

**Risk Disclaimer: All Investments in Mutual 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 2.4, Taxation Policies mentioned in Clause 7 and Warnings in Clause 9 before making any investment decision.**

## **OFFERING DOCUMENT OF**

### **AL-AMEEN ISLAMIC INCOME FUND (AIIF)**

**Risk Profile: Medium**

**Risk of Principal Erosion: Principal at Medium Risk**

**(A Wakalatul Istithmar based Open Ended Income Scheme)**

**Consolidated till 2<sup>nd</sup> SOD effective from January 28, 2025**

**MANAGED BY**

**UBL FUND MANAGERS LIMITED**

Duly vetted by:

Mufti Muhammad Hassaan Kaleem (SECP/IFD/SA/002)

Mufti Mohammad Najeeb Khan (SECP/IFD/SA/003)

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**OFFERING DOCUMENT OF**  
**Al-Ameen Islamic Income Fund (AIIF)**  
**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**

**May 29, 2023**

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The Al-Ameen Islamic Income Fund (the Fund/the Scheme/the Trust/the Unit Trust/AIIF) has been established through a Trust Deed (the Deed) dated July 18, 2022, under the Sindh Trust Act, 2020 entered into and between **UBL Fund Managers Limited**, the Management Company, **Central Depository Company of Pakistan Limited**, the Trustee.

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**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 **Al-Ameen Islamic Income Fund** and registered (AIIF) as a notified entity under the Non-Banking Finance Companies and Notified Entities Regulations 2008 ("Regulations") vide letter No SCD/AMCW/AIIF/197/2021-MF-NE-68 dated December 22, 2021, SECP has approved this Offering Document, under the Regulations vide Letter SCD/AMCW/AIIF/209/2023 dated January 31, 2023.

**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 **Al-Ameen Islamic Income Fund** (the "Fund", the "Scheme" "AIIF"). It sets forth information about the Fund that a prospective investor should know before investing in any class of Units of the Fund. The provisions of the Trust Deed, the Rules, the Regulations, circulars, directives and the Shariah guidelines 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 2.4 and Clause 9 respectively in this Offering Document.**

**(All Investments of the Fund shall be in accordance to the Islamic Shariah. It is possible that adherence to the Islamic Shariah will cause the Fund to perform differently from Funds with similar objectives, but that are not subject to the requirements of Islamic Shariah).**

**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:

- (1) License No. AMCW/13/UBLFML/AMS/06/2019 dated June 17, 2019 and AMCW/13/UBLFM/IA/07/2016 dated July 15, 2016 granted by SECP to UBL Fund Managers to carry out Asset Management and Investment Advisory Services, respectively;
- (2) Approval of Trust Deed (the Deed) of the Fund by SECP vide letter No. SCD/AMCW/UBLFM/AIIF/46/2021 dated August 9, 2021;
- (3) SECP's Letter No. SCD/AMCW/AIIF/97/2021 dated December 22, 2021 registering the Fund in terms of Regulation 44 of the NBFC and Notified Entities Regulations 2008;
- (4) Letters from BDO Ebrahim & Co. Auditors of the Fund, consenting to the issue of statements and reports;
- (5) Letters from **Muhammad Hassaan Kaleem & Muhammad Najeel Khan**, Shariah Advisers of the Fund, consenting to act as Shariah advisers of the Al- Ameen Islamic Income Fund, and consenting on the contents of the Offering Document;
- (6) SECP's letter No SCD/AMCW/AIIF/209/2023 dated January 31, 2023 approving this Offering Document.

## 1 CONSTITUTION OF THE SCHEME

### 1.1 Constitution

The Fund is an Open-End Shariah Compliant Income Fund and has been constituted by a Trust Deed entered into at Karachi on July 18, 2022 between:

**UBL Fund Managers Limited**, a Non-Banking Finance Company incorporated under the Companies Act, 2017 (the "Act") and licensed by SECP to undertake asset management services, with its principal place of business at 4<sup>th</sup> 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 Act, 2017 (the "Act") and registered with the Securities and Exchange Commission of Pakistan as a Trustee of the Collective Investment Scheme , with its registered office at CDC House 99-B, Block B, S.M.C.H.S Main Shahr-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.

*(Furthermore, all Investments of the Fund Property shall be in accordance with the Islamic Shariah as advised by the Shariah Advisor. The Fund shall also be subject to the rules and the regulations framed by the State Bank of Pakistan with regard to the foreign investments made by the Fund and investments made in the Fund from outside Pakistan in foreign currency).*

### **1.3 Modification of Trust Deed**

The Trustee and the Management Company, acting together and with the approval of SECP and the Shariah Advisor, 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 and applicable Shariah Guidelines.

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**

The aggregate proceeds of all Units issued from time to time after deducting Duties and Charges, Transactions Costs and any applicable Sales Load, shall constitute part of the Trust Property and includes the Investment and all income, profit and other benefits arising therefrom and all cash, bank balances and other assets 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 Holder(s) pursuant to the Deed but does not include any amount payable to the Unit Holders as distribution. However any profit earned on the amount payable to the Unit Holders as distribution shall become part of the Trust Property.

### **1.6 Initial Offer & Initial Period**

During the Initial Offering Period, Units shall be offered at Offer Price. The Initial Offering shall be for Class "A" Units. The Initial Offering Period shall be for 02 Business Days and shall commence at the start of the banking hours on May 29, 2023 and shall close at the end of the Cut-Off Time on May 30, 2023. During the Initial Period the Units shall not be redeemed.

### **1.7 Transaction in Units after Initial Offering Period**

Subsequently the Public Offering will be made at the Offer Price and redeemed at the Redemption Price. The Management Company will fix the Offer (Purchase) and Redemption (Repurchase) Prices for every Dealing Day on the basis of the Net Asset Value (NAV). The NAV based price shall be fixed after adjusting for the Sales Load as the case may be and any Transaction Costs and applicable taxes / duties etc that may be applicable. Except for circumstances elaborated in Clause 4.11 & 10.4 of this Offering Document, such prices shall be applicable to Purchase and Redemption requests, complete in all respects, received during the Business Hours on the Dealing Day.

### **1.8 Offering Document**

The provisions of the Trust Deed, the Rules, the Regulations, circulars and the Directives issued by the Commission govern this 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.

### **1.9 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, Shariah Advisor 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.

#### **1.10 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**

Al-Ameen Islamic Income Fund shall be an open-end Shariah Compliant Income Fund with an objective of providing a competitive rate of return to its investors by investing in quality Sukuks, Shariah compliant Government Securities, Islamic Bank Deposits, and short and long term Shariah debt instruments.

#### **2.1.1 Investment Policy**

The Fund shall invest only in Authorized Investments with a weighted average time to maturity of the portfolio not exceeding four (4) years (this condition shall not apply to securities issued by the Federal Government).

The Fund's investment strategy shall be based on fundamental credit analysis of counterparties.

Specifically, the investment strategy shall focus on the following key broad parameters:

- (a) **Sponsor of the counterparty:** Investments shall be made keeping in mind the market reputation and past track record of the counterparty and its main sponsors.
- (b) **Strength of financials and ability to repay:** The strength and stability of counterparty earnings shall be taken into consideration and special focus shall be made on its cash flows and the resultant ability to repay the amount.
- (c) **Rate of return offered:** Attempt shall be made to invest in those instruments that offer competitive returns vis-à-vis other similar investments in the market.
- (d) **Industry fundamentals and future outlook:** Industry outlook and its future potential shall also be looked into at the time of investing. The Fund shall seek to invest in those money market and fixed income instruments that offer attractive market returns and are issued by sponsors with good credit rating, strong financials and ability to repay.

#### **Benchmark of the Fund**

"75% six (6) month PKISRV rates+25% six (6) months average of the highest rates on savings account of three (3) AA rated scheduled Islamic banks or Islamic Windows of Conventional Banks as selected by MUFAP."<sup>13</sup>

#### **Authorized Investment Table**

<sup>13</sup> Amended as per 2<sup>nd</sup> SOD effective from 28-01-2025

S.No.	Instruments / Securities	Minimum Exposure (% of Net Assets)	Maximum Exposure (% of Net Assets)	Minimum Entity/Issuer Rating* <sup>2</sup>	Minimum Instrument Ratings <sup>2</sup>
1	Shariah Compliant Government Securities with maturity equal to and greater than 90 days,	0%	75%	N/A	A- (Long term) A2 (Short term)
2	Shariah Compliant Government Securities of less than 90 days maturity and Cash in Bank Accounts (excluding term deposits) with licensed Islamic Banks and licensed Islamic Banking windows of conventional Banks	25%*	100%	A-	N/A
3	Spread Transactions as approved by the Shariah Advisor in eligible securities as declared by the Stock Exchanges and the SECP	0%	40%	N/A	N/A
4	Secured and/or unsecured, listed and/or privately placed Shariah Compliant debt securities/Commercial Papers/ Sukuks issued by Corporate entities Financial Institutions/ Government or governmental agencies/bodies.	0%	75%	N/A	A- (Long term) A2 (Short term)
5	Shariah Compliant non-traded securities with maturity of less than and equal to six (6) months including but not limited to Bank Deposits with licensed Islamic Banks and licensed Islamic Banking windows of conventional Banks and Placement of funds under Mudarabah, Murabaha, Musharakahs, Istisna'a and Ijarah arrangements with banks, NBFCs, Mudarabahs and DFIs	0%	75%	A-	N/A
6	Shariah Compliant non-traded securities with maturity exceeding six (6) months including but not limited to Bank Deposits with licensed Islamic Banks and licensed Islamic Banking windows of conventional Banks and Placement of funds under Mudarabah, Murabaha, Musharakahs, Istisna'a and Ijarah arrangements with banks, NBFCs, Mudarabahs and DFIs	0%	15%	A-	N/A
7	Any other Shariah Compliant instrument / securities that may be allowed by the SECP	As may be allowed by the commission	As may be allowed by the commission	A-	A- (Long term) A2 (Short term)

\*Minimum short term instrument rating shall be adhered to while investing in short term debt securities while minimum long term instruments rating shall be followed while investing in long term debt instruments.

\* The minimum cash and near cash requirements shall be calculated on the basis of the average for each calendar month.

<sup>2</sup> Amended as per 1<sup>st</sup> SOD effective from February 28, 2024



**Note:** Investments shall be made as per the authorized investment limits given above and may include the following mode of Shariah Transaction such as; principles of Bai'- Mu'ajjal, Bai'-Mussawwama, Bai'-Salam, Istisna'a, Mudaraba, Murabaha and Musharakah or any other structure as approved by the Shariah Advisor from time to time.

### **2.1.2 Disposal of Haram Income**

Where some Haram income accrues to the Fund, it will be donated to a charity in order to purify the Fund's income. This will be done in accordance with the guidelines issued by the Shariah advisors from time to time.

### **2.1.3 Risk Control in the Investment Process**

In line with the investment objective of the scheme, the Investment Committee aims to identify investment opportunities which offer superior risk adjusted yields. The Investment Committee will be guided through the internal and external rating of the investee companies, research covering in-depth credit evaluation of the proposed investments, and industry dynamics pertinent to the proposed investment. In addition to the above mentioned controls the Investment Committee will continuously monitor the macroeconomic environment, including the political and economic factors, money supply in the system, government borrowing, demand and supply of money market and debt instruments, among others affecting the liquidity and interest rates.

The Investment process would adapt a preemptive risk management framework to dilute risk levels and volatility during the portfolio construction process.

### **2.1.4 Management Company Can Alter Investment Mix**

The Management Company can from time to time alter the weightings, subject to the specified limits as per Clause 2.1.1 above, between the various types of investments if it is of the view that market conditions so warrant. The Funds not invested in the foregoing avenues shall be placed as deposit with scheduled banks or commercial banks.

## **2.2 Changes in Investment Policy**

The investment policy will be governed by the Regulations and/or SECP directives. Any Fundamental change in the Investment Policy of the scheme will be implemented only after obtaining prior approval from SECP and giving 30 days prior notice to the Unit Holders as specified in the regulation.

## **2.3 Investment Restrictions**

- (a) 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 and are explicitly mentioned under the heading Exceptions to Investment Restriction in this offering document or subsequently in writing. If and so long as the value of the holding in a particular company or sector shall exceed the limit imposed by the Regulations, the Management Company shall not purchase any further Investments in such company or sector. In the event Exposure limits are exceeded due to corporate actions including taking up rights or bonus issue and/or owing to appreciation or depreciation in value of any Investment, disposal of any Investment or Redemption of Units, the excess exposure shall be regularized in such manner and within such time as specified in the Regulations, circular or notification issued by SECP from time to

time.

- (b) The Management Company, on behalf of the Fund, shall not enter into transactions with any broker that exceeds the limit provided in the Regulations and or circulars and notifications issued by the Commission from time to time.

Transactions relating to money market instruments and debt

securities do not fall under this clause.

(c) The Management Company on behalf of the Scheme shall not:

- i. Make Investments in Non-Shariah Compliant Instruments and against the guidelines of Shariah Advisor of the Fund.
- ii. Purchase or sell
  - a. Bearer securities;
  - b. Securities on margin;
  - c. Real estate, commodities or commodity contracts;
  - d. Securities which result in assumption of unlimited liability (actual or contingent);
  - e. Anything other than Authorized Investments as defined herein;
- iii. Participate in a joint account with others in any transaction;
- iv. Take exposure to equities
- v. Affect a short sale in a security whether listed or unlisted;
- vi. Purchase any security in a forward contract
- vii. Take Exposure in any other Collective Investment Scheme.
- viii. 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;
- ix. Make any investment which will vest with the Management Company or its group the management or control of the affairs of the investee company.
- x. invest in securities of the Management Company
- xi. issue a senior security which is either stock or represents indebtedness, without the prior written approval of the Commission
- xii. apply for de-listing from stock exchange, unless it has obtained prior written approval of the Commission.
- xiii. sell or issue Units for consideration other than cash unless permitted by the Commission on the basis of structure and investment policy of the Scheme.
- xiv. 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.
- xv. invest the subscription money until the closure of initial offering period.
- xvi. enter on behalf of the Scheme, into underwriting or sub-underwriting contracts.
- xvii. subscribe to an issue underwritten, co-underwritten or sub-underwritten by group companies of the Management Company.
- xviii. pledge any of the securities held or beneficially owned by the Scheme except as allowed under the Regulations.

- xix. accept deposits
- xx. make a loan or advance money to any person from the assets of the Scheme
- xxi. Fund shall comply with exposure limits elicited in the Regulations and SECP circulars
- xxii. Take exposure in (i) TFCs; and (ii) debt securities issued by private sector entities
- xxiii. Hold any security having a lower rating than A- ;
- xxiv. Place funds with any NBFC and Modaraba having a lower rating than A- ;
- xxv. Place funds with any bank and DFI with rating lower than A-;
- xxvi. Weighted average time to maturity of the net assets shall not exceed 4 years
- xxvii. In case redemptions requests are pending due to constraint of liquidity in the Fund, for more than the period as stipulated in the Regulations, the Management Company shall not make any fresh investment or rollover of any investment.
- xxviii. The management company shall not take exposure of more than:
  - a) The investment in single issue of Shariah compliant debt securities of a company shall not at any time, exceed an amount equal to 15% of total Net Assets of Scheme or 15% of that single issue, whichever is lower;
  - b) The investment in securities of any one sector shall not exceed 35% or index weight whichever is higher, subject to maximum of 40%
  - c) Take exposure of more than 35% in a single Group and more than 10% of its net assets in listed group companies of Management companies and such exposure shall be taken through secondary market;

Provided that where the exposure of the Scheme exceeds the limits so specified point number "a", "b" & "c" above because of corporate actions and due to market price increase or decrease in net assets the excess exposure shall be regularized within four months of the breach of limits.

### **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.

#### **2.3.1 Shariah Compliant Financing Arrangements Restrictions**

- (a) Subject to any statutory requirements for the time being in force and to the terms and conditions herein contained, the

Management Company may arrange shariah compliant financing for account of the Scheme, with the approval of the Trustee and Shariah Advisor, from Banks, Financial Institutions, or such other companies as specified by the Commission from time to time. The financing, however, shall not be resorted to, except for meeting the redemption requests and shall be repayable within a period of ninety days and such financing shall not exceed fifteen (15) percent of the net Assets or such other limit as specified by the Commission of the scheme at the time of financing.

If subsequent to such financing, the Net Assets are reduced as a result of depreciation in the market value of the Trust Property or redemption of Units, the Management Company shall not be under any obligation to reduce such financing.

- (b) Neither the Trustee, nor the Management Company shall be required to issue any guarantee or provide security over their own assets for securing such financings from banks, financial institutions and non-banking finance companies. The Trustee or the Management Company shall not in any manner be liable in their personal capacities for repayment of such financings.
- (c) For the purposes of securing any such financing, the Trustee may on the instruction of the Management Company mortgage, charge or pledge in any manner all or any part of the Trust Property provided that the aggregate amount secured by such mortgage, charge or pledge shall not exceed the limits provided under the Regulations and/or any law for the time being in force.
- (d) Neither the Trustee nor the Management Company shall incur any liability by reason of any loss to the Trust or any loss that a Unit Holder(s) may suffer by reason of any depletion in the Net Asset Value that may result from any financing arrangement made hereunder in good faith.
- (e) All financing shall be done only through Islamic Banks, Islamic Banking windows of scheduled banks, Islamic Financial institutions under Islamic Shariah based financial contracts.

### **2.3.2 Restriction of Transactions with Connected Persons**

- (a) The Management Company in relation to the Scheme shall not invest in any security of a company if any director or officer of the Management Company owns more than five per cent of the total amount of securities issued, or, the directors and officers of the Management Company own more than ten per cent of those securities collectively subject to exemption provided in the Regulations.
- (b) The Management Company on behalf of the Scheme shall not without the approval of its Board of Directors in writing and consent of the Trustee, purchase or sell any security from or to any Connected Person or employee of the Management Company.

Provided that above shall not be applicable on sale or redemptions of Units.

- (c) For the purpose of sub-paragraphs (a) and (b) above the term director, officer and employee shall include spouse, lineal ascendants and descendants, brothers and sisters.

- (d) 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.

## 2.4 Risk Disclosure

Investors must realize that all investments in mutual 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:

- (1) **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.
- **Credit Risk** - Credit Risk comprises Default Risk and Credit Spread Risk. Each can have negative impact on the value of the income and money market instruments
- **Default Risk** - The risk that the issuer of the security will not be able to pay the obligation, either on time or at all;
- **Credit Spread Risk** - The risk that there may be an increase in the difference between the return/markup rate of any issuer's security and the return/markup rate of a risk free security. The difference between this return/mark up rates is called a "credit spread". Credit spreads are based on macroeconomic events in the domestic or global financial markets. An increase in credit spread will decrease the value of income and including money market instruments;
- (2) **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.
- (3) **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.
- (4) **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.
- (5) **Reinvestment Rate Risk** – In a declining interest/ markup rate economic environment, there is a risk that maturing securities or coupon payments will be reinvested at lower rates, which shall reduce the return of the Fund compared to return earned in the preceding quarters.
- (6) **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.
- (7) **Redemption Risk** - There may be special circumstances in which the redemption of Units may be suspended or the redemption payment may not occur within six working days of receiving a request for redemption from the investor.
- (8) **Distribution Taxation Risk:** Dividend distribution may also be liable to tax because the distributions are made out of the profits earned by the Fund, and not out of the profits earned by each Unit holder. Unit holders

who invest in a fund before distribution of dividends may be liable to pay tax even though they may not have earned any gain on their investment as return of capital to investors upon distribution is also taxable.

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. The latest monthly Fund Manager Report as per the format prescribed by Mutual Funds Association of Pakistan (MUFAP) and financial statements of the Scheme are available on the website of the Management Company and can be obtained by calling / writing to the Management Company.

## 2.5 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 PRINCIPAL

### 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. 131.37 billion (As of September 30, 2022), 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 Twenty four (24) mutual funds, Eight (8) administrative plans and two (2) Voluntary Pension Schemes.

#### 3.1.1 Organization - Principal Shareholders

Name	Paid Up Capital	
	Number of Shares	Amount in Rupees
United Bank Limited	32,870,992	328,709,920
Non-Executive Directors	4	40
Total	32,870,996	328,709,960

### 3.2 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
Mr. Arif Akmal Saifie			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
Mr. Aslam Sadruddin	304, Grand Residency 1, Street 2, Bath Island, Karachi	National Institutional Facilitation Technologies (Pvt) Limited	Banker
Ms. Huma Pasha			

#### 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.

#### **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. Arif Akmal Saifie**

Arif is currently Executive Vice President (EVP) – Financial Controller (Head of Investor Relations, Budgeting and Strategy) at United Bank Limited reporting to the Global CFO of the Bank since June 2013. He is a Fellow Member of the Institute of Chartered Accountants in Pakistan (ICAP) qualified in June 2003, having completed his audit training with PricewaterhouseCoopers – PwC in Pakistan, Karachi Office (1999-2003). He is also a member of the CFA Institute, USA since June 2008. UBL is the second largest Bank in Pakistan with global assets of over Rs. 1.8 Trillion (USD12 billion). A large and well-diversified business spread across a network of over 1,400 branches, having a presence in 12 countries (Asia, GCC, UK, Africa, USA, Switzerland, China) with over 13,000 employees. The group entities include banking, asset management, insurance, micro finance and the largest branchless banking business in Pakistan. Arif is responsible for all Investor Relations and Capital Market Matters, Market Intelligence, Business Analytics and liaison with external research analysts and rating agencies. He is also heading the Budgeting and Planning function and also responsible for the development of the long term strategy of the Bank, participation in its execution and monitoring. He is the leading speaker for UBL at all quarterly investor calls and responsible for representing UBL in the global investor space. Various conferences and road shows / NDRs attended at all major investment hubs (New York, London, Singapore, Hong Kong, UAE) over the last 7 years include those arranged by EFG Hermes, Credit Suisse, Bank of America Merrill Lynch, Auerbach Grayson, Renaissance Capital, CLSA. He is the principal contact point at UBL for all leading investors across Frontier and Emerging Markets. Start of Banking career with RBS (formerly ABN AMRO Bank) in March 2004. He had been with the Royal Bank of Scotland, Pakistan (Formerly ABN AMRO Bank) for 7 years (March 2004-December 2010), inducted as part of the Financial Reporting Unit. The experience with RBS (Formerly ABN AMRO Bank) provided exposure across all business segments of the bank, being a strong whole sale banking franchise, servicing a top tier client base built on global relationships, supported by deep penetration in emerging retail markets in Pakistan. Portfolio coverage included all core areas within Finance and key participation in strategic projects within RBS Pakistan working closely with the local and regional management teams of the RBS Group in the UK and ABN AMRO Head Office in Amsterdam / Singapore. In

Oct 2010 RBS Pakistan was acquired by Faysal Bank Limited (FBL), through the acquisition he remained with FBL, elevated to Senior Vice President, Head of Product and Cost Control within Finance. (served from January 2011 to June 2013).

**Ms. Huma Pasha**

Huma joined Usmani & Co (UCO) in 2015 and brings with her over 35 years of local and international working experience for various global institutions including Citibank, Hub Power Company, and Dawood Hercules group in several management capacities and earned a wide range of experience in the power, fertilizer and textile sector. At Hubco initially she led treasury function and successfully concluded substantial treasury deals and later headed their internal audit function for over 20 years. After leaving Hubco she was associated with Dawood Hercules group for almost three years as group chief internal auditor. Her extensive working experience has sharpened her skills and is now managing multiple clients of UCO for providing effective internal audit services.

Huma heads UCO's advisory services she provides expert professional advice to a variety of clients on areas of obligor's risk rating reviews, business due diligences, complex solutions for revival of corporates in distress situations etc. Her proactive approach allows in building clients' confidence and gain their support. She is highly passionate for training services and more frequently indulge herself in various trainings for firm's clients as well as for highly reputed professional institutions of Pakistan on directors training, Board performance evaluation, internal audit, and sustainable business propositions.

Huma has served on the Audit Committee of the State Bank of Pakistan Banking Services Corporation and carried out quality control review of State Bank of Pakistan's internal audit functions and served on the Quality Assurance Board of ICAP.

Other significant positions held were on the Board of Institute of Internal Auditors International USA, President of IIA Karachi Chapter, and President of ISACA Karachi Chapters. Huma has also served as a Chairperson of Wor

**Mr. Aslam Sadruddin**

Mr. Aslam Sadruddin is a seasoned banker with a career spanning across 37 years. He has worked at organizations like Deutsche Bank AG Pakistan & Singapore, Union Bank and Standard Chartered Pakistan at various key positions in Operations & IT. He has a proven track record of leading teams of professional bankers to provide efficient and straight-through operations.

He is currently the Group Executive – Operations at United Bank Limited (UBL). In this role, he is looking after Global Operations including the domestic network of 1300+ Branches, International Operations and Centralized Functions consisting of Trade, Treasury, Branchless Banking Operations & Administration to name a few.

### **3.2.1 Profile of the Management**

**Mr. Yasir Qadri - Chief Executive Officer**

For background please see the section above.

**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. 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.

#### **Muhammad Imran – Head Of Investment Advisory**

Muhammad Imran has over twenty years of diversified experience in Treasury and Fund Management, and has been part of the senior management in leading AMCs for the past 14 years. Imran is an MBA in Finance and member of Financial Market Association of Pakistan (FMAP). Before joining UBL Fund Managers, he was Chief Investment Officer at HBL Asset Management Limited. Prior to that, he held the position of Chief Investment Officer in ABL Asset Management Company Limited. Before that he was associated with MCB Asset Management Limited as a Senior Fund Manager. He also worked at AMZ Asset Management as Head of Fixed Income Funds where he was instrumental in establishing the company, developing its treasury systems and successful launching of different open ended funds. He has also had successful stints at Arif Habib Investment, Saudi Pak Leasing Company Limited and Pakistan Emerging Ventures Limited. Devising strategies to earn profit from market inefficiencies is his key strength and his views on financial markets are much sought by participants and regulator alike. His aim has always been to elevate his company and

bring the best outcome for its clients.

#### **Mubeen Ashraf – Head of Internal Audit**

Mr. Mubeen is a Chartered Accountant (qualified in July 2006) from Institute of Chartered Accountants of Pakistan and holds a Bachelors in Commerce degree from University of Karachi. His professional experience include, working as Head of Compliance at HBL Asset Management Limited; as Chief Internal Auditor at ABL Asset Management; as Deputy Director (Monitoring & Inspection Wing) at Securities and Exchange Commission of Pakistan; as Manager Internal Audit at Sui Southern Gas Company Limited and as Assistant Manager Audit and Assurance at Deloitte Pakistan. He completed his four years' training from Ernst & Young Pakistan. He has vast experience of working for Asset Management Companies, Mutual funds, Leasing Companies, Investment Banks and Modarabas. Besides, he has also conducted external and internal audits of various local and foreign financial institutions including mutual funds, manufacturing concerns, NGOs, service providers and trading companies.

#### **Ashar Siddiqui - Head of IT & Business Innovation**

Mr. Siddiqui has over 15 years of experience in Information technology with specialization in Strategic Management, Real-Time Systems, Derivatives, Enterprise level Software Applications Development, Networks and Infrastructure.

Prior to his joining UBL Fund Managers, he was associated with Greenstar Social Marketing (Guarantee Limited) where he was heading the Information Technology Department.

Before that, he was associated with Pakistan Mercantile Exchange (PMEX) as Head of Software Development. During his stint at PMEX, Mr. Siddiqui played an instrumental and leading role in designing and developing the Futures and Derivatives Trading System which is implemented to date.

Ashar holds a Master's Degree in Business Administration from the Institute of Business Administration (IBA) and a Bachelor's Degree in Computer Science from FAST University. He is also a certified Project Management Professional and additionally he also holds a Diploma in Big Data.

#### **Shahid Gul Motiwala – Head of Retail Business**

Mr. Motiwala has over 15 years of work experience in the areas of Business Development, Strategy making and Investments. He is currently holding dual portfolio of both Chief Executive Officer Al-Ameen Financial Services & Head of Retail Business, UBL Fund Managers.

Prior to the above position, he was working in the capacity of Chief Business Development Officer, Investment Advisory Division which is one of the largest SBU of UBL Fund Managers.

Mr. Motiwala has been associated with prestigious organizations like Al Meezan Investments and Gul Ahmed Group in various capacities. He holds a Masters degree in Business Administration from the Institute of Business Administration and certification in Claritas from CFA Institute.

#### **Tanweer Ahmad Haral – Head of Marketing, Customer Services & Advisor to Sales**

Mr. Haral's career span of more than 25 years comprises of 16 years in Asset Management, 6 years in Corporate Banking, 1 year in Microfinance Banking and 2 years in Food Manufacturing/Export sector in leadership roles in

diverse functions like Business Development, Global Distribution, Product Development/Management, Marketing and Compliance & Risk Management.

His last role was Head of Distribution (Corporate General Manager) at a Global Investment House based in Cape Town, South Africa, where he managed retail/corporate sales, client services, independent financial advisors and global distribution platforms, based in 3 offices within South Africa and UK London office.

He has been associated with leading AMCs and Banks i.e. MCB-Arif Habib Savings & Investments, ABL Asset Management, Faysal Asset Management, Faysal Bank and Emirates Bank Int'l PJSC. He has been a visiting faculty member at leading universities, IFMP and National Institute of Management (formerly NIPA) for Senior Management courses. He has also served as member Technical & Pension Committees, MUFAP and represented in Pensions sub-committee of National Financial Inclusion Strategy. He is a regular contributor in newspapers and magazines, besides appearing on the electronic media.

He had earned distinction in MBA (Banking) from IBA, Karachi. He is an old Ravian and earned College Colours in Tennis from GC Lahore & Sargodha, Punjab University singles champion and has won many Seniors Tennis tournament in Pakistan and abroad. He has also acquired various certifications in RE5 (South Africa), CMFD, FCM, PMR, IBP Part-1, Certificate in Islamic Law (IIU), Urdu and Punjabi Fazil languages.

#### **Uzair Mufeez – Chief Information Security Officer**

Mr. Mufeez has been associated with UBL Funds as Chief Information Security Officer. He is having around 9 years of experience and expertise in the field of Systems and Information Security. Prior to his current assignment, he worked as Chief Information Security Officer at Silk bank Limited for around 4 years. Before that he was associated with Bank Alfalah Limited and Bank AL Habib Limited in the Information Security department.

An Engineer by profession, topped up by MSc. Networks and Computer Systems Security with distinction from the University of Greenwich London, UK, he has also achieved several internationally recognized professional certifications under his belt which includes CISM (Certified Information Security Manager) and CDPSE (Certified Data Privacy Solutions Engineer) from ISACA, CHFI (Computer Hacking Forensics Investigator) and CEH (Certified Ethical Hacker) from EC-Council. He is also actively engaged in multiple networking groups to promote and built the Information Security culture and education in the state.

#### **Najwa Siddiqui – Head of Human Resources**

Najwa has an overall professional experience of more than 15 years, with nine years in the Human Resources sector and six years in the field of Education. She has expertise in handling clients, organizing assessment centers, conducting trainings, managing recruitment, compensation & benefits practices, employee engagement and employee grievance handling.

She successfully built strong network with external HR Consultants, regional and global HR professionals in a leading MNC - Philip Morris (Pakistan) Ltd. and local leading Human Resources Consultancy - Narejo Human Resources Pvt. Ltd. Prior to joining UBL Funds, she was associated with TCS ECOM Pvt. Ltd. and worked there as the HR Business Partner. Currently she's part of the Enterprise Risk Management Committee for HR and is also serving as the Secretary to the Board Human Resources & Compensation

Committee and the Employee Disciplinary Committee at UBL Funds.

Najwa has a Master's degree in Business Administration in Marketing from the Institute of Business Management with another Master's degree in Sociology from the University of Karachi. She's also a certified trainer.

#### **Anum Imtiaz –Company Secretary**

Anum is an Associate Member of the Institute of Chartered Accountants of Pakistan, qualified in 2017. Prior to joining UBL Funds, she has been associated with A.F.Ferguson & Co. (a member firm of PwC Network) and Grant Thornton Pakistan. She has overall 11 years of experience in the areas of audit, compliance, accounting and financial reporting. She has got exposure of auditing diversified portfolio of clients including banking and financial services during her tenure with professional services firm.

Besides Chartered Accountancy, she also holds a Master's degree from University of Karachi with specialization in Economics.

### **3.2.2 Performance of Listed Associated Companies**

#### **United Bank Limited**

(Rupees in Millions)	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Profit before tax	28,410	28,908	33,400	42,175	46,015	40,160	24,966	34,241	34,192	52,127
Profit after tax	19,279	19,724	21,930	25,727	27,730	25,421	15,226	19,133	20,898	30,882
Paid up Capital	12,242	12,242	12,242	12,242	12,242	12,242	12,242.00	12,242.00	12,242	12,242
Shareholders' Equity	85,599	98,987	100,913	142,135	151,786	159,307	151,269.00	169,068.00	184,073	204,643
Total Assets	960,210	1,083,632	1,111,414	1,400,651	1,577,551	2,007,381	1,889,599.00	1,893,694.00	2,049,391	2,681,165
Earnings per share (Rs.)	16	16	18	21	23	21	12.44	15.63	17	25

<b>Associated Companies *</b>
United Bank Limited
Al Ameen Financial Services Limited
UBL Insurers Limited
Pakistan Mortgage Refinance Company Limited
UBL Bank (Tanzania) Limited
Mutual Funds Association Of Pakistan

### **3.3 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.

<b>Date of launching</b>	<b>19 June 2009</b>	
<b>Par Value of units</b>	<b>Rs. 100</b>	

Net Assets (as at 30 June 2021)	Rs. 30,494 Million	
Net Assets (as at 30 June 2020)	Rs. 19,465 Million	
Net Assets (as at 30 June 2019)	Rs. 6,837 Million	
NAV (as at June 30 2021)	Rs. 101.04	
NAV (as at June 30 2020)	Rs. 100.98	
NAV (as at June 30 2019)	Rs. 100.78	
<b>Listing</b>	Pakistan Stock Exchange	
<b>Fund Rating: (Credit Rating Agency: JCR-VIS)</b>	AA+	
<b>Performance:</b>	<b>Return (p.a.)</b>	<b>Payout</b>
Year ended 30 June 2021	6.97%	-
Year ended 30 June 2020	12.62%	Rs. 0.14 per unit
Year ended 30 June 2019	8.66%	Rs. 0.58 per unit

#### UBL MONEY MARKET FUND (UMMF)

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.

<b>Date of launching</b>	<b>14 October 2010</b>	
<b>Par Value of units</b>	<b>Rs. 100</b>	
Net Assets (as at 30 June 2021)	Rs. 3,200 million	
Net Assets (as at 30 June 2020)	Rs. 5,050 million	
Net Assets (as at 30 June 2019)	Rs. 2,725 million	
NAV (as at June 30 2021)	Rs. 100.68	
NAV (as at June 30 2020)	Rs. 100.71	
NAV (as at June 30 2019)	Rs. 100.68	
<b>Listing</b>	Pakistan Stock Exchange	
<b>Fund Rating: (Credit Rating Agency: JCR-VIS)</b>	AA	
<b>Performance:</b>	<b>Return (p.a.)</b>	<b>Payout</b>
Year ended June 30 2021	6.32%	Rs. 6.38 per unit
Year ended June 30 2020	12.12%	Rs. 12.19 per unit
Year ended June 30 2019	8.53%	Rs. 8.34 per unit

#### UBL CASH FUND (UCF)

The objective of UBL Cash Fund (UCF) is to generate attractive returns within a low risk portfolio to provide a regular stream of income and easy liquidity to its investors.

<b>Date of launching</b>	<b>23 September 2019</b>	
<b>Par Value of units</b>	<b>Rs. 100</b>	
Net Assets (as at 30 June 2021)	Rs. 5762 million	
Net Assets (as at 30 June 2020)	Rs. 1819 million	
Net Assets (as at 30 June 2019)	-	
NAV (as at June 30 2021)	Rs.100.10	
NAV (as at June 30 2020)	Rs. 100.04	
NAV (as at June 30 2019)	-	
<b>Listing</b>	<b>Pakistan Stock Exchange</b>	
<b>Fund Rating: (Credit Rating Agency: JCR-VIS)</b>	3 AA	
<b>Performance:</b>	<b>Return (p.a.)</b>	<b>Payout</b>

Year ended June 30 2021	7.13%	Rs. 7.06 per unit
Year ended June 30 2020	13.25%	Rs. 9.78 per unit
Year ended June 30 2019	-	-

**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.

<b>Date of launching</b>	<b>27 July 2011</b>	
<b>Par Value of units</b>	Rs. 100	
Net Assets (as at 30 June 2021)	Rs. 2,035 Million	
Net Assets (as at 30 June 2020)	Rs. 3,157 Million	
Net Assets (as at 30 June 2019)	Rs. 1,534 Million	
NAV (as at June 30 2021)	Rs. 105.78	
NAV (as at June 30 2020)	Rs. 105.62	
NAV (as at June 30 2019)	Rs. 105.79	
<b>Listing</b>	<b>Pakistan Stock Exchange</b>	
<b>Fund Rating: (Credit Rating Agency: JCR-VIS)</b>	AA-	
<b>Performance:</b>	<b>Return (p.a.)</b>	<b>Payout</b>
Year ended June 30 2021	5.60%	Rs. 5.66 per unit
Year ended June 30 2020	14.82%	Rs. 15.83 per unit
Year ended June 30 2019	7.55%	Rs. 7.76 per unit

**UBL INCOME OPPORTUNITY FUND (UIOF)**

UBL Income Opportunity Fund (UIOF) 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).

<b>Date of launching</b>	<b>29 March 2013</b>	
<b>Par Value of units</b>	Rs. 100	
Net Assets (as at 30 June 2021)	Rs. 2,204 million	
Net Assets (as at 30 June 2020)	Rs. 607 million	
Net Assets (as at 30 June 2019)	Rs. 833 million	
NAV (as at June 30 2021)	Rs. 110.25	
NAV (as at June 30 2020)	Rs. 110.10	
NAV (as at June 30 2019)	Rs. 110.20	
<b>Listing</b>	<b>Pakistan Stock Exchange</b>	
<b>Fund Rating: (Credit Rating Agency: JCR-VIS)</b>	Not yet Rated	
<b>Performance:</b>	<b>Return (p.a.)</b>	<b>Payout</b>
Year ended June 30 2021	6.37%	-
Year ended June 30 2020	15.78%	Rs. 17.45 per unit
Year ended June 30 2019	8.49%	Rs. 9.08 per unit

**UBL 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.

<b>Date of launching</b>	<b>2 March 2006</b>	
<b>Par Value of units</b>	Rs. 100	
Net Assets (as at 30 June 2021)	Rs. 1,795 million	
Net Assets (as at 30 June 2020)	Rs. 878 million	
Net Assets (as at 30 June 2019)	Rs. 1734 million	
NAV (as at June 30 2021)	Rs. 85.0286	
NAV (as at June 30 2020)	Rs. 84.9655	
NAV (as at June 30 2019)	Rs. 85.049	
<b>Listing</b>	<b>Pakistan Stock Exchange</b>	
<b>Fund Rating: (Credit Rating Agency: JCR-VIS)</b>	BBB-	
<b>Performance:</b>	<b>Return (p.a.)</b>	<b>Payout</b>
Year ended June 30 2021	10.85%	Rs. 9.15 per unit
Year ended June 30 2020	13.59%	Rs. 11.67 per unit
Year ended June 30 2019	7.95%	Rs. 6.57 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.

<b>Date of launching</b>	<b>19 August 2013</b>	
<b>Par Value of units</b>	Rs. 100	
Net Assets (as at 30 June 2021)	Rs. 872 million	
Net Assets (as at 30 June 2020)	Rs. 926 million	
Net Assets (as at 30 June 2019)	Rs. 1,374 million	
NAV (as at June 30 2021)	Rs. 148.80	
NAV (as at June 30 2020)	Rs. 136.28	
NAV (as at June 30 2019)	Rs. 132.24	
<b>Listing</b>	<b>Pakistan Stock Exchange</b>	
<b>Fund Rating: (Credit Rating Agency: JCR-VIS)</b>	Not yet Rated	
<b>Performance:</b>	<b>Return (p.a.)</b>	<b>Payout</b>
Year ended June 30 2021	16.46%	Rs. 10 per unit
Year ended June 30 2020	11.27%	Rs. 10.81 per unit
Year ended June 30 2019	-1.74%	-

#### UBL STOCK ADVANTAGE FUND (USF)

USF is UBL Funds' first open-end equity fund which was launched in August 2006. The investment objective of the fund is to provide investors long-term capital appreciation through investing in a mix of equities that offer both capital gain and dividend (2.5%) which is built into the offer price

<b>Date of launching</b>	<b>4 August 2006</b>	
<b>Par Value of units</b>	Rs. 100	
Net Assets (as at 30 June 2021)	Rs. 8,107 Million	
Net Assets (as at 30 June 2020)	Rs. 5,759 Million	
Net Assets (as at 30 June 2019)	Rs. 5,398 Million	
NAV (as at June 30 2021)	Rs. 78.53	
NAV (as at June 30 2020)	Rs. 60.17	
NAV (as at June 30 2019)	Rs. 57.36	
<b>Listing</b>	<b>Pakistan Stock Exchange</b>	

<b>Fund Rating:</b> (Credit Rating Agency: JCR-VIS)	MFR 4-Star	
<b>Performance:</b>	<b>Return (p.a.)</b>	<b>Payout</b>
Year ended June 30 2021	31.73%	Rs. 0.75 per unit
Year ended June 30 2020	4.90%	Rs. 0.06 per unit
Year ended June 30 2019	-16.27%	-

#### UBL FINANCIAL SECTOR FUND (UFSF)

UBL Financial Sector Fund (UFSF) is an open-ended Sector [Equity] Scheme that shall aim to provide investors long-term capital appreciation by investing primarily in a mix of actively managed portfolio of listed equities that offer capital gains and dividends yield potential preferably in the following sectors:

1. Insurance Companies
2. Leasing Companies
3. Commercial Banks
4. Investment Banks / Investment Companies / Securities Companies
5. Modarabas

<b>Date of launching</b>	<b>6 April 2018</b>	
<b>Par Value of units</b>	Rs. 100	
Net Assets (as at 30 June 2021)	Rs. 875 Million	
Net Assets (as at 30 June 2020)	Rs. 626 Million	
Net Assets (as at 30 June 2019)	Rs. 861 Million	
NAV (as at June 30 2021)	Rs. 75.00	
NAV (as at June 30 2020)	Rs.67.91	
NAV (as at June 30 2019)	Rs. 80.15	
<b>Listing</b>	<b>Pakistan Stock Exchange</b>	
<b>Fund Rating:</b> (Credit Rating Agency: JCR-VIS)	Not Rated Yet	
<b>Performance:</b>	<b>Return (p.a.)</b>	<b>Payout</b>
Year ended June 30 2021	20.68%	Rs. 7 per unit
Year ended June 30 2020	-15.27%	-
Year ended June 30 2019	-12.12%	-

#### UBL DEDICATED EQUITY FUND (UDEF)

The investment objective of the Fund is to provide other 'Fund of Funds' schemes & Separately Managed Accounts (only managed by UBL Fund Managers) an avenue for investing in Equities.

<b>Date of launching</b>	<b>31 May 2018</b>	
Par Value of units	Rs. 100	
Net Assets (as at 30 June 2021)	Rs. 31 million	
Net Assets (as at 30 June 2020)	Rs. 36 million	
Net Assets (as at 30 June 2019)	Rs. 181 million	
NAV (as at June 30 2021)	Rs. 118.44	
NAV (as at June 30 2020)	Rs. 86.21	
NAV (as at June 30 2019)	Rs. 80.89	
<b>Listing</b>	<b>Pakistan Stock Exchange</b>	
<b>Fund Rating:</b> (Credit Rating Agency: JCR-VIS)	Not Rated Yet	
<b>Performance:</b>	<b>Return (p.a.)</b>	<b>Payout</b>
Year ended June 30 2021	6.40%	-
Year ended June 30 2020	11.28%	-

Year ended June 30 2019	8.46%	-
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**AL AMEEN ISLAMIC CASH FUND (AICF)**

Al-Ameen Islamic Cash Fund - AICF 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.

<b>Date of launching</b>	<b>17 September 2012</b>	
Par Value of units	Rs. 100	
Net Assets (as at 30 June 2021)	Rs. 5870 million	
Net Assets (as at 30 June 2020)	Rs. 8196 million	
Net Assets (as at 30 June 2019)	Rs. 4166 million	
NAV (as at June 30 2021)	Rs. 100.62	
NAV (as at June 30 2020)	Rs. 100.51	
NAV (as at June 30 2019)	Rs. 100.33	
<b>Listing</b>	<b>Pakistan Stock Exchange</b>	
<b>Fund Rating: (Credit Rating Agency: JCR-VIS)</b>	AA	
<b>Performance:</b>	<b>Return (p.a.)</b>	<b>Payout</b>
Year ended June 30 2021	6.40%	Rs. 0.26 per unit
Year ended June 30 2020	11.28%	-
Year ended June 30 2019	8.46%	Rs. 0.55 per unit

**AL-AMEEN ISLAMIC SOVEREIGN FUND (AISF)**

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.

<b>Date of launching</b>	<b>7 November 2010</b>	
Par Value of units	Rs. 100	
Net Assets (as at 30 June 2021)	Rs. 2787 Million	
Net Assets (as at 30 June 2020)	Rs. 4,923 Million	
Net Assets (as at 30 June 2019)	Rs. 5,138 Million	
NAV (as at June 30 2021)	Rs. 101.30	
NAV (as at June 30 2020)	Rs. 101.14	
NAV (as at June 30 2019)	Rs. 101.04	
<b>Listing</b>	<b>Pakistan Stock Exchange</b>	
<b>Fund Rating: (Credit Rating Agency: JCR-VIS)</b>	AA-	
<b>Performance:</b>	<b>Return (p.a.)</b>	<b>Payout</b>
Year ended June 30 2021	5.87%	Rs. 5.77 per unit
Year ended June 30 2020	9.90%	Rs. 9.91 per unit
Year ended June 30 2019	6.82%	Rs. 6.68 per unit

**Note: Effective from July 18<sup>th</sup>, 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.**

**AL AMEEN ISLAMIC AGGRESSIVE 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. Najeel Khan.

<b>Date of launching</b>	20 October 2007	
Par Value of units	Rs. 100	
Net Assets (as at 30 June 2021)	Rs. 375 Million	
Net Assets (as at 30 June 2020)	Rs. 422 Million	
Net Assets (as at 30 June 2019)	Rs. 456 Million	
NAV (as at June 30 2021)	Rs. 100.41	
NAV (as at June 30 2020)	Rs. 100.28	
NAV (as at June 30 2019)	Rs. 100.13	
<b>Listing</b>	<b>Pakistan Stock Exchange</b>	
<b>Fund Rating:</b> <b>(Credit Rating Agency: JCR-VIS)</b>	BBB+ (JCR-VIS)	
<b>Performance:</b>	<b>Return (p.a.)</b>	<b>Payout</b>
Year ended June 30 2021	4.78%	Rs. 4.66 per unit
Year ended June 30 2020	8.45%	Rs. 8.31 per unit
Year ended June 30 2019	6.52%	Rs. 6.31 per unit

**AL-AMEEN ISLAMIC ASSET ALLOCATION FUND (AIAAF)**

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

<b>Date of launching</b>	10 December 2013	
Par Value of units	Rs. 100	
Net Assets (as at 30 June 2021)	Rs. 2,561 million	
Net Assets (as at 30 June 2020)	Rs. 1,877 million	
Net Assets (as at 30 June 2019)	Rs. 3,599 million	
NAV (as at June 30 2021)	Rs. 126.62	
NAV (as at June 30 2020)	Rs. 113.74	
NAV (as at June 30 2019)	Rs. 112.34	
<b>Listing</b>	<b>Pakistan Stock Exchange</b>	
<b>Fund Rating:</b> <b>(Credit Rating Agency: JCR-VIS)</b>	BBB+ (JCR-VIS)	
<b>Performance:</b>	<b>Return (p.a.)</b>	<b>Payout</b>
Year ended June 30 2021	17.07%	Rs.6.6 per unit
Year ended June 30 2020	9.81%	Rs.9.58 per unit
Year ended June 30 2019	-4.16%	-

**AL AMEEN ISLAMIC ENERGY FUND (AIEF)**

The objective of (AIEF) is to provide investors with long term capital growth from an actively managed portfolio of Shariah Compliant listed equities belonging to the Energy Sectors as defined below;

The petroleum industry, including oil and gas exploration companies, oil refiners, oil marketing, fuel transport and end-user sales at gas stations  
The gas industry, including natural gas extraction, and coal mining, as well

as

Distribution and sales

The electrical power industry, including electricity generation, electric power distribution and sales

The coal industry as well as distribution and sales

The nuclear power industry as well as distribution and sales

The renewable energy industry, comprising alternative energy and sustainable energy companies, including those involved in hydroelectric power, wind power, and solar power generation, and the manufacture, distribution and sale of alternative fuels.

<b>Date of launching</b>	13 December 2019	
Par Value of units	Rs. 100	
Net Assets (as at 30 June 2021)	Rs. 448 Million	
Net Assets (as at 30 June 2020)	Rs. 233 Million	
Net Assets (as at 30 June 2019)	-	
NAV (as at June 30 2021)	Rs. 92.79	
NAV (as at June 30 2020)	Rs. 80.41	
NAV (as at June 30 2019)	-	
<b>Listing</b>	<b>Pakistan Stock Exchange</b>	
<b>Fund Rating:</b> <b>(Credit Rating Agency: JCR-VIS)</b>	Not Rated Yet	
<b>Performance:</b>	<b>Return (p.a.)</b>	<b>Payout</b>
Year ended June 30 2021	16.91%	Rs. 1.25 per unit
Year ended June 30 2020	-19.58%	-
Year ended June 30 2019	-	-

#### AL AMEEN SHARIAH STOCK FUND (ASSF)

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.

<b>Date of launching</b>	24 December 2006	
Par Value of units	Rs. 100	
Net Assets (as at 30 June 2021)	Rs. 9,595 million	
Net Assets (as at 30 June 2020)	Rs. 5,967 million	
Net Assets (as at 30 June 2019)	Rs. 5,377 million	
NAV (as at June 30 2021)	Rs. 159.68	
NAV (as at June 30 2020)	Rs. 119.56	
NAV (as at June 30 2019)	Rs. 109.51	
<b>Listing</b>	<b>Pakistan Stock Exchange</b>	
<b>Fund Rating:</b> <b>(Credit Rating Agency: JCR-VIS)</b>	MFR 5-Star (JCR-VIS)	
<b>Performance:</b>	<b>Return (p.a.)</b>	<b>Payout</b>
Year ended June 30 2021	33.96	Rs. 0.50 per unit
Year ended June 30 2020	10.36	Rs. 1.28 per unit
Year ended June 30 2019	-18.45	-

#### 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.

<b>Date of launching</b>	<b>15 December 2015</b>	
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Par Value of units	Rs. 100	
Net Assets (as at 30 June 2021)	Rs. 32 million	
Net Assets (as at 30 June 2020)	Rs. 417 million	
Net Assets (as at 30 June 2019)	Rs. 4,657 Million	
NAV (as at June 30 2021)	Rs. 145.61	
NAV (as at June 30 2020)	Rs. 104.54	
NAV (as at June 30 2019)	Rs. 96.02	
<b>Listing</b>	<b>Pakistan Stock Exchange</b>	
<b>Fund Rating: (Credit Rating Agency: JCR-VIS)</b>	Not yet Rated	
<b>Performance:</b>	<b>Return (p.a.)</b>	<b>Payout</b>
Year ended June 30 2021	39.29%	-
Year ended June 30 2020	8.87%	-
Year ended June 30 2019	-17.18%	-

## INVESTMENT PLANS

### Mahana Munafa Plan (conventional and Shariah compliant)

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

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

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

### Children Savings Plan (Conventional and Islamic)

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

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

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

## 3.4 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, shariah provision and guidelines issued by SECP and this Deed and the Offering Document.

The Fund is based on the shariah principals of "Wakala", in which the Management Company shall manage, operate and administer the Scheme and Fund Property in the interest of the Principal (Unit Holders) in good faith, and to the best of its ability.

### 3.4.1 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.

#### **3.4.2 Management of Fund Property**

The Management Company shall 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.

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.

#### **3.4.3 Appointment of Distributors**

The Management Company, shall from time to time under intimation to the Trustee appoint, remove or replace one or more suitable persons, entities or parties as Distributor(s) for carrying on Distribution Function(s) at one or more location(s) locally or internationally. The Management Company may also itself act as a Distributor for carrying on Distribution Functions and updated list of distributors would be available on official website of the Management Company.

The Management Company shall ensure, where it delegates the Distribution Function, that:

- (a) The Distributors to whom it delegates have the required license from Securities and Exchange Commission of Pakistan (SECP) as required under Securities and Future Advisers (Licensing and Operations) Regulations, 2017 and shall maintain the registration and abide by all applicable requirements as issued by SECP from time to time.
- (b) The Distributor where selling Mutual Fund Units of single AMC shall comply and abide by all applicable requirements as issued by SECP from time to time.
- (c) The written contract with the Distributors clearly states the terms and conditions for avoidance of frauds and sales based upon misleading information

#### **3.4.4 Appointment of Investment Facilitator**

The Management Company may, at its own responsibility & cost, from time to time appoint Investment Facilitators to assist it in promoting sales of Units. An update list of investment facilitators appointed by the Management

Company shall be made available at all times on the websites of the Management Company.

The Management Company shall ensure, where it appoints the investment facilitator, that:

- a. The Investment Facilitators to whom it delegates have the required license from Securities and Exchange Commission of Pakistan (SECP) as required under Securities and Future Advisers (Licensing and Operations) Regulations, 2017 and shall maintain the registration and abide by all applicable requirements as issued by SECP from time to time.
- b. The Investment Facilitators where selling Mutual Fund Units of single AMC shall comply and abide by all applicable requirements as issued by SECP from time to time.
- c. The written contract with the Investment facilitator clearly states the terms and conditions for avoidance of frauds and sales based upon misleading information

### **3.4.5 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, amounts received by the Scheme in respect of issue of Units, payments made from the Scheme on redemption of the Units and by way of distributions and payments made at the termination of the Scheme. The Management Company shall maintain the books of accounts and other records of the Scheme for a period of not less than ten years.

The Management Company shall ensure that no entry and exit from the Scheme (including redemption and re-issuance of Units to the same Unit Holders on different NAVs) shall be allowed other than the following manners, unless permitted otherwise by the Commission under the Regulations:

- (a) cash settled transaction based on the formal issuance and redemption requests
- (b) net off issuance and redemption transaction at same net asset value when redemption request is ready to disburse and rank at the top in the list of pending redemption requests (if any).

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

The Management Company shall ensure all valid redemption request are paid based on ranking of the request in a queue.

### **3.5 Maintenance of Unit Holders Register**

**3.5.1** A Register of Unit Holders may be maintained by the Management Company itself or such other company, as the Management Company may appoint after giving prior notice to the Unit Holders.

**3.5.2** The office of the Transfer Agent is located at **UBL Fund Managers Head Office, 4<sup>th</sup> Floor, STSM Building, Beaumont Road, Civil Lines, Karachi, Pakistan**, where Register of Unit Holder will maintain.

**3.5.3** Every Unit Holder will have a separate Registration Number. The Management Company shall use such Registration Number for recording Units held by the Unit Holder. Unit Holder's account identified by the



registration number will reflect all the transactions in that account held by such Unit Holder.

### **3.5.4 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 and the acts and omissions of all persons to whom it may delegate any of its functions as manager as if they were its own acts and omissions. 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.

### **3.6 Role of the Trustee**

- The trustee shall perform its role as specified in the Rules, Regulation and directives, circulars and shariah provisions issued there under, this Deed and the Offering Document.
- 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 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
    - 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.

#### **3.6.1 Obligations under Regulations and Constitutive Document**

The Trustee shall perform all the obligations entrusted to it under the Regulations, circulars, directives, the Deed and this Offering Document and discharge all its duties in accordance with the Rules, Regulations, the Trust Deed and this Offering Document. Such duties may also be performed on behalf of the Trustee by any officer or responsible official of the Trustee or

by any nominee or agent appointed by the Trustee under intimation to the Management Company. Provided that the Trustee shall be responsible for the willful 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 Fund Property where such loss has been caused by negligence or any reckless willful act or omission of the Trustee or any of its attorney (ies), or agents.

### **3.6.2 Custody of Assets**

The Trustee has the responsibility for being the nominal owner and for the safe custody of the assets of the Fund on behalf of the beneficial owners (the Unit Holders), within the framework of the Regulations, the Trust Deed and Offering Document issued for the Fund.

### **3.6.3 Investment of Fund Property at direction of Management Company**

The Trustee shall invest the Fund Property from time to time at the direction of the Management Company strictly in terms of the provisions contained and the conditions stipulated in the Deed, this Offering Document(s), the Regulations, circulars, directives and the conditions (if any) which may be imposed by the Commission from time to time.

### **3.6.4 Carrying out instructions of the Management Company**

The Trustee shall carry out the instructions of the Management Company in all matters including investment and disposition of the Fund Property unless such instructions are in conflict with the provisions of the Deed, this Offering Document(s), the Regulations, the Circulars and Directives of SECP or any other applicable law.

### **3.6.5 Liabilities of the Trustee**

The Trustee shall not be under any liability except such liability as may be expressly assumed by it under the Rules, the Regulations and/or the Deed, nor shall the Trustee (save as herein otherwise provided) be liable for any act or omission of the Management Company or for anything except 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 Fund 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 therefor or thereby and it shall not incur any liability by reason of any error of law or any matter or thing done or suffered or omitted, to be done in good faith hereunder. The Trustee shall not be liable for any loss caused to the Trust or to the value of the Fund Property due to any elements or circumstances beyond its reasonable control.

### **3.6.6 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.

### **3.7 Shariah Advisor**

Management Company, on its own expense, has appointed Muhammad

Hassan Kaleem and Mohammad Najeeb Khan as the Shariah Advisor for the Fund. The profile of the Shariah Advisor (s) is annexed as Annexure 'E' in the Offering Document.

The Shariah Advisor will be appointed under intimation to the Trustee for a period of two years, but may be reappointed on completion of the term. The Management Company may at any time, with prior notice to the Trustee and intimation to the Commission, terminate the Agreement with the Shariah Advisor by giving a notice as per the Agreement with the Shariah Advisor, before the completion of the term, and fill the vacancy under intimation to the Commission and the trustee. Furthermore, the agreement entered into for the appointment of the Shariah Advisor shall be furnished to the commission.

### **3.7.1 Duties and Responsibilities of Shariah Advisor**

All activities of the Fund therefore shall be undertaken in accordance with the Shariah Guideline provided by Shariah Advisor and Shariah Regulatory provisions issued by SECP from time to time.

The Shariah Advisor has been appointed by the Management Company who shall advise on the matters relating to Shariah Compliance.

The Shariah Advisor as appointed for a period mutually agreed between the Management Company and such Shariah Advisor, as disclosed in the Offering Document and may be re-appointed on completion of the term.

The Management Company may terminate the agreement of such Shariah Advisor and appoint a new Shariah Advisor in its place under intimation to the Trustee. Provided that the Management Company shall inform the Commission at least one month in advance for change in the Shariah Advisor.

#### **The Shariah Advisor shall**

- (a) Provide technical guidance and support on an ongoing basis on various aspects of Shariah so as to enable the Management Company to operate the Fund as a Shariah Compliant collective investment scheme.
- (b) Recommend general investment guidelines consistent with the Shariah. Any verdict issued by the Shariah Advisor in respect of any Shariah related matter shall be final and acceptable to the Trustee, the Management Company, the Unit Holders and other parties related with that matter. in case of any dispute, the matter shall be referred to the Commission.
- (c) At the end of annual Accounting Period, issue a Shariah review report, to be included in the Fund's financial reports, in respect of Shariah Compliance of the preceding year's operations of the Fund and the Shariah Advisor may, at the expense of the Fund, conduct such reviews or other investigations as may be necessary for the issuance of the Shariah review report.
- (d) Co-ordinate with the Management Company in drawing up of the Deed and other related material documents including constitutive documents for the formation of the Unit Trust and to further provide technical guidance and support in line with Shariah principles, so as to enable the Management Company to operate the Unit Trust as a Riba free/Halal avenue of investment.
- (e) The Shariah Advisor has certified that Investment Policy of the Trust is compliant with the requirements of Shariah. However, in case there is a requirement for any amendment, based on future research for purposes of increasing the Shariah acceptability of the Investment Policy, permission for necessary amendments of the Deed may be sought from the Commission.
- (f) Certify that all the provisions of the Constitutive Documents of the Fund and proposed Investments to be made on account of the Fund are Shariah compliant.

- (g) Evaluate and advise upon all new financial instruments as and when introduced for their Shariah permissibility.
- (h) Decide the methodology for calculation and distribution of "Haram income" and to determine percentage of income and cash flows from activities not in accordance with the principles of the Shariah, and recommend to the Management Company the criteria for selection of registered Charities to whom such sums shall be donated.
- (i) At the end of each annual accounting period or such other interval as the Commission may require, the Shariah Advisor shall issue a Shariah compliance certificate to the effect that all the business activities, investment and operations of the preceding year's or past operations of the Fund are in conformity with principals of Shariah. This report shall be included in the Annual reports or such other required reports of the Fund.

### 3.8 Transfer Agent

The Management Company will perform duties (has appointed **UBL Fund Managers Ltd.** having its office at 4th Floor, STSM Building, Beaumont Road, Civil Lines, Karachi ) as the Transfer Agent of the Fund until any further notice and intimation to the Trustee. The Management Company 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.

### 3.9 Custodian

**CDC Trustee**, with offices at "CDC House 99-B, Block 'B' S.M.C.H.S Main Shahra-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's account.

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.

### 3.10 Distributors/Facilitators

- i. Parties detailed in Annexure C of this Offering Document have each been appointed as Distributors to perform the Distribution Functions at their Authorized Branches. The addresses of these branches are given in Annexure C of this Offering Document; these branches may be increased or decreased by the Management Company from time to time. The Management Company may, from time to time, appoint additional Distributors (if they fulfill the requirement of regulations) or terminate the arrangement with any Distributor and intimate the Trustee and the Commission accordingly. The Management Company may itself perform the functions of a Distributor either directly or through sub-distributors.
- ii. The Distributors will be responsible for receiving applications for Purchase,

Redemption, Conversion or Transfer of Units etc. They will be interfacing with and providing services to Unit Holders, including receiving applications for change of address or other particulars or applications for issuance of duplicate certificates, requests for income tax exemption or Zakat exemption, etc. for immediate transmission to the Management Company or Transfer Agent as appropriate for further action. The Management Company shall remunerate the Distributors out of its resources and/or from Sales Load.

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

### 3.11 Auditors

BDO Ebrahim & Co.  
Chartered Accountants  
Lakson Square Building No. 1, 9th Floor, Block C  
Sarwar Shaheed Rd, Civil Lines, Karachi,

- 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.

### 3.12 Legal Advisors

**Akhund Forbes Hadi**  
2nd Floor, Dime Center, BC-4, Block-9, Kehkashan. Clifton Karachi-75600,  
Pakistan

### 3.13 Bankers

S.No.	Name of Bank
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1	Allied Bank Limited
2	Askari Bank Limited
3	Bank Alfalah Limited
4	Bank Al-Habib Limited
5	Faysal Bank Limited
6	Habib Bank Limited
7	Habib Metropolitan Bank Limited
8	MCB Bank Limited
9	Meezan Bank Limited
10	National Bank of Pakistan
11	Standard Chartered Bank (Pakistan) Limited
12	United Bank Limited
13	Sindh Bank
14	The Bank of Punjab
15	Samba Bank Limited
16	JS Bank Limited
17	Soneri Bank Limited
18	Bank Islami Pakistan Limited
19	Dubai Islamic Bank Pakistan Limited
20	The Bank of Khyber
21	Al-Baraka Bank Pakistan limited
	First Women Bank Limited
23	Silk Bank Limited
24	Summit Bank Limited
27	Khushali Bank Limited
28	Telenor Micro Finance Bank Ltd
29	Zarai Taraqati Bank Limited
30	Finca Microfinance Bank
31	Industrial & Commercial Bank of China

*\*List of Bankers to the Fund may change from time to time as per the discretion of the Management Company*

### 3.13.1 Bank Accounts

- (a) The Trustee, at the request of the Management Company, shall open Bank Account(s) for the Unit Trust at designated Commercial Bank(s) having a minimum rating of **A-** and above 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. These Bank Account(s) shall be titled:

1. **CDC Trustee – Al-Ameen Funds**
  2. **CDC Trustee – UBL Funds**
  3. **CDC Trustee – Al-Ameen Islamic Income Fund**
- (b) While opening and operating any type of account and/or making investments in offshore countries on the instructions of Management Company, if the Trustee is required to provide any indemnities to offshore parties then Trustee and the Fund would be counter indemnified by the Management company to such extent.
- (c) 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.
- (d) All bank charges for opening and maintain Bank Accounts under the Trust shall be charged to the Fund.
- (e) 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.
- (f) The amounts received from the Investors before the Initial Period shall be deposited in a Bank Account of the Fund and any income, profit etc. earned and/or accrued on the investments of that amount up to and including the day before the opening of Initial Period shall not form part of the Trust Property and shall be paid by the Management Company or the Trustee to those Investors participated before the Offering Period, either in cash or in additional Units as selected by those Investors, in proportion of their investments.
- (g) The Trustee shall, if requested by the Management Company at its discretion also open a separate Account designated by the Management Company. These account(s) may be used for the purpose of collection of sale proceeds, where collections received on account of subscription of Units by investors of various unit trusts and the administrative plans that are managed by the Management Company shall be held prior to their being allocated and transferred to pertinent unit trust(s). Such account(s) may also be used for temporary parking for the purpose of redemption. Provided however, in relation to the other unit trusts managed by the Management Company mentioned above, there are similar provisions in the trust deeds of such Funds and have Trustee as common between them. Such accounts shall be in the title of ***CDC Trustee - Al-Ameen Funds” and CDC Trustee - UBL Funds.***

### 3.14 Rating of the Scheme

The Management Company will be obliged to obtain a rating of the Scheme, once the Scheme becomes eligible for rating as per the criteria of the rating agency, and such rating shall be updated at least once every Financial Year and also published in the annual and quarterly reports of the Scheme as well as on the Management Company's website.

### 3.15 Minimum Fund Size

The minimum size of an open end scheme shall be one hundred million rupees at all times during the life of the scheme. In case of after the initial public offering or subsequently at any time if the size of open end scheme falls below that minimum size of one hundred million rupees, the asset management company shall ensure compliance with the minimum fund size within three (3) months of its breach and if the fund size remains below the minimum fund size limit for consecutive ninety (90) days the asset

management company shall immediately intimate the grounds to the commission upon which it believes that the scheme is still commercially viable and its objective can still be achieved.

#### **4 CHARACTERISTICS OF UNITS**

##### **4.1 Units**

All Units and fractions thereof represent an undivided share in the Fund and rank pari passu as to their rights in the net assets, earnings, and the receipt of the dividends and distributions. Each Unit Holder has a beneficial interest in the Fund proportionate to the Units held by such Unit Holder. For the convenience of investors, the Management Company may issue Units with different options for different arrangements as chosen by the investor from time to time, after seeking prior approval of the Commission and amending the Offering document.

##### **4.2 Classes of Units**

Class "A" Units being offered and issued to Pre-IPO investors with no Front-end Load and Back-end Load.

Class "B" Units, being offered and issued during the Initial Period with no Front end Load and Back-end Load

Public Offering will be made with Class "C" Units, which shall be offered and issued after the Initial Period, with Front-end Load as mentioned in Annexure B

##### **4.3 Administrative Plan**

- a) The Management Company, with the consent of the Trustee and the prior approval of the Commission, may offer different Administrative Plans.
- b) Details of any Administrative Plan, as and when introduced by the Management Company, shall be set out in a Supplemental Offering Document.

##### **4.4 Purchase and Redemption of Units**

- (a) Units are purchased 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.
- (b) Units are issued after realization of subscription money
- (c) During the period the register is closed, the sale, redemption and conversion of Units will be suspended.
- (d) The Management Company may decline an applicant for issue of units if it is of the opinion that it will not be possible to invest the substantial inflow of Funds or to meet any regulatory requirements.

##### **4.5 Procedure for Purchase of Units**

###### **4.5.1 Who Can Apply?**

Any investor or any related group of investors qualified or authorized to purchase the Units may make applications for the Purchase of Units of the Fund. Application may be made pursuant to the procedures described in paragraph below by any qualified or authorized investor(s) including, but not



limited to, the following:

- (a) Citizens of Pakistan resident in Pakistan. In respect of minors below 18 years of age, applications may only be made by their guardians.
- (b) Companies, corporate bodies, financial institutions, banks, partners of a firm and societies incorporated in Pakistan provided such investment is permitted under their respective memorandum and articles of association and / or bye-laws.
- (c) Pakistanis resident abroad, foreign nationals and companies incorporated outside Pakistan can apply for Units subject to the regulations of the State Bank of Pakistan and the Government of Pakistan and any such regulations and laws that may apply to their place of residence, domicile and citizenship. The payment of dividends and redemption proceeds to such investors shall be subject to the relevant taxation and exchange regulations / laws. Any person making an application for the Purchase of Units in the Fund shall warrant that he/she is duly authorized to purchase such Units.
- (d) Provident Funds constituted by companies registered under the Companies Ordinance, 1984, subject to conditions and investment limits as laid down in Employees Provident Fund (Investment in Listed Securities) Rules, 1996, as amended from time to time, including by SROs.
- (e) Provident, Pension and Gratuity Funds constituted by organizations other than companies under Section 20 (h) of the Trusts Act 1882, (11 of 1882).
- (f) Insurance companies under the Insurance Ordinance, 2000.
- (g) Non-Profit Organization under Rule 213 (i) of the Income Tax Rules, 2002.
- (h) Fund of Funds.

#### **How can Units be purchased?**

##### **4.5.2 Account Opening Procedure**

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

- (a) Before purchasing Units of the Fund an investor must open an account with Management Company using the Account Opening Form
- (b) In case of individuals, a photocopy of the Computerized National Identity Card (CNIC), NICOP or Passport etc of the applicant or any other form of identification acceptable to the Management Company needs to be furnished
- (c) In case of a body corporate or a registered society or a trust the following documents would be required,
  - (i) Duly certified copy of the memorandum and articles of association/ Charter/ Byelaws or rules and regulations;
  - (ii) Duly certified copy of power of attorney and/or relevant resolution of the board of directors delegating any of its officers to invest the Funds and/ or to realize the Investment and;
  - (iii) Duly certified copy of the Computerized National Identity Card (CNIC) of the officer to whom the authority has been delegated.
- (d) In case of existing Unit Holders, if any of the documents (in a-c above) have previously been submitted with the Management Company and/or Transfer

Agent, fresh submission of documents will not be required provided that submitted documents are acceptable to Management Company. However, the account number must be provided to facilitate linking.

Any change of name or address of any unit holder as entered in the Register shall forthwith notified in writing by relevant unit holder to the distributor company or transfer agent.

- (e) The Distribution Company and/or Management Company will be entitled to verify the particulars given in the Account Opening Form. In case of any incorrect information, the application may be rejected if the applicant fails to rectify the discrepancy.
- (f) If subsequent to receipt of the application by the Distributor, but prior to issue of the Units, the application is found by the Registrar or the Distributor to be incomplete or incorrect in any material manner, the Registrar or the Distributor will advise the applicant in writing to remove the discrepancy, in the meanwhile the application will be held in abeyance for fifteen days and in the event the discrepancy is not removed in the said fifteen days, the amount will be refunded without any interest or mark-up.

However, in the event Units have been issued and a material discrepancy is discovered subsequent to that, the Registrar or the Distributor will advise the applicant in writing to remove the discrepancy within fifteen days and if the investor, in the opinion of the Registrar, fails to remove the discrepancy without good cause, the Units shall be redeemed at the Redemption Price fixed on the date the Units are so redeemed. The Unit Holder shall not be entitled to any payment beyond the redemption value so determined.

- (g) The Investor Account Opening Form can be lodged with any Distributor or directly lodged with the Management Company. No other person (including Investment Facilitators) is authorized to accept the forms or payment.
- (h) The Management Company will make arrangements, from time to time, for receiving Account Opening Forms from outside Pakistan and will disclose these arrangements through its website and its Distributors and agents outside Pakistan.

#### **4.5.3 Joint Application**

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

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

heirs or legal representatives of the deceased.

#### 4.5.4 Purchase of Units

- (a) After opening an account an account holder may purchase Units of the Fund using the Investment Application Form attached to this Offering Document. Payment for the Units must accompany the form.
- (b) Application for Purchase of Units shall be made during the Pre-IPO, IPO Period only by completing the prescribed Investment Application Form and submitting it to the authorized branches of the Distributor or 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" as specified below;
  - Demand draft or Pay order in favor of **CDC Trustee – Al-Ameen Islamic Income Fund**
  - Online transfer to Bank Account(s) of **CDC Trustee – Al-Ameen Islamic Income Fund**
  - Cheque (account payee only marked in favor of **CDC Trustee – Al-Ameen Islamic Income Fund**
  - Account Holder may also make payment for Purchase of Units in favor of "**CDC Trustee – Al-Ameen Funds**" or "**CDC Trustee UBL Funds**", provided that the account holder specifies name of the Fund along with percentage Allocation in the Fund, in the Investment Application Form.
- (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 account number in the Investment Application Form except in cases where the Investor Account Opening Form is sent with the Investment Application Form.
- (e) The applicant must obtain a copy of the application signed and stamped by an authorized officer of the Distributor acknowledging the receipt of the application, copies of other documents prescribed herein and the demand-draft, pay-order, cheque or deposit slip as the case may be. Acknowledgement for applications and payment instruments can only be validly issued by Distributors.
- (f) The Distribution Company and/or Management Company will be entitled to verify the detail given in the Investment Form. In case of any incorrect information, the application may be rejected if the applicant fails to rectify the discrepancy (except for discrepancy in payment instrument, in which case application will be rejected immediately).
- (g) 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.

#### 4.5.5 Minimum Amount of Investment

Units shall be issued with a minimum investment size of **Rs. 500** (Rupees Five Hundred only) and thereafter the minimum amount for investment would be same. The Management Company reserves the right to alter the minimum amounts stated hereinabove.

#### 4.5.6 Determination of Purchase (Public Offer) Price

- (a) Units offered during the Pre-IPO & IPO period will be offered on Initial Offer Price as specified in Clause 1.6
- (b) After the IPO Period, the Purchase (Offer) Price for the Units offered through Public

Offering, shall be determined from time to time pursuant to the Sub clause (c) hereafter and shall be announced by the Management Company for Dealing Days.

- (c) The Purchase (Offer) Price of Units shall be equal to the sum of:
  - (i) The Net Asset Value (NAV) as of the close of the Business Day (Forward pricing);
  - (ii) Any Front-end Load as disclosed in this Offering Document.
  - (iii) Such amount as the Management Company may consider an appropriate provision for Duties and Charges; and
  - (iv) Such amount as the Management Company may consider an appropriate provision for Transaction Costs.

Such sum shall be adjusted upward to the nearest paisa.

If such price exceed or falls short of the current value of the underlying assets by more than five percent based on information available, the assets Management Company shall defer dealing and calculate a new price and this new price would be applicable for dealing of units.

- (d) The Purchase (Offer) Price so determined shall apply to purchase requests, received by the Distributor or the Management Company during the Business Hours on the Dealing Day on which the completely and correctly filled purchase of Units application form is received.
- (e) The Purchase (Offer) Price determined by the Management Company shall 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.

#### **4.5.7 Allocation/ Issue of Units**

- (a) The Purchase Price determined at the end of the Dealing Day for Units shall apply to all Investment Request Forms, complete in all respects, received by the Management Company at its registered address or by the Distributor at its Authorized Branch(s) during Business Hours on that Dealing Day. In case of online/electronic request, the Purchase Price determined shall apply to all Investment Request, complete in all respects, received by the Management Company during Business Hours on that Dealing Day subject to credit advice submitted by the customer or realization of investment proceeds. Any Investment Request Forms received after Business Hours will be transferred to the next Dealing Day.
- (b) Units will be allocated and issued at the Purchase Price as determined in clause 4.4.6 above after realization of Funds in the bank account of the Fund.
- (c) The Transfer Agent shall send an account statement or report to the Unit Holder each time there is an activity in the account. Such statements or report shall be sent by electronic means or ordinary mail to the Unit Holder's address recorded in the Register of Unit Holders.
- (d) In case the Management Company announces a suspension of further issue of Units of the Fund, it may allow existing Unit Holders to continue acquiring Units against reinvestment of any cash or bonus / stock dividend declared on the Units held in the Fund unaffected.

#### **4.5.8 Issuance of Physical Certificates**

- (a) Unit Certificates will be issued only if requested by the Unit Holder.
- (b) Unit Holder can apply for the issue of Certificate by completing the prescribed application form and submitting it to the relevant Distribution Company together with a fee at the rate of **Rs. 25** per Certificate or any other amount as determined by the Management Company from time to time.
- (c) The Certificate will be posted at the applicant's risk within 21 Business Days after the

request for the Certificate has been made to the address of the Unit Holder or to the address of the first named Joint Unit Holder, if the relevant Unit or Units are jointly held.

- (d) The Certificate will be available in such denomination as Management Company and the Trustee decide from time to time. Unless, the Unit Holder has instructed to the contrary, the minimum number of Certificates will be issued.
- (e) A Unit or any fraction thereof shall not be represented by more than one Certificate at any one time.

#### **4.5.9 Replacement of Certificates**

- (a) The Transfer Agent or Management Company may replace Certificates, which are defaced, mutilated, lost or destroyed on application received by them from the Unit Holder on the prescribed form on the payment of all costs and on such terms as to evidence, indemnity and security as may be required. Any defaced or mutilated Certificate must be surrendered before a new Certificate is issued.
- (b) The Registrar with the consent of the Trustee may dispense with the production of any Certificate that shall have become lost, stolen or destroyed upon compliance by the Unit Holder(s) with the like requirements to those arising in the case of an application by him for the replacement thereof
- (c) The Unit Holder shall on application on prescribed form be entitled to consolidate the entire holding in the Fund into one (01) Certificate upon surrender of existing Certificates.
- (d) Each new issue of Certificates will require payment of **Rs. 25** per Certificate, subject to revisions of fee from time to time by the Management Company.

#### **4.5.10 Issuance of Units in Book Entry form in CDS**

Unit Holder may obtain Units under the Fund in Book Entry form in CDS, if and /or when the Fund becomes CDS eligible. The Issuance of Units in CDS shall be made in accordance with the procedure laid down in CDCPL Regulations.

### **4.6 Procedure for Redemption of Units**

#### **4.6.1 Who Can Apply?**

All Unit Holders shall be eligible for redemption after the closure of the Initial period.

#### **4.6.2 Redemption Application Procedure**

- i. Request for Redemption of Units shall be made by completing the prescribed redemption form and the same is received at the Authorized Branch or office of the Distributor on a Dealing Day during the Business Hours as may be announced by the Management Company from time to time. The Distributor may retain a copy of the Redemption Form and a copy may also be supplied to the Registrar, if so required by the Management Company.
- ii. The Management Company may redeem only part of the Units comprised in a Certificate and reissue a new Certificate for the remaining Units, however, in the case where Certificate is not issued any number of Units may be redeemed by the Unit Holder thereof. The relevant Certificate shall accompany the application for Redemption of Units, if issued. At the discretion of the Management Company certificate charges may apply for the reissued Certificate.
- iii. The Registrar with the consent of the Trustee may dispense with the production of any Certificate that shall have become lost, stolen or destroyed upon compliance by the Unit Holder(s) with the like requirements to those arising in the case of an application by him for the replacement thereof.

- iv. In case of application for redemption by joint Unit Holders, unless otherwise specified by the joint holders, such application should be signed by all the joint Holders as per their specimen signatures provided at the time of opening of the account within the Unit Holder Register, through the investor account opening Form.
- v. The Distribution Company or the Registrar shall verify the particulars given in the application for Redemption of Units. The signature of any Unit Holder or joint Unit Holder on any document required to be signed by him under or in connection with the application for redemption of Units may be verified by Management Company or the Registrar or otherwise authenticated to their reasonable satisfaction. In case of submission of electronic on-line redemptions the Unit Holder's user ID and password will authenticate his identity.
- vi. The Unit Holder will receive a note confirming the receipt of the application for redemption from the relevant Distribution Office.
- vii. If subsequent to receipt of the redemption application by the Distributor, but prior to the redemption of the Units, the application is found by the Management Company or the Registrar or the Distributor to be incomplete or incorrect in any material manner, the Management Company or Registrar or the Distributor will advise the applicant to remove the discrepancy. In the meanwhile, the application will be held in abeyance for fifteen days. In the event the discrepancy is not removed in the said fifteen days, the application for redemption will be cancelled treating the same as null and void. The Unit Holder will then have to submit a fresh application for Redemption of Units.
- viii. The Management Company shall ensure all valid redemption request are paid based on ranking of the request in a queue.
- ix. The amount payable on redemption shall be paid to the Unit Holder or first named joint Unit Holder by dispatching a cheque/ bank draft/ pay order for the amount to the registered address of the Unit Holder or may be paid to the Unit Holder through Electronic Bank transfer to the Unit Holder's designated bank account as mentioned in the Investor Account Opening Form or Redemption form within six Business Days from the date of presentation of the duly completed Redemption form, electronic or otherwise, at the Authorized Branch or office of the Distributor or the Management Company.
- x. The amount can also be paid to the third party upon instruction of the Unit Holder through Electronic Bank transfer to the Unit Holder's designated bank account as mentioned in the Investor Account Opening Form or Redemption form.
- xi. No Money shall be paid to any intermediary except the Unit Holder or his authorized representative.
- xii. The Management Company may make arrangements through branches of banks to facilitate redemption of Units of the Unit Trust. A request for redemption of Units may also be made through the use of electronic means such as Internet or ATM facilities under prior arrangement with the Trustee and seeking prior approval of the Commission.
- xiii. The receipt of the Unit Holders for any amount payable in respect of the Units shall be a good discharge to the Trustee and the Management Company. In case of joint Unit Holders any one of them may give effectual receipt for any such moneys.
- xiv. Application for Redemption of Units will be received at the authorized offices or branches of the Distributor on all Dealing Days. Where redemption requests on any one Dealing Day exceed ten (10) percent of either the total number of Units outstanding, such redemption requests in excess of ten (10) percent may be deferred in accordance with the procedure elaborated in the clause 4.11.4
- xv. On the occurrence of any circumstance specified in the Regulation or the Deed that may require the Fund should be suspended, the Management Company shall suspend the Sale and Redemption of Units and the intimation of suspension shall be made to the Unit Holders, the Trustee and the Commission according to the procedure laid down in the Regulation.

#### **4.6.3 Redemption of Units in Book Entry form in CDS**

Unit Holder may redeem their Units held in Book Entry form in CDS, if available. The Redemption of Units in CDS shall be made in accordance with the procedure laid down in CDCPL Regulations.

#### **4.7 Purchase (Public Offer) and Redemption (Repurchase) of Units outside Pakistan**

**4.7.1** Subject to exchange control, SECP prior approval and other applicable laws, Rules and Regulations, in the event of arrangements being made by the Management Company form the Purchase (Public Offer) of Units to persons not residing in Pakistan or for delivery in any country outside Pakistan, the price at which such Units may be issued may include in addition to the Purchase (Public Offer) Price as hereinbefore provided a further amount sufficient to cover any exchange risk insurance, any additional stamp duty or taxation whether national, local or otherwise leviable in that country in respect of such issue or of the delivery or issue of Certificates, or any additional costs relating to the delivery of certificates or the remittance of money to Pakistan or any other cost in general incurred in providing this facility.

**4.7.2** In the event that the Redemption Price for Units shall be paid in any country outside Pakistan, the price at which such Units may be redeemed may include as a deduction to the Redemption Price as hereinbefore provided a further amount sufficient to cover any exchange risk insurance and any additional stamp duty or taxation whether national, local or otherwise leviable in that country in respect of such payment or redemption or any bank or other charges incurred in arranging the payment or any other cost in general incurred in providing this facility. Provided however, neither the Management Company, nor the Trustee give any assurance or make any representation that remittance would be allowed by the State Bank of Pakistan at the relevant time

**4.7.3** The currency of transaction of the Trust is the Pakistan Rupee and the Management Company, Trustee or any Distributor are not obliged to transact the purchase or redemption of the Units in any other currency and shall not be held liable, save as may be specifically undertaken by the Management Company, for receipt or payment in any other currency or for any obligations arising therefrom.

#### **4.8 Determination of Redemption (Repurchase) Price**

**4.8.1** After the IPO Period, the Redemption (Repurchase) Price shall be equal to the Net Asset Value (NAV) as of the close of Business Day (forward pricing) less:

- (a) Any Back-end and Contingent (if applicable) as per the details in this Offering Document Annexure B; and;
- (b) Such amount as the Management Company may consider an appropriate provision for Duties and Charges and other levies etc; and
- (c) Such amount as the Management Company may consider an appropriate provision for Transaction Costs;
- (d) Such sum shall be adjusted downward to the nearest paisa

Level of all back end loads shall be disclosed in the Offering Document -Annexure B. An increase in Back End load/Contingent Load will require 90 days prior notice to the Unit Holder or any other period as specified in the Regulations.

**4.8.2** The Repurchase (Redemption) Price so determined shall apply to redemption requests, complete in all respects, received by the Distributor or the Management Company during the Business Hours (as announced by the Management Company from time to time) on the Dealing Day on which a correctly and properly filled redemption application is received.

**4.8.3** The Redemption Price of Units determined by the Management Company shall be made available for every Dealing day to the public at the office and branches of the Distributors and at the discretion of the Management Company may also be published in any daily newspaper widely circulated in Pakistan and will be published at Management Company's and MUFAP's website.

#### **4.9 Procedure for Requesting Change in Unit Holder Particulars**

##### **4.9.1 Who Can Request Change?**

All Unit Holders are eligible to change their Unit Holder details if they so desire. For such change in particulars, a request shall be made via the Service Request Form or, any document (supported by the evidence) provided by the investor through his Distributor, Investment Facilitator or provided directly to the Management Company through Digital means. In the case where Units are held in CDS account then requests should also be made as per above mentioned procedure.

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

##### **4.9.2 Application Procedure for Change in Particulars**

(a) Some of the key information which the Unit Holder can change is as follows:

- i. Change in address
- ii. Change in Bank Account details
- iii. Account Operating instructions
- iv. Frequency of profit payments
- v. Systemic Conversion Option

Change will not be allowed in Title of account, Address and CNIC number of the Unit Holder (without any documentary evidence). Any addition or deletion in joint account holder is not allowed.

- (b) Fully completed Form or any document (supported by evidence) deemed fit by the management has to be submitted by unit holder(s). This Form should be delivered to any of the Authorized Branches of the Distribution Companies or may be submitted to the Management Company through an Investment Facilitator within Business Hours on a Dealing Day.
- (c) The Distribution Company and /or Management Company will be entitled to verify the particulars given in the Form. In case of any incorrect information the application may be rejected if the applicant does not rectify the discrepancy.
- (d) The Unit Holder will be liable for any taxes, charges or duties that may be levied on any of the above changes. These taxes, charges or duties may either be recovered by redemption of Unit Holder equivalent Units at the time of the service request or the Management Company may require separate payment for such services.
- (e) Unless the Joint Unit Holder(s) have specified otherwise (except for bank account detail), all the Joint Unit Holder(s) shall sign the Service Request Form.

##### **4.9.3 Transfer, Nomination, Transmission**

- a) Unit Holder may, subject to the law, transfer any Units held by them to any other person. The transfer shall be carried out after the Management Company/Transfer Agent has been satisfied that all the requisite formalities including the payment of any taxes and duties have been complied with.
- b) Both the transferor and the transferee must sign every Instrument/ Form of transfer and the transferor shall be deemed to remain the Holder of the Units transferred until the name of the transferee is entered in the register. Every Instrument/ Form of transfer must be duly completed in all respects including affixation of transfer stamps of the requisite value.
- c) Where Certificates have been issued, the Management Company / Transfer Agent with



the consent of the Trustee may dispense with the production of any Certificate that shall have become lost, stolen or destroyed upon compliance by the Unit Holder(s) with the like requirements to those arising in the case of an application by him for the replacement thereof as provided in this Offering Document. The Management Company or the Transfer Agent shall retain all instruments of transfer.

- d) The Transfer Agent shall, with the prior approval of the Management Company or the Management Company itself be entitled to destroy all instruments of transfer or the copies thereof, as the case may be, which have been registered at any time after the expiration of twelve years from the date of registration thereof and all the Certificates which have been cancelled at any time after the expiration of ten years from the date of cancellation thereof and all registers, statements and other records and documents relating to the Trust at any time after the expiration of ten years from transmission to the Trust. The Trustee or the Management Company or the Transfer Agent shall be under no liability, whatsoever, in consequence thereof and it shall conclusively be presumed in favor of the Trustee or the Management Company or the Transfer Agent that every Unit of Transfer so destroyed was a valid and effective instrument duly and properly registered by the Trustee or the Management Company or the Transfer Agent and that every Certificate so destroyed was a valid Certificate duly and properly cancelled, provided that (i) this provision shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document may be relevant; (ii) nothing in this sub-clause shall impose upon the Trustee or the Management Company or the Transfer Agent any liability in respect of the destruction of any document earlier than as aforesaid or in any case where the conditions of provision (i) above are not fulfilled. Reference herein to the destruction of any document includes reference to the disposal thereof in any manner. Complete list of unclaimed dividends will be maintained by AMCs and shall not be destroyed.
- e) Transmission of Units to successors in case of inheritance or distribution of the estate of a deceased Unit Holder shall be processed by the Transfer Agent or the Management Company itself as Registrar after satisfying as to all legal requirements such as certified copy of death certificate, succession certificate or court order where applicable, original unit certificate (in case of physical certificate), etc. The legal costs and taxes, if any, shall be borne and paid by the transferees. However, the processing fee shall not be payable by successors or the beneficiaries of the estate in the case of transmission. The Management Company shall pay the relevant processing fee to the Transfer Agent.
- f) A Unit Holder may convert the Units in a Unit Trust Scheme managed by the Management Company into Units of another Unit Trust Scheme managed by the Management Company by redeeming the Units of first Scheme and issuance of Units of later Scheme(s) at the relevant price applicable for the day. The Transfer Agent or Management Company itself shall carry out the conversion after satisfying that all the requisite formalities have been fulfilled and payment of the applicable taxes, fees and/or load, if any, has been received. The Management Company may impose a time limit before which conversion may not be allowed.
- g) A Unit Holder may merge the Units which he/she has invested with two folio/registration numbers into one folio/ registration number. The Transfer Agent shall carry out the merger after satisfying that all the requisite formalities have been completed and payment of applicable taxes and fee, if any, has been received.

#### **4.9.4 Conversion**

Conversion of Units of the Fund to/ from Units of any other Scheme managed by the Management Company can be carried out by submitting the duly filled Conversion Application Form, or any other Form as designated by the Management Company for the purpose of conversion from time to time, to the Authorized Branch of the Management Company together with any certificate / document required. Physical Certificates, if issued, must accompany the form.

#### **4.9.5 Partial Transfer**

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

#### **4.10 Procedure for Pledge / Lien / Charge of Units**

##### **4.10.1 Who Can Apply?**

- (a) All Unit Holders are eligible to apply for pledge / lien / charge of Units if they so desire. Such Pledge / Lien / Charge can be made via the Pledge of Units Form as attached in Annexure "D" of this Offering Document. These forms may be obtained from Distributors or Investment Facilitators or from the Management Company or through its website. However, if Units are held in CDS account then request should be made to the CDS Participant or the Investor Account Service (IAS) with which the account is maintained, according to the procedure laid down in CDCPL Regulations.
- (b) Any Unit Holder either singly or with Joint Unit Holder(s) (where required) may request the Management Company or Transfer Agent to record a pledge / lien of all or any of his / her/ their Units in favor of any third party legally entitled to invest in such Units in its own right. The Management Company or Transfer Agent shall register a lien on any Unit in favor of any third party with the consent of the Management Company. However, the lien shall be valid only if evidenced by an account statement or letter issued by the Management Company or Transfer Agent with the Units marked in favor of the Pledgee. The onus for due process having been followed in registering a lien shall lie with the party claiming the lien.
- (c) The lien once registered shall be removed by the authority of the party in whose favor the lien has been registered or through an order of a competent court. Neither the Trustee, nor the Management Company, nor the Transfer Agent, shall be liable for ensuring the validity of any such pledge / charge / lien. The disbursement of any loan or undertaking of any obligation against the constitution of such pledge/charge/lien by any party shall be at the entire discretion of such party and neither the Trustee nor the Management Company and the Transfer Agent shall take any responsibility in this matter.
- (d) Payments of cash dividends or the issue of bonus Units and redemption proceeds of the Units or any benefits arising from the said Units that are kept under lien / charge / pledge shall be paid to the order of the lien / charge / pledge holder's bank account or posted to the registered address of Pledge mentioned in the Pledge Form and/or Investor Account Opening Form submitted. In case of Units are pledged through Central Depository System, payments of cash dividends or the issuance of bonus Units goes to the Pledge or as per Central Depositories Act.
- (e) The Distribution Company and / or Management Company will be entitled to verify the particulars given in the Pledge Form. In case of any incorrect information the application may be rejected if the applicant does not rectify the discrepancy.
- (f) Fully completed Pledge of Units Form has to be submitted by both Individuals and/or non- individuals Unit Holders. This Form should be delivered to any of the Authorized Branches of the Distribution Companies or may be submitted to the Management Company directly or through an Investment Facilitator within Business Hours on a Dealing Day.
- (g) All risks and rewards, including the right to redeem such Units and operate such account, shall vest with the pledge / lien / charge holder. This will remain the case until such time as the pledge / lien / charge holder in writing to the Management Company instructs otherwise.

#### **4.11 Temporary Change in Method of Dealing, Suspension of Dealing and Queue System**

##### **4.11.1 Temporary Change in the Method of Dealing**

Under the circumstances mentioned in Clause 4.11.2 & 4.11.3, 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.

#### **4.11.2 Suspension of Fresh Issue of Units**

The Management Company may, under the following circumstances, suspend issue of Fresh Units.

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

Such suspension may however not affect existing Unit Holders for the issue of bonus units as a result of profit distribution. The Management Company shall announce the details of circumstances at the time a suspension of fresh issue is announced. The Management Company shall immediately notify SECP and Trustee if issuance of Units is suspended and shall also have the fact published, immediately following such decision, in the newspapers in which the Fund's prices are normally published.

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

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

#### **4.11.3 Suspension of Redemption of Units**

The Redemption of Units may be suspended during extraordinary circumstances/ Force Majeure.

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

#### **4.11.4 Queue System**

In the event redemption requests on any day exceed ten percent (10%) of the outstanding Units, the Management Company may invoke a Queue System whereby requests for redemption shall be processed on a first come first served basis for up to ten percent (10%) of the outstanding Units. The Management Company shall proceed to sell adequate assets of the Fund and / or arrange Shariah Compliant financing as it deems fit in the best interest of all Unit Holders and shall determine the redemption price to be applied to the redemption requests based on such action. Where it is not practical to determine the chronological ranking of any requests in comparison to others received on the same Dealing Day, such requests shall be processed on basis proportionate to the size of the requests. The Management Company shall provide all redemption requests duly timed and date stamped to the Trustee within 24 hours of receipt of any such request following the queue system. The requests in excess of ten percent (10%) shall be treated as redemption requests qualifying for being processed on the next Dealing Day at the price to be determined for such redemption requests. However, if the carried over requests and the fresh requests received on the next Dealing Day still exceed ten percent (10%) of the outstanding Units, these shall once again be treated on first come first served basis and the process for generating liquidity and determining the redemption price shall be repeated and such procedure shall continue till such time the outstanding redemption requests come down to a level below ten percent (10%) of the outstanding Units.

#### **4.11.5 Winding up in view of Major Redemptions**

In the event the Management Company is of the view that the quantum of redemption requests that have built up are likely to result in the Fund being run down to an unsustainable level or it is of the view that the selloff of assets is likely to result in a significant loss in value for the Unit Holders who are not redeeming, it may announce winding up of the Fund. 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 for the Scheme. However, interim distributions of the proceeds may be made if the Management Company finds it feasible. 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 6.2 to 6.4 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 payment instruments or transfer of Funds to the Unit Holder's designated bank account or the pledgers designated bank account in case of lien / pledge of Units as the case may be or through any other mode of payment with the approval of Commission and such payment shall be subject to the Regulations and any other applicable laws and taxes.

### **5.4 Dispatch of Dividend Warrants/Advice**

Dividend warrants/advice/payment instruments and/or Account Statements shall be dispatched to the Unit Holders or the charge-holders at their registered addresses.

## **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 the Investor Account Opening Form) within the Unit Holder Register to receive new Units instead of cash dividend after adjustment of relevant taxes. The Unit Holders shall be entitled to change such option.

## **5.6 Bonus Units**

The Management Company may decide to distribute, wholly or in part, the distributable income in the form of stock dividend (which would comprise of the Bonus Units of the Trust) if it is in the interest of Unit Holders. After the fixing of the rate of bonus 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 issued in the name of the Unit Holders as per the bonus ratio. The Bonus Units would rank pari passu as to their rights in the Net Assets, earnings and receipt of dividend and distribution with the existing Units from the date of issue of these Bonus Units. The account statement or Unit Certificate shall be dispatched to the Unit Holder within fifteen days of the issue of Bonus Units.

## **5.7 Encashment of Bonus Units**

The Management Company shall give the Unit Holder(s) the option at the time of opening of Unit Holder Account (via the Investor Account Opening Form) within the Unit Holder Register to encash bonus Units. In such case the bonus Units issued to the credit of such Unit Holder(s) shall be redeemed at the ex-dividend NAV as calculated on the Business Day immediately preceding the first day of the book closure announced for such purpose and proceeds shall be credited in accordance with the normal procedure already detailed above for Redemption of Units.

## **5.8 Closure of Register**

The Management Company may close the Register by giving at least seven (7) days' notice to Unit Holder 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. During the closure period, the sale, redemption, conversion of Units or transfer of Units will be suspended. Notice for closure of register should be published in two newspapers (Urdu and English language) having circulation in Pakistan

# **6 FEE AND CHARGES**

## **6.1 Fees and Charges Payable by an Investor**

The following fees and charges shall be borne by the Investor:

### **6.1.1 Front-end Load**

Front end Load is a part of Sales Load which may be included in the offer price of the Units. The remuneration of Distributors shall be paid from such Load and if the Front-end Load is insufficient to pay the remuneration of the Distributors, the Management Company shall pay the amount necessary to pay in full such remuneration and no charges shall be made against the Fund Property or the Distribution Account in this respect. Such payments may be made to the Distributors by the Management Company upon the receipt from the Trustee.

The Management Company may at its discretion charge different levels of Load being offered by the Management Company under this Scheme, and are disclosed as Annexure B. Any change in Front-end Load shall be done through an addendum to the Offering Document after seeking prior approval of the Commission.

A Distributor located outside Pakistan may if so authorized by the Management Company

and the Trustee retain such portion of the Front-end Load as is authorized by the Management Company and transfer the net amount to the Trustee, subject to the law for the time being in force.

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

#### **6.1.2**

##### **Back-end Load**

Back end Load deducted from the Net Asset Value in determining the Redemption Price; provided however that different levels of Back-end Load may be applied to different classes of Units, but Unit Holders within a class shall be charged same level of back end load. Management Company may change the current level of Back-end Load after giving 90 days prior notice to the Unit Holder through newspaper (either Urdu or English Newspaper) and via post and the unit holders shall be given an option to exit at the applicable NAV without charge of back end load as specified in the Regulation.

The current level of Back-end Load is indicated in Annexure B.

#### **6.1.3 Other Charges**

Transfer of Units from one owner to another may be subject to a Processing charge at the date the request is lodged, which shall be recovered from the transferee. However, the processing charge shall not be payable by the successors in the case of inheritance or distribution of the estate of a deceased Unit Holder.

Units of issued to an Account holder through conversion from another scheme run by the Management Company, shall be issued at a price based on the Net Asset Value of the scheme on that date, plus the applicable Front-end Load.

#### **6.1.4 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

#### **6.1.5 Remuneration of Distribution Company / Investment Agent / Investment Facilitator**

The Distribution Company employed by the Management Company will be entitled to a remuneration payable by the Management Company out of its own resources and/or from Front End Load on terms to be agreed between the Management Company and the Distribution Company. 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.

Distributors located outside Pakistan may, if so authorized by Trustee and the Management Company, be entitled to remuneration (from Management Company's own resources) on terms to be agreed between them and the Management Company, subject to the law for the time being in force.

### **6.2 Fees and Charges Payable by the Fund**

The following expenses shall be borne by the Fund:

### 6.2.1 Remuneration of the Management Company

The remuneration shall begin to accrue from the business day after the end of IPO period. In respect of any period other than an Annual Accounting Period, such remuneration shall be prorated on the basis of the actual number of days for which such remuneration has accrued in proportion to the total number of days in the Annual Accounting Period concerned.

Current level of Management Fee is disclosed in **Annexure “B”**. Any increase in the current level of Management Fee, provided it is within the maximum limit prescribed in the Regulations shall be subject to giving a ninety (90) days prior notice to the unit holders and the unit holders shall be given an option to exit at the applicable NAV without charge of any back-end load and contingent load.

### 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 “A”.

The remuneration shall begin to accrue from the business day after the end of the IPO Period. For any period other than an Annual Accounting Period such remuneration will be prorated on the basis of the actual number of days for which such remuneration has accrued in proportion to the total number of days in an Annual Accounting Period concerned. Any upward change in the remuneration of trustee from the existing level shall require prior approval of the Commission.

### 6.3 Formation Costs

All preliminary and floatation 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 Initial Offering Period subject to a maximum of one per cent of pre-IPO capital of the Fund or Rupees five million, whichever is lower, 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.

### 6.4 Other costs and expenses

The following charges 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, financing 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 rating agency.
- (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, CDC charges.
- (xii) Any amount which the Shariah Advisor may declare to be Haram and to be paid to Charity
- (i) Any other expenses as permissible under the Rules and Regulations from time to time and / or permitted by the Commission.

## **6.5 Expense Ratio**

The expense ratio shall be in line with the limits assigned to the Income Fund category in the Non-Banking Finance Companies Regulations, 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 will be regarded as a public company liable to a tax rate applicable to a public company.

The income of the Fund will accordingly be taxed at the following rates:

- (i) Dividend income as applicable according to the relevant law;
- (ii) Capital Gains Tax as applicable according to the relevant law
- (iii) Return from all other sources / instruments are taxable at the rate applicable to a public company.

#### **7.1.2 Liability for Income Tax if Ninety Percent of Income is distributed**

Notwithstanding the tax rate given above, the income from the Fund will be exempted from tax if not less than 90% of the income for the year as reduced by capital gains whether realized or unrealized is distributed amongst the Unit Holders as dividend.

The Fund will distribute not less than 90% of its income received or derived from sources other than capital gains as reduced by such expenses as are chargeable to the Fund.

### **7.2 Withholding tax**

Under the provision of Clouse 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 of the Unit Holder under the Fund**



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 (exemption on distribution out of capital gains is limited to those Funds which are debt or money market Funds and they do not invest in shares).

The tax deducted on dividend at the rates specified above will be the final tax (except for companies) and the payer will be required to withhold the amount of tax at source from payment of dividend except payment to the banking companies.

- 7.4.3** Capital gain arising from sale/redemption of Units of the Fund will be subject to tax at the applicable tax rate as mentioned in Income Tax Ordinance 2001.

- 7.4.4** Unit Holders who are exempt from income tax may obtain exemption certificate from the Commissioner of Income Tax and provide the same to the Management Company and/or Transfer Agent and on the basis of Exemption Certificate income tax will not be withheld.

#### **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 Management Company/Transfer Agent shall send directly to each Unit Holder an account statement each time there is a transaction in the account.

The Management Company/Transfer Agent shall provide account balance and/or account activities through electronic mode to Unit Holder, who opted for such service.

The Unit Holder will be entitled to ask for copies of his account statement on any Dealing Day within Business Hours by applying to the Management Company/Transfer Agent in writing and providing such fee as specified in Annexure B that the Management Company may notify from time to time.

#### **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 latest by 5 working days of each 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 of this Fund and the income of this 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 – Head 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) the Fund has reached its maturity date as specified in the Deed and/or the Offering Document;
- (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 revoked;
- (iii) 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;
- (iv) 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;
- (v) 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.

- (vi) on occurrence of any event or circumstances which, in the opinion of the Trustee, requires the Fund to be revoked; and
- (vii) where the Commission deems it necessary to revoke the Fund so 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.**

### **11 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.

**“Account Opening / Investment Account Opening Form”** means standardized form prescribed by the Management Company to be duly filled by the investors at the time of opening an account with 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 immediately after the close of IPO and (in any other case) from the next day of the preceding accounting period.

**“Administrative Plans”** means investment plans offered by the Management Company and approved by the Commission, where such plans allow investors a specific investment strategy in any one or a combination of Schemes managed by the Management Company in accordance with the conditions specified by SECP.

**“Annual Accounting Period” or “Financial Year”** means the period commence on 1st July and shall end on 30th June of the succeeding calendar year.

**“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 Broker”** means those Brokers which are authorized to deal in Government Securities.

**“Authorized Investments”**

Authorized Investments are those Investable Avenues as defined in clause 2.2.9 of this Offering Document

**“Back-end Load (Deferred Sales Load)”** means charges deducted from the Net Asset Value in determining the Redemption Price; provided however that different levels of Back-end Load may be applied to different classes of units, but unit holders within a class shall be charged same level of back-end load as disclosed in the Offering Document. Such load shall not form part of the Trust Property of the Fund.

**“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 the Unit Holder(s) shall invest in.

**“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 banks and the Management Company is open for business in Pakistan.

**“Certificate”** means the definitive certificate acknowledging the number of Units registered in the name of the Unit Holder issued at the request of the Unit Holder pursuant to the provisions of the Trust Deed.

**“Charity”** means amount paid by the Trustee, upon instruction of the Management Company and in consultation with the Shariah Advisor, out of the income of the Fund to Charitable Trust/welfare organization, representing income which is impermissible /Haram.

**“Connected Person”** shall have the same meaning as assigned in the Rules and Regulations.

**“Constitutive Documents”** means the Trust Deed or such other documents as defined in the Regulations.

**“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.

**“Dealing Day”** means every Business Day from Monday to Friday of every week. Units will be available for dealing (purchase, redemption, transfer, switching etc.) on Dealing Days during Cut-off Time. Provided that the Management Company may with the prior written consent of the Trustee and upon giving not less than seven days’ notice in two widely circulated English or Urdu newspapers in Pakistan declare any particular Business Day(s) not to be a Dealing Day(s).

**“DFI”** means Development Financial Institution and includes the Pakistan Industrial Credit and Investment Corporation (PICIC), the Saudi Pak Industrial and Agricultural Investment Company Limited, the Pak Kuwait Investment Company Limited, the Pak Libya Holding Company Limited, the Pak Oman Investment Company (Pvt.) Limited, Investment Corporation of Pakistan, House Building Finance Corporation, Pak Brunei Investment Company Limited, Pak-Iran Joint Investment Company Limited, Pak-China Investment Company Limited, and any other financial institution notified under Section 3-

A of the Banking Companies Ordinance, 1962.

**“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 for the benefit of the Unit Holders.

**“Distributor / Distribution Company”** means Company(ies), Firm(s), Sole Proprietorship concern(s), individual(s), Banks or any other Financial Institution appointed by the Management Company under intimation to the Trustee for performing any or all of the Distribution Functions and who are registered with MUFAP as Registered Service Providers. The Management Company may itself also performs the Distribution Function.

**“Distribution Function”** means the functions with regard to:

- a. receiving applications for issue of Units together with the aggregate Offer Price for Units applied for by the applicants;
- b. issuing receipts in respect of (a) above;
- c. interfacing with and providing services to the Holders including receiving redemption/transfer applications, conversion notices and applications for change of address or issue of duplicate Certificates for immediate transmission to the Management Company or the Transfer Agent as appropriate;
- d. accounting to the Management Company for all: (i) payment instruments received from the applicants for issuance of Units; (ii) payments instruments to the Holders on redemption of Units; and (iii) expenses incurred in relation to the Distribution Function.
- e. the above functions may be performed electronically, if appropriate systems are in place.

**“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.

**“Exit Charges”** means contingent load, back-end load and any other charges as may be applied by Management Company and defined in the Offering Document of the Fund.

**“Expense Ratio”** means the sum of all fees, expenses, taxes or government levies charged to the Collective Investment scheme to average daily net assets value of that Collective Investment Scheme;].

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

**“Federal Government”** means the Federal Government of Islamic Republic of Pakistan.

**“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.

**“Front-end Load”** means the Sales load which may be included in the offering price of the Units of the Fund; provided however that different levels of Front-end Load may be applied to different investors, as determined by the Management Company. However aggregate of Front-end Load & Back-end Load should not exceed 3% of Net Asset Value.

**“Fund”** means “Al-Ameen Islamic Income Fund” or “Scheme”, or “Trust”, or “Unit Trust”, or “AIIF”.

**“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.

**“Haram Income”** means any income prohibited by the Shariah.

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

**“Initial Period” or “Initial Offering Period”** means the Pre-IPO & IPO Period determined by the Management Company as mentioned in the Offering Document.

**“Initial Price” or “Initial Offer”** means the price per Unit during the Pre-IPO & IPO Period determined by the Management Company as mentioned in the Offering Document.

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

**“Investment Facilitators/Advisors”** means an individual, firm, corporate or other entity appointed by the Management Company to identify, solicit and assist investors in investing in the Scheme. The investment facilitator/advisor is not authorized to perform the Distribution Functions. The Management Company shall compensate the Investment Facilitators.

**“Investment 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.

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

**“Management Company”** is defined in the preamble hereto;

**“Net Assets of the Scheme”** in relation to the Trust, means, the excess of assets over liabilities of the Scheme as calculated in accordance with the Regulations. .

**“Net Asset Value” or “NAV”** means per Unit Value being offered under the Fund arrived at by dividing the Net Assets by the number of Unit(s) outstanding. The NAV shall be announced on each Dealing Day as per the directions of the Commission from time to time.

**“Offer Price or Purchase (Public Offer) Price”** means the sum to be paid by the investor for purchase of one Unit of the Fund, 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.

**“Online”** means transactions through electronic data-interchange whether real time transactions or otherwise, which may be through the internet, intranet networks and the like.

**“Act”** means the Companies Act 2017.

**“Par Value”** means the face value of **Rs. 100** for a Unit of the Fund.

**“Personal Law”** means the law of inheritance and succession as applicable to the individual Unit Holder.

**“Pledge Form”** means a standardized form prescribed by the Management Company to be duly filled by the investor to Pledge his/her Units and will be stated in this Offering Document.

**“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 of the Fund upon redemption of that Unit, such amount to be determined pursuant to this document.

**“Register Function”** means the functions with regard to:

- a. Maintaining the Register, including keeping a record of change of addresses/other particulars of the Holders;
- b. Issuing account statements to the Holders;
- c. Issuing Certificate, including Certificates in lieu of undistributed income to Holders;
- d. Cancelling old Certificates on redemption or replacement thereof;
- e. Processing of applications for issue, redemption, transfer and transmission of Units, recording of pledges, liens and changes in the data with regard to the Holders;
- f. Issuing and dispatching of Certificates;
- g. Dispatching income distribution warrants, and bank transfer intimation and distributing bonus Units or partly both and allocating Units to Holders on re-investment of dividends;
- h. Receiving applications for redemption and transfer/transmission of Units directly from Holder or legal representatives or through Distributor;
- i. Maintaining record of lien/pledge/charge; and
- j. Keeping record of change of addresses/other particulars of the Holders.



**“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.

**“Sales Load”** mean Front end load deducted at the time of investment and Back-end load (as Deferred Sales load) charged at the time of redemption (excluding Duties and Charges). Sales Load can not exceeding three percent of NAV of the Fund, and may charge sales load maximum up to 1.5% of the NAV per unit where transaction are done online or through a website.

**“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.

**“Special Request Form”** means a standardized form prescribed by the Management Company to be duly filled by the investor to change his/her particulars and will be stated in this Offering Document.

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

**“Sukuk”** means a type of Islamic bond that is backed by assets of the issuer that earn profit or rent.

**“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 of the Fund to which the costs may be applicable for determining the Purchase (Offer) Price of such Units or be deducted from the NAV of the Fund to which the costs may be applicable in determining the Repurchase (Redemption) Price.

**“Transfer Agent”** means a company including a Bank that the Management Company shall appoint for performing the Registrar Functions. The Management Company may itself perform the Registrar Function.

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

**“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.

**“Trust” or “Unit Trust” or “Fund” or “Scheme” or “Al-Ameen Islamic Income Fund” or “AIIF”** means the Unit Trust constituted by the Trust Deed for continuous offers for sale of Units of the Trust.

**“Unit”** means one undivided share in the Net Asset of the 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'**

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

<b>Tariff</b>
0.075% per annum of Net Assets

## Annexure 'B'

## 1. Current Fee Structure:

UNITS	Front-End Sales Load (%)	Back End Load/Deferred Sales Load (%)	Management Fee (% p.a.)*
Class "A" Units	NIL	NIL	Up to 10% of net income subject to a minimum of 0.25% maximum of Up to 1.5% p.a.
Class "B" Units	NIL	NIL	Up to 10% of net income subject to a minimum of 0.25% maximum of Up to 1.5% p.a.
Class "C" Units	0% to 1.5%	0% to 1.5%	Up to 10% of net income subject to a minimum of 0.25% maximum of Up to 1.5% p.a.

- 0% to 1.5% sales load (including FEL & BEL (as deferred sales load) may be charged if transactions are done online or through website of the AMC as per SECP Circular No. 10 of 2022.

## 2. Cut-Off Timing:

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

Every Dealing Day - 9:00 am to 3:00 p.m (Monday till Thursday) & 9:00 am to 4:00pm (Friday)

## 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 or any other period shall be notified to investors/Unit-Holders via the Company's website.