether in its opinion the Management Company has in all material respects managed the Fund in accordance with the provisions of the Regulations, the Constitutive Documents and if the Management Company has not done so, the respect in which it has not done so and the steps the Trustee has taken in respect thereof.

8.4 Fund Manager Report

The Management Company shall prepare Fund Manager report each month as per guideline issued by MUFAP and transmit the same to the Unit Holders and also made available at their web site at least within five working days after close of every month.

9. WARNING AND DISCLAIMER

9.1 Warning

- 9.1.1 If you are in any doubt about the contents of this Offering Document, you should consult your bank manager, Legal advisor, or other financial advisor. The price of the Units and the income of the Fund (from which distributions to Unit Holders is made) may increase or decrease.
- 9.1.2 Investment in this Fund is suitable for investors who have the ability to take the risks associated with financial market investments. Capital invested in the financial markets could in extreme

circumstances lose its entire value. The historical performance of this Fund, other Funds managed by the Management Company, the financial markets, or that of any one security or transaction included in the Fund's portfolio will not necessarily indicate future performance.

9.2 Disclaimer

9.2.1 The Units of the Fund are not bank deposits and are neither issued by, insured by, obligation of, nor otherwise supported by SECP, any Government Agency, Trustee (except to the extent specifically stated in this document and the Trust Deed) or any of the shareholders of the Management Company or any of the Pre-IPO Investors or any other bank or financial institution. The portfolio of the Fund is subject to market risks and risks inherent in all such investments.

9.2.2 Fund's target return/ dividend range cannot be guaranteed. Fund's Unit price is neither guaranteed nor administered/ managed; it is based on the NAV that may go up or down depending upon the factors and forces affecting the capital markets and interest rates.

10. GENERAL INFORMATION

10.1 Accounting Period / Financial Year of the Fund

Accounting Period means a period ending on and including an accounting date and commencing (in case of the first such period) on the date on which the Trust Property is first paid or transferred to the Trustee and (in any other case) from the next day of the preceding accounting period.

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

10.2 Inspection of Constitutive Documents

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

UBL Fund Managers – Operations Office

4th Floor STSM Building, Beaumont Road, Civil Lines Karachi, Pakistan

10.3 Transfer of Management Rights of the Fund

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

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

Commission.

10.4 Extinguishment /Revocation of the Fund

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

- (i) where the Management Company is unable to remove the suspension of redemption of Units of the Fund within the fifteen business days of suspension and the Unit Holders representing at least three fourth in value of total outstanding Units of the concerned scheme pass a resolution or have given consent in writing that the scheme be revoked;
- (ii) where the Management Company goes into liquidation, becomes bankrupt or has a liquidator appointed over its assets, or its license has been cancelled or does not hold valid license;
- (iii) in the opinion of the Management Company the scheme is not commercially viable or purpose of the scheme cannot be accomplished subject to the consent of Trustee;
- (iv) The Management Company subject to regulatory approval, may announce winding up of the Trust in the event redemption requests build up to a level where the Management Company is of the view that the disposal of the Trust Property to meet such redemptions would jeopardize the interests of the remaining Unit Holder(s) and that it would be in the best interest of all the Unit Holder(s) that the Trust be wound up.
- (v) on occurrence of any event or circumstances which, in the opinion of the Trustee, requires the Fund to be revoked; and
- (vi) where the Commission deems it necessary to revoke the Fund & directs either Trustee or the Management Company in the interest of Unit Holders;

10.5 Procedure and manner of Revocation of the Fund

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

10.6 Distribution of proceeds on Revocation

In case of Revocation of the Fund the Trustee shall according to the procedure laid down in Regulations refund the net proceeds to the Unit Holders in proportion to the number of units held by them.

10.7 GLOSSARY

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

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

“Accounting Period” means a period ending on and including an accounting date and commencing (in case of the first such period) on the date immediately after the close of IPO and (in any other case) from the next day of the preceding accounting period.

“Annual Accounting Period” or “Financial Year” means the period commence on 1st July and shall

end on 30th June of the succeeding calendar year.

"Authorized Participant(s)" means the eligible institutional investor or TREC Holder of Exchange subject to the Authorized Participant Agreement signed between the parties.

"Authorized Participant Agreement" means an agreement entered into between an Authorized Participant, the Trustee and the Management Company setting out the roles and responsibilities of each party and includes, among other things, the terms and procedures for the issuance and redemption of Creation Units.

"Asset Management Company"/AMC" means an asset Management Company as defined in the Rules and Regulations.

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

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

"Authorized Investments" means Pakistan origin investment and includes the following:

- Local Equities
- Cash and cash equivalent

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

"Bank Accounts" means those account(s) opened and maintained for the Fund by the Trustee at the instruction of the Management Company at Banks, the beneficial ownerships in which shall vest in the Unit Holder(s).

"Benchmark Index" means the index approved by the Commission and as specified in the Offering Document.

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

"Business Day" means any day on which scheduled banks/stock exchanges, and the Management Company is open for business in Pakistan.

"Cash Component" means the difference between the applicable net asset value of a Creation Unit and the market value of the Portfolio Deposit. This difference will represent accrued dividend, accrued annual charges including management fees and residual cash in the scheme.

1. if Cash Comp is positive, investor/AP has to pay while creation and will receive on redemption
2. If Cash Comp is negative, investor/AP will receive on creation and will pay during redemption. add this after the current definition of cash component in ETF

"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).

"Constitutive Documents" means the Trust Deed, Offering Document or such other documents as defined in the Regulations.

"Creation Units" means the specified number of ETF Units for issuance or redemption as determined by the Asset Management Company and disclosed in the Constitutive Documents.

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

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

“Distribution Account” means the Bank Account (which may be a current, or PLS deposit account) maintained by the Trustee with a Bank as directed by the Management Company in which the amount required for distribution of income to the Unit Holder(s) may be transferred. Income or profit, if any, including those accruing on unclaimed dividends, in this account shall be transferred to the main account from time to time, as part of the Fund Property

“Duties and Charges” means in relation to any particular transaction or dealing all stamp and other duties, taxes, Government charges, bank charges, transfer fees, registration fees and other duties and charges in connection with the increase or decrease of the Trust Property or the creation, issue, sale, transfer, redemption or purchase of Units or the sale or purchase of Investment or in respect of the issue, transfer, cancellation or replacement of a Certificate or otherwise which may have become or may be payable in respect of or prior to or upon the occasion of the transaction or dealing in respect of which such duties and charges are payable, but do not include the remuneration payable to the Distribution Company or any Commission payable to agents on sales and redemption of Units or any Commission charges or costs which may have been taken into account in ascertaining the Net Asset Value.

“ETF” means Exchange Traded Fund, which is a listed index-tracking open end fund structured as a Collective Investment Scheme. The Primary objective of the ETF is to mimic the return of a particular benchmark index by investing substantially all of its assets in the constituent securities of the benchmark index. ETF shall issue and redeem Creation Units in-kind through AP only.

“ETF Unit” is a unit of open end scheme that tracks a benchmark index and is listed on the stock exchange and may be bought and sold like any other share on the stock exchange.

“Exchange Regulations” mean the Regulations Governing Exchange Traded Funds made by a Stock Exchange on which the Units of the Fund are listed and shall include any other regulations, notifications of directives issued by the Pakistan Stock Exchange relating to Exchange Traded Funds.

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

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

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

“Formation Cost” means preliminary expenses relating to regulatory and registration fees of the Scheme, flotation expenses of the Scheme, expenses relating to authorization of the Scheme, execution and registration of the Constitutive Documents, legal costs, printing, circulation and publication of this Offering Document, announcements describing the Scheme and all other expenses incurred until the end of the Initial Period.

“Fund” means “UBL Pakistan Enterprise Exchange Traded Fund” or “Scheme”, or “Trust”, or “Unit Trust”, or “UBL PAK ETF”.

“Fund Property” means the aggregate proceeds of the sale of all Units to Authorized Participant at Offer Price and any Transaction Costs recovered in the Offer or Redemption prices, after deducting therefrom or providing there against, the value of Redemption, Duties and Charges (if included in the Offer Price or Redemption Price) applicable to the issue or redemption of Units to Authorized Participant and any expenses chargeable to the Fund; and includes the Investment and all income,

profit and other benefits arising therefrom, all cash and other assets, movable or immovable, and property of every description, for the time being, held or deemed to be held upon trust by the Trustee for the benefit of the Unit Holders pursuant to the Trust Deed but does not include any amount standing to the credit of the Distribution Account.

“Government Securities” includes monetary obligations of the Government or a Provincial Government or a corporation wholly owned or controlled, directly or indirectly, by the Federal Government or a Provincial Government and guaranteed by the Federal Government and any other security as the Federal Government may, by notification in the official Gazette, declare, to the extent determined from time to time, to be a Government Security.

“Holder or Unit Holder” means the investor for the time being entered in the Register as owner of a Unit of Fund, including investors jointly so registered pursuant to the provisions of the Trust Deed.

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

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

“In-kind Creation” means a portfolio of securities and the cash component to be delivered to the Asset Management Company, by an AP either on its own account or on behalf of its clients for creation of ETF units.

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

“Management Company” is defined in the preamble hereto;

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

“INAV” means Intra-day Indicative net asset value calculated on a current basis (with regular intervals) after incorporating the price change of underlying securities throughout a business day. INAV is indicative current basis net asset value of an ETF unit that facilitates trading of ETF in the secondary market.

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

“Offering Document” means the prospectus or other document (issued by the Management Company with written consent of the Trustee and approved by the Commission) which contains the investments and distribution policy, unit structure(s) and all other information in respect of the Unit Trust, as required by the Rules and Regulations and is circulated to invite offers by the public to invest in the Scheme.

“Par Value” means the face value of **Rs. 10** for a Unit of the Fund.

“Portfolio Deposit” means a pre-defined basket of securities that represents the Benchmark Index together with a cash payment (if applicable) for the purposes of issuance and redemption of Creation Units to Authorized Participant(s) to be announced by the Management Company in the Offering Document and composition of the Portfolio Deposit may change from time to time.

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

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

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

“Redemption Price or Repurchase Price” means the amount to be paid to the relevant Holder of a Unit upon redemption of that Unit, such amount to be determined pursuant to this document. In Kind redemption means a redemption paid by giving portfolio deposit along with the adjustment of cash component. Cash component is defined in this offering document along with the treatment of cash component in various situations

“Register” means the Register of the Unit Holders kept pursuant to the Act.

"Registrar" means a Company that AMC may appoint for performing the Registrar Functions; provided that AMC may also itself perform the Registrar Functions.

"Registrar Functions" means the functions with regard to:

- (a) Maintaining the Register;
- (b) Receiving application for transfer/transmission of Units directly from Unit Holder or legal representatives;
- (c) Processing requests for transfer and transmission of Units with regard to the Unit Holders; and effectuating such transfers in the Register;
- (d) Issuing Units to Unit Holders;
- (e) Dispatching of dividend warrants;
- (f) Keeping record of change of addresses/ other particulars of the Unit Holders; and
- (g) CDS related activities.

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

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

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

"Stock Exchange" means a public company that is licensed by the Commission as a security exchange under section 5 of Securities Act, 2015

"Tracking Error" Tracking error" is the divergence of the performance (return) of the Fund's portfolio from that of the Underlying Index

"Transaction Costs" means the costs incurred or estimated by the Management Company to cover the costs (such as, but not restricted to, brokerage, Trustee charges, taxes or levies on transactions, etc.) related to the investing or disinvesting activity of the Trust's portfolio, *inter alia*, necessitated by creation or cancellation of Units. Such costs may be added to the NAV to which the costs may be applicable for determining the Purchase (Offer) Price of such Units or be deducted from the NAV to which the costs may be applicable in determining the Repurchase (Redemption) Price.

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

"Unit" means one undivided share in the Net Asset being offered under this Scheme and where the context so indicating a fraction thereof.

Words and expressions used but not defined herein shall have the meanings assigned to them in the Act and Rules and Regulations, words importing persons include corporations, words importing the masculine gender include the feminine gender, words importing singular include plural and words "written" or "in writing" include printing, engraving lithography, or other means of visible reproduction. The headings and table of contents are for convenience only and shall not affect the construction of the Trust Deed.

Annexure “A”

REMUNERATION OF TRUSTEE AND ITS AGENT

Trustee Fee subject to review by either party, however any upward revision shall require prior approval of SECP.

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

On Net Assets (Rs.)	New Tariff
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Annexure “B”

Expense ratio of 1.5% p.a. of the net assets of the fund calculated on a daily basis as allowed under the NBFC regulations. Management fee will be 0.65% of the net assets of the Fund calculated on a daily basis subject to maximum expense ratio as allowed under NBFC regulations.

1. **Cut-Off Timing:**

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

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

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

Latest by 6:30 p.m. on the Dealing Day

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

Any change in the 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 “C”

Distribution Details (Addresses of Management Company Investment Centers)

Investment Centers of UBL Fund Managers	
1. Faisalabad	
	Address: UBL Bank Square, Shop # 10, Circular Road, Faisalabad. Telephone: 041-9200913, 041-2639652
2. Hyderabad	
	Address: Office # 06 Mezzanine Floor, Najmi Heights, Opposite Akber Chamber, Saddar, Hyderabad. Telephone: 022-2731560-65
3. Islamabad	
	Address: 2nd floor, UBL Building, Jinnah Avenue, Blue Area, Islamabad. Telephone: 051-111-825-262
4. Karachi	
	Address: Shop # 8-C, First Floor, Khayaban-E-Shahbaz, Phase VI, D.H.A; Karachi. Telephone: 021-35854126, 021-35349059
	Address: Office No. 02, Gulshan Palace, Plot # SB-15, Block 13-C, Scheme # 24, Gulshan-e- Iqbal Near Ashfaq Memorial Hospital, Karachi. Telephone: 021-34826243, 021-34826245
	Address: Shop #1. Ground Floor, Al-Habib complex, Plot #B-71, Block-L, North Nazimabad, K.D.A. Scheme #2, Karachi. Telephone: 021-36721661-4
5. Lahore	
	Address: Office # 501, 5th Floor, Siddique Trade Centre, Main Boulevard, Gulberg, Lahore. Telephone: 042-111-825-262, 042-35792141-48
	Address: Ground Floor, 40-A-XX, Tower, Block XX, Phase III, DHA; Lahore. Telephone: 042-111-825-262
6. Multan	
	Address: : 4th Floor, Chen One Tower, Abdali Road, Multan. Telephone: 061-4543811, 061-4542811, 061-4588053
7. Peshawar	
	Address: Regional Head Quarters UBL, State Life Building, The Mall, Peshawar. Telephone: 091-5274678
8. Rawalpindi	
	Address: Shop # 54, Ground Floor, Aries Tower, Main Murree Road, Shamsabad, Rawalpindi. Telephone: 051-4575249

9.	Abbottabad
	Address: Sarmayakari Markaz, 1st Floor, Al-Fateh Shopping Centre, Opposite Radio Station, Abbottabad. Telephone: 099-2408189
	Designated UBL Branches
1.	Bhawalpur
	Address: UBL Model Town B Branch, Bhawalpur Telephone: 0622-886117
2.	Faisalabad
	Address: UBL Bank Square Circular Road, Faisalabad. Telephone: 041-9200604
3.	Islamabad
	Address: UBL Jinnah Avenue UBL Tower, Islamabad Telephone: 051-90332218
4.	Jhelum
	Address: UBL Civil Line Branch, Jhelum Telephone: 0544-9270143
5.	Karachi
	Address: UBL Chandni Chowk Branch Telephone: 021-99231142
6.	Lahore
	Address: UBL Commercial Zone, Liberty Market, Lahore. Telephone: 042-35756590
7.	Larkana
	Address: UBL Raza Shah Kabir Road Branch, Larkana Telephone: 074-4045163
8.	Mianwali
	Address: UBL Ballo Khel Road, Mianwali. Telephone: 0459-231033
9.	Multan
	Address: 3rd Floor, UBL Regional Office, Multan. Telephone: 061-9201556
10.	Peshawar
	Address: UBL Cantt Branch, Saddar Road, Peshawar. Telephone: 091-9213140-42
11.	Rawalpindi
	Address: UBL Satellite Town Chandni Chowk, Rawalpindi. Telephone: 051-4571342
12.	Sargodha
	Address: UBL Railway Road Branch, Sargodha. Telephone: 048-3768181
13.	Sukkur

Address: UBL Clock Tower Branch, Sukkur Telephone: 071-5618804	
14.	Wah Cantt & Attock
Address: Aslam Market UBL Area Office Telephone: 051-4903281	