

**3rd Supplement to the
Offering Document of
UBL Special Savings
Fund (USSF)**

**(UBL Special Savings Plan-II)
(USSP-II)**

Effective Date: 01.02.2019

Third Supplemental to the Offering Document of UBL Special Savings Fund (USSF)

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

UBL Special Savings Fund (USSF) has been established through a Trust Deed (the Deed) dated 19th October, 2018 under the Trust Act, 1882 entered into and between UBL Fund Managers Limited (UBL Funds), as the Management Company and Central Depository Company of Pakistan Limited (CDCPL), as the Trustee.

Objective of the Supplementary Offering Document

UBL Funds is introducing UBL Special Savings Plan-II (USSP-II) via this Supplementary Offering Document, in compliance with the relevant regulations and as stated in Clause 1.10.3 & Clause 2.2.3 of the Offering Document of USSF.

1. The following sub-clause has been amended under clause 1.13 of the Offering Document and read as follows:

(a) Capital Preservation Segment

All investable avenues of the Scheme are fixed income based, which cater the requirement of capital preservation with reference to the Initial Investment Value of units.

Capital Preservation is applicable based on current tax and legal structure.

Capital Preservation is for the units held within Plan till thirty six (36) months & beyond from commencement of Life of Plan

Capital Preservation is for Initial Investment Value only which may include proceeds in the form of gross cash dividend during the Life of Plan and amount paid on redemption of units at completion of thirty six (36) months and beyond from commencement of Life of Plan.

2. The following sub-clause has been added/amended under clause 2.2 of the Offering Document and read as follows:

b) UBL Special Savings Plan-II (USSP-II)

3. The following sub-clause has been added/amended under clause 2.2.1 of the Offering Document and read as follows:

The Investment Objectives of the Allocation Plan is as follows:

- II. The “**UBL Special Savings Plan-II (USSP-II)**” is an Allocation Plan under “UBL Special Savings Fund” with an objective to earn competitive regular return with capital preservation for unit holders who held their investment within Plan for thirty six (36) months & beyond from (Commencement of Life of Plan)

4. The following sub-clause has been added/amended under clause 2.2.2 of the Offering Document and read as follows:

The Benchmark of Allocation Plan is as follows:

| Allocation Plan | Benchmark |
|---------------------------------------|---|
| UBL Special Savings Plan-II (USSP-II) | Average of 6 Months PKRV Rates (Category of Fund – Capital Protected Scheme) |

5. The following sub-clause has been added/amended under clause 2.2.4 of the Offering Document and read as follows:

2. For “UBL Special Savings Plan-II (USSP-II)”, the Management Company shall actively manage the allocations, from time to time, subject to the specified limits as per Clause 2.2.9.

6. The following sub-clauses have been added/amended under clause 2.2 of the Offering Document and read as follows:

2.2.11 “UBL Special Savings Plan-II (USSP-II)” Investment Policy

- a) The allocation plan will be actively allocated between authorized investable avenues.
- b) Active Allocation means that the Management Company may, from time to time, change the allocations in the authorized investable avenues based on the Fund Manager’s outlook for the asset-classes.
- c) Initially, the Management Company may seek to invest in the following authorized investable avenues mentioned below:

Authorized Investment Table

| Authorized Investable Avenues | Exposure Limit % | | Rating | Maximum Maturity |
|--|-------------------------|----------------|---------------|-------------------------|
| | Minimum | Maximum | | |
| PIBs, | 0% | 100% | N/A | 48 months |
| Term Deposit Receipts | 0% | 100% | AA- & Above | 36 months |
| Treasury Bill | 0% | 100% | N/A | 12 months |
| Cash & Cash Equivalent (including T-Bill and GOP Ijarah Sukuks) | 0% | 100% | AA- & Above | Not exceeding 90 days |

- (e) The Management Company may invest or divest in/ from authorized investable avenues mentioned in 2.2.11(c) above. The Management Company may also invest in any other investable avenue available to it, as categorized according to SECP Circular 7 of 2009 with the prior approval of the SECP, in the above mentioned asset class and comply with the requirements of clause 2.2.11(b) above.

2.2.12 Basic features of UBL Special Savings Plan-II (USSP-II)

a) **Term/ Duration of the Allocation Plan:** The duration of the plan is perpetual.

b) **Subscription Period:** The allocation plan will be open for subscription as follows:

| | |
|---------------|----------------------------|
| Pre-IPO: | 01-02-2019 |
| IPO: | 04-02-2019 |
| Subscription: | 05-02-2019 till 01-04-2019 |

During the Subscription Period, units of the Allocation Plan can be purchased at the prevailing NAV and redeemed at the Redemption Price, which shall be calculated on the basis of Net Asset Value (NAV) of each Allocation Plan.

c) **Front-End Load:** 0% to 1.5%*

d) **Back-End Load (Deferred Sales Load)** on withdrawal: As stated below, for thirty-six (36) months from commencement of Life of Plan as follows:

0% to 0.70% during 1st Year
0% to 0.55% during 2nd Year
0% to 0.20% during 3rd Year
NIL after 3rd Year

e) **Contingent Load on withdrawal:** As stated below, for thirty-six (36) months from commencement of Life of Plan as follows:

0% to 0.30% during 1st Year
0% to 0.20% during 2nd Year
0% to 0.05% during 3rd Year
NIL after 3rd Year

*Management Company may waive the Sales Load fully or partially at its own discretion to any investor.

7. **The following sub-clause has been added/amended under clause 3.16 of the Offering Document and read as follows:**

3. “CDC Trustee – UBL Special Savings Fund – UBL Special Savings Plan-II”

8. **The following sub-clause has been added/amended under clause 4.2 of the Offering Document and read as follows:**

For UBL Special Savings Plan-II (USSP-II)

b) **Class “A” Units:** Class “A” Units are the capital protected units (subject to completion of thirty-six months & beyond from commencement of Life of Plan). It will be issued to the unit-holders during Pre-IPO, IPO and Subscription Period of the respective allocation Plan.

Class “A” units may carry Front- end load and /or Back-end Load (Deferred Sales Load) & Contingent Load in case of redemption before the completion of thirty-six

months from commencement of Life of Plan of the respective allocation Plan. However after the completion of thirty-six months & beyond from commencement of Life of Plan no Back-end Load (Deferred Sales Load) & Contingent Load shall be charged on redemption.

Units redeemed during the Subscription Period will not carry Back End Load (Deferred Sales Load) & Contingent Load.

Any dividend announced for Class “A” units will be given in the form of cash dividend, after deduction of (any applicable duties & taxes) during the Life of Plan. Any dividend announced before Commencement of Life of Plan will either be reinvested or paid as cash dividend as chosen by the unit-holder.

Please refer to Annexure ‘B’ of UBL Special Savings Plan-II (USSP-II) for relevant features (applicable load and restrictions).

9. The following sub-clauses have been added/amended under clause 4.4.4.(b) of the Offering Document and read as follows:

iv. For UBL Special Savings Plan-II (USSP-II)

For Pre-IPO, IPO and Subscription Period:

- CDC Trustee – UBL Special Savings Fund – UBL Special Savings Plan-II” or
- CDC Trustee – UBL Special Savings Fund or
- CDC Trustee – UBL Funds

10. The following clause have been added/amended under clause 4.4.5 of the Offering Document and read as follows:

Units shall be issued as per clause 4.2 with a minimum investment size of Rs. 100,000 (Rupees One Hundred Thousand only) and thereafter the minimum amount for investment would be Rs.1,000/- (Rupees One Thousand only). The Management Company reserves the right to alter the minimum amounts stated hereinabove.

11. The following sub-clauses have been revoked/deleted under clause 5 of the Offering Document and read as follows:

5.5 Reinvestment of Dividend

The Management Company shall give the Unit Holders the option at the time of opening of Unit Holder Account (via Investor Account Opening Form) to have any Cash/ Bonus/ Stock Dividend announced for an Allocation Plan be reinvested on behalf of the investor through issuance of new Units, of the pertinent Allocation Plan, within the Unit Holder register after deduction of applicable taxes.

5.6 Unit issuance for reinvestment of Dividend

The Management Company shall decide as soon as possible, but not later than the time stipulated in the Companies Act 2017 or the Rules and the Regulations, after the Accounting Date / Interim Period whether to distribute among the Unit Holders, profits in form of cash divided, if any, available for the distribution at the end of the Accounting Period and all such distribution

of cash dividend shall be mandatorily reinvested after deduction of applicable taxes in order to ensure the Capital Protection at the end of the Minimum Life of the Plan. The Management Company may advise the Trustee of the amount of such distribution per unit and number of fresh units to be issued as a result of such reinvestment.

The Fund will comply with regulatory and taxation requirements and the Distribution Policy may be amended in future accordingly.

Clause 5.7 (Closure of Register) of the Offering Document is to be read as Clause 5.5 after revocation/deletion of above mentioned clause 5.5 & 5.6.

12. The following table has been added under Annexure ‘B’ of the Offering Document and read as follows:

For UBL Special Savings Plan-II (USSP-II)

| Unit Type | Front-End Sales Load (%) | Back End Load as (Deferred Sales Load) (% p.a.) | Contingent Load (%p.a.) | Management Fee (% p.a.) |
|--|---------------------------------|--|---|--|
| Class “A” Units (Sale/Purchase Units) | 0% to 1.5% | 0% to 0.70% during 1 st Year | 0% to 0.30% during 1 st Year | 1% during the Subscription Period & 1% during the Life of Plan |
| | | 0% to 0.55% during 2 nd Year | 0% to 0.20% during 2 nd Year | |
| | | 0% to 0.20% during 3 rd Year | 0% to 0.05% during 3 rd Year | |
| | | NIL after 3 rd Year | NIL after 3 rd Year | |

0% to 1.5% Sales load may be charged where transactions are done online or through website of the AMC as per SECP Circular No. 27 of 2017.



SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN
SPECIALIZED COMPANIES DIVISION
POLICY, REGULATION AND DEVELOPMENT DEPARTMENT

No. SCD/AMCW/USSF/ 234/2018

December 21, 2018

Mr. Yasir Qadri
Chief Executive Officer
UBL Fund Managers Limited
4th floor, STSM Building, Beaumont Road
Civil Lines, Karachi.

Subject: Approval of the 3rd supplement to the offering document of UBL Special Savings Fund(USSF)

Dear Sir,

Please refer to the applications dated December 20, 2018, December 19, 2018 and December 11, 2018 received from your office regarding the captioned subject.

In this regard, I am directed to inform you that the amendments proposed by UBL Fund Managers Limited in the third supplement to the offering document of UBL Special Savings Fund to launch UBL Special Savings Plan-II have been acceded to by the Securities and Exchange Commission of Pakistan.

UBL Fund Managers Limited may therefore proceed in accordance with the constitutive documents of the Fund and prevalent regulatory framework.

Yours truly,

Zonish Inayat
(Deputy Director)

"Say no to Corruption"

Cc:

Mr. Iqleem-uz-Zaman
Assistant General Manager
Trustee and Custodial Operations
CDC House, 99-B, Block 'B',
S.M.C.H.S., Main Shakra-e-Faisal,
Karachi.