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 2.1.1, Risk Factors mentioned in Clause 2.4 , Taxation Policies mentioned in Clause 7 and Warnings in Clause 9.1 before making any investment decision.

FOURTH SUPPLEMENTAL TO THE OFFERING DOCUMENT (REPLACEMENT OFFERING DOCUMENT)

OF

MCB PAKISTAN SOVEREIGN FUND (MCB PSF) (FORMERLY: METROBANK PAKISTAN SOVEREIGN FUND) AN OPEN-ENDED INCOME SCHEME

MANAGED BY

MCB-ARIF HABIB SAVINGS AND INVESTMENTS LIMITED

THIS FOURTH SUPPLEMENTAL OFFERING DOCUMENT IS A "REPLACEMENT OFFERING DOCUMENT" AND SUPERSEDES AND REPLACES THE PREVIOUS OFFERING DOCUMENT OF THE FUND PUBLISHED BY MCB –ARIF HABIB SAVINGS AND INVESTMENTS LIMITED, AS THE MANAGEMENT COMPANY

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Fourth Supplemental to the Offering Document(Replacement Offering Document)

Of

MCB Pakistan Sovereign Fund (MCB PSF)
(Formerly: MetroBank Pakistan Sovereign Fund)
(An Open-Ended Income Scheme)

Managed By

MCB-Arif Habib Savings and Investments Limited

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

Date of Publication of Offering Document Dated 14th January, 2015

MCB Pakistan Sovereign Fund [formerly: MetroBank Pakistan Sovereign Fund] (the Fund/the Scheme/the Trust/the Unit Trust/MCB PSF) has been established through the Trust Deed (the Deed) dated December 24, 2002,as amended through First Supplemental Trust Deed Dated November 24, 2005, Second Supplemental Trust Deed Dated May 21, 2009, Third Supplemental Trust Deed Dated November 11, 2009 , Fourth Supplemental Trust Deed Dated May 11, 2011 and Fifth Supplemental Trust Deed dated May 18, 2015 under the Trust Act, 1882 entered into and between **MCB-Arif Habib Savings and Investments Limited,** the Management Company, and **Central Depository Company of Pakistan Limited,** the Trustee.

REGULATORY APPROVAL AND CONSENT

Approval of the Securities and Exchange Commission of Pakistan

The Securities and Exchange Commission of Pakistan (SECP) has authorized the offer of Units of **MCB Pakistan Sovereign Fund (MCB PSF) [formerly: MetroBank Pakistan Sovereign Fund]** and has registered MCB PSF as a notified entity under the Non-Banking Finance Companies and Notified Entities Regulations, 2008 ("Regulations") vide letter No.SCD/ NBFC-II/AHIML/254/2009 dated February 24, 2009. SECP has approved this Replacement Offering Document (Fourth Supplemental to the Replacement Offering Document) under the Regulations vides its Letter No.SCD/AMCW/ MCBAHSIL/MCB-PSF/235/2015 dated December 30, 2015.

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 Replacement Offering Document.

Replacement Offering Document

This Replacement Offering Document sets out the arrangements covering the basic structure of the **MCB Pakistan Sovereign Fund [formerly: MetroBank Pakistan Sovereign Fund]** (the "Fund", the "Scheme"). It sets forth information about the Fund that a prospective investor should know before investing in any type of Unit of the Fund. The provisions of the Trust Deed, the Rules, the Regulations, circulars, directives etc as specified hereafter govern this Replacement Offering Document.

If prospective investor has any doubt about the contents of this Replacement Offering Document, he/she/it should consult one or more from amongst their investment advisers, legal advisers, bank managers, stockbrokers or financial advisers to seek independent professional advice.

Investors must recognize that the investments involve varying levels of risk. The portfolio of the Fund consists of listed investments that are subject to market fluctuations and risks 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 9.1 respectively in this Replacement Offering Document.

Filing of the Offering Document

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

(1) License No. AMCW/18/MCB-AHSIL/AMS/11/2013 and AMCW/19/MCB-AHSIL/IA/08/2013 dated September 02, 2013 granted by SECP to MCB-Arif Habib Savings and Investments Limited to carry out Asset Management and Investment Advisory Services;

(2) SECP's Letter No.SCD/NBFC-II/MF-RS/MSPF/981/2009 dated November 03, 2009approving the appointment of Central Depository Company of Pakistan Limited as the Trustee of the Fund;

(3) Trust Deed (the Deed) of the Fund;

(4) SECP's Letter No. SCD/NBFC-II/AHIML/254/2009 dated February 24, 2009 registering the Fund in terms of Regulation 44 of the NBFC and Notified Entities Regulations 2008;

(5) Letters No. AA/SK/072(C)/15 dated 5th August, 2015 from Ernst & Young Ford Rhodes Sidat Hyder Auditors of the Fund , consenting to the issue of statements and reports;

(6) Letters No. MCB-AHSIL-1/918/15/301 dated July 23, 2015 from Bawaney &Partners, Legal Advisers of the Fund , consenting to act as adviser;

(7) SECP's letter No. SCD/AMCW/ MCBAHSIL/MCB-PSF/235/2015 dated December 30, 2015approving this Replacement Offering Document.

1. CONSTITUTION OF THE SCHEME

1.1 Constitution

The Fund was constituted by a Trust Deed entered into at Karachi on dated 24 December 2002 as amended through First Supplemental Trust Deed dated November 24, 2005, Second Supplemental Trust Deed May 21, 2009, Third Supplemental November 11, 2009 for change of trustee from HMB to CDC, Fourth Supplemental Trust Deed f and Modified and Restated Fifth Supplemental Trust Deed to inline with Standard Trust Deed dated May 18, 2015 between:

MCB-Arif Habib Savings and Investments Limited, a listed public limited company incorporated under the Companies Ordinance 1984 and licensed by SECP to undertake asset management services, with its principal place of business at 8th Floor, Techno City Corporate Tower, Hasrat Mohani Road, Karachi, as the Management Company; and

Central Depository Company of Pakistan Limited, a public limited company incorporated in Pakistan under the Companies Ordinance, 1984 and registered by SECP to act as a Trustee of the Collective Investment Scheme, having its registered office at CDC House, 99-B, Block "B", S.M.C.H.S., Main Shahra-e-Faisal, Karachi, 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 and Exchange Ordinance 1969, Companies Ordinance 1984 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 Replacement 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.

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

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

1.4 **Duration**

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

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 and Initial Period**

Initial Offer is made during the Initial Period. On the first day, the Units shall be issued at the Initial Price of Rs. 50 per Unit and subsequently at the price calculated and announced by the Management Company for every Dealing Day.

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 that may be applicable. Except for circumstances elaborated in Clause 4.11 & 10.4 of this Replacement 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 Directive issued by the Commission govern this Replacement Offering Document. It sets forth information about the Fund that a prospective investor should know before investing in any Unit. Prospective investors in their own interest are advised to carefully read this Replacement 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 Replacement Offering Document will be updated to take account of any relevant material changes relating to the Fund. Such changes shall be subject to prior consent of the Trustee and approval from the Securities and Exchange Commission of Pakistan (SECP) and shall be circulated to all Unit Holders and/ or publicly notified by advertisements in the newspapers subject to the provisions of the Rules and the Regulations and duly posted on official website of the Management Company.

1.10 Responsibility of the Management Company for information given in this Replacement Offering Document

The Management Company accepts the responsibility for the information contained in this Replacement 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

The objective of the fund is to deliver income primarily from investment in government securities.

2.1.1 Investment Policy

MCB Pakistan Sovereign Fund is an Open-ended Scheme which primarily invests in government Securities. The Fund shall be subject to such exposure limits as are specified in the Rules, the Regulations and directives issued by SECP from time to time.

2.1.1.1 Benchmark

The benchmark of MCB PSF is 6 month PKRV rates.

2.1.1.2 **Authorized Investments**

- Government Securities (Treasury Bills, Pakistan Investment Bonds, GOP Ijara Sukuks and/or any other security issued/guaranteed by Federal/Provincial Govt. etc., subject to approval of SECP.
- Cash in Bank Accounts
- Reverse Repo transactions against Government Debt Securities

2.1.1.3 **Offshore Investment:**

The Trustee shall, if requested by the Management, open Bank Accounts titled "CDC – Trustee MCB Pakistan Sovereign Fund" in foreign countries where investments are made on account of the Fund, if such investments necessitate opening and operation of Bank Accounts by the Trustee. For this purpose, the Trustee shall be deemed to be authorized to sign and submit the prescribed account opening forms of such Banks. The opening, operation and maintenance of such Bank Accounts in foreign countries shall always be subject to the approval of the SBP & SECP and the exchange control regulations, as well as any directives of the SBP and the Commission. Any such proposal by the Management Company shall be submitted to the Commission and SBP with the prior consent of the Trustee. 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.

2.1.2 **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 evaluation of the proposed investments and industry dynamics pertinent to the proposed investment.

The Investment process would adapt a preemptive risk management framework to dilute risk levels and volatility during the portfolio construction process. The investment restrictions defined in Clause 2.3 will also contribute to the reduction in overall risk pertinent to the portfolio and result in diversification of exposure.

2.1.3 **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 Authorized 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.

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 will be implemented only after obtaining prior approval from SECP and giving 90 days prior notice to the Unit Holders as specified in the Regulations.

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 Replacement 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 Replacement 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. 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;

ii. Participate in a joint account with others in any transaction;

iii. Take exposure to equities.

iv. Affect a short sale in a security whether listed or unlisted;

v. Purchase any security in a forward contract.

vi. Take Exposure in any other Collective Investment Scheme;

vii. 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;

viii. Make any investment which will vest with the Management Company or its group the management or control of the affairs of the investee company;

ix. Invest in securities of the Management Company;

x. Issue a senior security which is either stock or represents indebtedness, without the prior written approval of the Commission;

xi. Apply for de-listing from stock exchange, unless it has obtained prior written approval of the Commission;

xii. 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;

xiii. 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;

xiv. Invest the subscription money until the closure of initial offering period;

xv. Enter on behalf of the Scheme, into underwriting or sub-underwriting contracts;

xvi. Subscribe to an issue underwritten, co-underwritten or sub-underwritten by group companies of the Management Company;

xvii. Pledge any of the securities held or beneficially owned by the Scheme except as allowed under the Regulations;

xviii. Accept deposits; and

xix. Make a loan or advance money to any person from the assets of the Scheme.

(d) At least 10% of the total Net Assets of the Scheme shall be invested in cash and near cash instruments which include cash in bank account (excluding TDRs), treasury bills not exceeding 90 days maturity;

(e) At least 70% of the total Net Assets of the Scheme shall remain invested in Government Securities.

(f) Not more than 15% of the total Net Assets of the Scheme shall be invested in non traded securities including reverse repos and anything over 6 months maturity which is not a marketable security.

(g) Rating of any bank and DFI with which funds are placed shall not be lower than AA- (Double A Minus);

(h) Rating of any NBFC and Modaraba with which funds are placed shall not be lower than AA- (Double A Minus);

(i) Weighted average time to maturity of the Net Assets of the Scheme shall not exceed four (4) years and this restriction shall not apply to securities issued by the Federal Government; and

(j) There is no restriction regarding time to maturity of any single asset in the Portfolio and duration of a single security in the Portfolio.

(k) In case of 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.

(l) Exposure of the Scheme to any single entity shall not exceed an amount equal to 10% of total Net Assets of the Scheme;

(m) Exposure to any debt issue of a company shall not exceed 10% of that issue.

(n) The Management Company shall not invest more than 25% of total Net Assets of the Scheme in securities of any one sector as per classification of the stock exchange;

(o) The Management Company, on behalf of the Scheme, shall not take Exposure of more than 35% of the Net Assets of the Scheme in any single group. For the purpose of this sub-clause, "group" means persons having at least 30% common directors or 30% or more shareholding in any other company, as per publicly disclosed information;

(p) The Management Company, on behalf of the Scheme, shall not take Exposure of more than 10% of the Net Assets of the Scheme in listed group companies of the Management Company and such Exposure shall only be through secondary market;

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 **Financing Arrangements**

(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 borrowing for account of the Scheme, with the approval of the Trustee, from Banks, Financial Institutions, or such other companies as specified by the Commission from time to time. The borrowing, however, shall not be resorted to, except for meeting the redemption requests and shall be repayable within a period of ninety days and such borrowing 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 borrowing.-

If subsequent to such borrowing, 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 borrowing.

(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 borrowing, 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.

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 (5%) of the total amount of securities issued or, the directors and officers of the Management Company own more than ten per cent (10%) 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.

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

(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.

(2) **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 including Sukuks etc:

- ***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;

(3) **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 market rates.

(4) **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.

(5) **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.

(6) **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.

(7) **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.

(8) **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.

(9) **Distribution Risk –** Dividends distribution may also be liable to tax because the distributions are made out of the profits earned by fund and not out of the profits earned by each unitholder. Unitholders 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.

2.4.1 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 PRINCIPALS

3.1 Management Company

3.1.1 Organization

MCB- Arif Habib Savings and Investments Limited (MCB-AH) is a listed public limited company incorporated in Pakistan under the Companies Ordinance, 1984. MCB-AH is registered as a non-banking finance company under the Rules and licensed by the Commission to provide asset management and investment advisory services under the Regulations. MCB-AH is also licensed by the Commission to operate as a Pension Fund Manager under the Voluntary Pension System Rules, 2005.

MCB-AH started its operations by offering two mutual funds with a total seed capital of Rs. 500 million in March 2002. In the year 2010 the process of merger was initiated and on June 27, 2011 MCB Asset Management Company Limited has been amalgamated with and into Arif Habib Investments Limited. Currently, MCB-AH is managing 14 open-

ended Collective Investment Schemes and 2 Voluntary Pension Schemes. MCB-AH is also managing numerous separately managed accounts. The Assets Under Management (AUM) of MCB-AH as at December 31, 2015 is Rupees 68.23 billion approx. (Rs. Sixty Eight billion and twenty three million approx.).

3.1.2 Principle Shareholders

Categories of Shareholders	Shareholders	Shares Held	Percentage
Directors and their spouse(s) and minor children			
ABDUS SAMAD	2	504	0.00
NASIM BEG	3	27,322	0.04
MIAN MOHAMMAD MANSHA	1	500	0.00
SYED SALMAN ALI SHAH	1	500	0.00
HAROUN RASHID	1	500	0.00
YASIR QADRI	1	1,200	0.00
AHMED JAHANGIR	1	500	0.00
MIRZA MAHMOOD AHMAD (00028)	1	1,000	0.00
Associated Companies, undertakings and related parties			
MCB BANK LIMITED - TREASURY	1	36,956,768	51.33
ARIF HABIB CORPORATION LIMITED	1	21,664,167	30.09
ADAMJEE INSURANCE COMPANY LIMITED	1	1,142,340	1.59
Executives	2	435,121	0.60
Public Sector Companies and Corporations	1	70	0.00
Banks, development finance institutions, non-banking finance companies, insurance companies, takaful, modarabas and pension funds	7	1,732,370	2.41
Mutual Funds			
CDC - TRUSTEE NIT-EQUITY MARKET OPPORTUNITY FUND	1	900,000	1.25
General Public			
a. Local	1008	4,146,329	5.76
b. Foreign	2	72,004	0.10
Foreign Companies	1	2,481,500	3.45
Others	28	2,437,305	3.39
Totals	**1064**	**72,000,000**	**100.00**

3.2 Board of Directors of the Management Company –

Name	Address	Position	Other Directorships
Mian Mohammad Mansha	28-Mair Gulberg, Lahore.	Chairman	1. MCB Bank Limited 2. MCB Leasing Company, Azerbaijan.

Mr. Nasim Beg	F 61/6, Block 4, Clifton, Karachi	Executive Vice Chairman	1- Pakarab Fertilizers Ltd. 2- Summit Bank Ltd. 3- Pakistan Opportunities Limited 4- Arif Habib Corporation Ltd. 5- Arif Habib Dolmen REIT Mangt Ltd. 6- Safe Mix Concrete Products Ltd. 7- Arif Habib Consultancy Pvt Ltd. 8-Aisha Steel Mills Ltd. 9-Power Cement Limited.
Mr. Yasir Qadri	12/2, Gizri Avenue, Phase –IV DHA, Karachi	Chief Executive	Mutual Fund Association of Pakistan
Mr. Syed Salman Ali Shah	Askari Villas, House # 5, Opposite Polo Ground,Sarwar Road, Cantonment,Lahore	Director	Lahore Stock Exchange. Mughal Iron and Steel Industries Limited
Mr. Haroon Rashid	A-15,Nisar Road, The Cantonment, Lahore	Director	1. Pakistan Cables Ltd 2. Heritage Developments. 3. Rashid Poultry.
Mr. Ahmed Jahangir	85-C,Model Town, Lahore	Director	No other Directorship.
Mr. Samad A. Habib	84/II,10 Street, Khayban-E-Seher, Phase VI,DHA, Karachi	Director	1. Javedan Corporation Ltd. 2. Arif Habib Corporation Ltd. 3. Arif Habib REIT Management Pvt Ltd. 4. Arif Habib Real Estate Services Ltd. 5. Arif Habib DMCC (Dubai). 6. International Complex Projects Ltd. 7. Pak Arab Fertilizer Ltd. 8. Pakistan Private Equity Management Pvt Ltd. 9. Rotocast Engineering Pvt. Ltd-NL 10. Power Cement Ltd. 11. Aisha Steel Mills Ltd. 12. Real Estate Modarba Management Company Ltd. 13. Arif Habib Equity (Pvt) Ltd. 14. Nooriabad Spinning Mills Pvt Ltd. 15. Serendib Stock Brokers (Pvt) Ltd.

Mr. Mirza Mahmood Ahmad	House # 108, Block C,Model Town,Lahore.	Director	1. Pakistan Engineering Co. Ltd 2. Sui Southern Co. Ltd. 3. Sui Northern Gas Pipelines Ltd.

Mian Mohammad Mansha, Chairman
Mr. Mansha holds diverse and major business interests in Textile, Banking, Insurance, Cement, Power and Aviation. He is also serving as Chairman, Board of Directors of MCB Bank Limited. In 2004, he was presented with Pakistan's civil award, Sitara-e-Imtiaz, for his contributions to industrial development. He is a member of Board of Shalamar Medical & Dental College and also serves as a Director on Punjab Board of Investment & Trade (PBIT).

Nasim Beg, Executive Vice Chairman
Mr. Beg, a Fellow Member of the ICAP, is the Executive Vice Chairman of MCB-AH, an Asset Management Company that he conceived, set up and headed as Chief Executive till June 2011. He has over forty years of experience in the business world. Mr. Beg has served as the Deputy Chief Executive of NIT, which he joined during its troubled period and played an instrumental role in its turn around and later served as the acting CEO for a few months. He has been associated on senior positions with other asset management & investment advisory companies and the automobile industry. He serves as a Director for several prestigious organizations.

Yasir Qadri, Chief Executive Officer & Director
Mr. Qadri has been associated with the Asset Management Industry for the last fourteen years. He has served in his current role as CEO since October 2007 and played a driving role in the merger of MCB AMC with Arif Habib Investments. Prior to his current assignment, Mr. Qadri has served as Chief Executive Officer of MCB Asset Management Co. Ltd. He has been responsible for business development, marketing and HR in his previous role. He also has a brief experience in marketing research and had played an important role in launching Socio-Economic Classifications as a common currency and standard in Pakistan.

He has served thrice on the Board of Mutual Funds Association of Pakistan, while chaired Public Awareness, Public Relations & Education, Debt Pricing and Technical committees of MUFAP He has also served as a member on Council of the Pakistan Advertisers Society (PAS). He has also been a member of the Securities & Exchange Commission of Pakistan's (SECP) sub-committee on Voluntary Pension Schemes and subsequently Consultative Group for Capital Markets.

He earned his BBA and MBA degree from University of Central Oklahoma, USA.

Dr. Salman Shah, Director
Dr. Shah is the former caretaker Finance Minister of Pakistan. He has served as an Advisor to the Finance Minister, Mr. Shaukat Aziz on finance, economic affairs, statistics and revenues and also, served as an economic consultant to different Pakistani governments. He has several years of teaching experience at international and local universities. Dr. Shah has served as the Chairman of the Privatization Commission and was a member on the board of Directors of the State Bank of Pakistan, Pakistan International Airlines, and Lahore University of Management Sciences. He is associated with various international institutions and has published papers in journals of international repute.
An experienced academic and consultant, Dr. Shah holds a Ph.D. in Finance & Economics from Indiana University, Bloomington's Kelley School of Business Administration, USA.

Haroun Rashid, Director

Mr. Rashid besides holding this office also serves in senior positions of several prestigious organizations. He has vast international and local experience to his credit and is a regular speaker at conferences worldwide. His extensive portfolio includes being Managing Director for ANZ Securities Asia Limited, Hong Kong and Kashmir Edible Oils Limited, Pakistan as well as Assistant Director at Grindlays Brandts Limited, London. He has held the position of Director at Financial Executives Institute, Hong Kong and Union Bank Limited, Pakistan. He has also served as the Chairman of All Pakistan Solvent Extractors Association & Governor of Lahore General Hospital.

Mr. Rashid is a fellow of The Institute of Chartered Accountants in England & Wales, London.

Ahmed Jahangir, Director

Mr. Jahangir has a diverse experience, ranging from the textile sector to finance. He is currently the Executive Director, Head of Home Textile Business Unit at Nishat Textile Mills. Before this, he was working as the Director Marketing, Head of International Marketing of Yarn, Fabric and Home Textile Made up's. Mr. Jahangir has worked briefly in the investment banking sector as well. He joined Fidelity Investment Bank Limited in 2001, and served as a Member of the Board of Directors.

He has completed his MBA from the LUMS after receiving a BBA-Finance degree from Boston University, MA USA.

Samad A. Habib, Director

Mr. Habib is leading Javedan Corporation as Chief Executive of the company and also serving as the Director on the board of several other organizations. He has more than 14 years of experience, including 9 years of experience in the financial services industry at various senior level positions. He began his career with Arif Habib Corporation Limited as an Investment Analyst and served at various executive positions, subsequently he was appointed as the Director.

Mr. Habib has earned his Master's degree in Business Administration

Mirza Mahmood Ahmad, Director

Mr. Ahmad, a member of the Lahore High Court Bas Association and Punjab Bar Council, is an advocate at Lahore High Court and spearheads Minto & Mirza, Advocates & Solicitors as a partner. He is also, simultaneously making significant contribution as faculty member at Quaid-e-Azam Law College and has shared his experience and knowledge, as a lecturer at other well-known colleges. He has held the position of Senior Associate at Azmat Saeed & Co. and worked as an associate at Nisar Law Associates. He also serves the board of several companies & has enjoyed adding to his many accolades several research projects and publications.

Mr. Mahmood holds an LL.M. as "Cambridge Commonwealth Scholar" from Canterbury. He has also acquired an LL.B after completion of B.A. from The University of Punjab.

3.3 Profile of the Management

Mr. Muhammad Saqib Saleem
Chief Operating Officer, Chief Financial Officer & Company Secretary

Mr. Saleem is an Associate member of the Institute of Chartered Accountants of Pakistan. He has over 12 years of working experience which includes 10 years of post qualification experience with the leading institutions such as JS Investments Limited (formerly JS ABAMCO Limited), Habib Bank Limited and Atlas Asset Management Limited. Before joining the Company, Mr. Saleem was heading the Internal Audit Department of Atlas Asset Management Limited which includes Risk Management and Compliance. He has also served couple of times as member on the Professional Committees constituted by Mutual Fund Association of Pakistan.

Mr. Tanveer Ahmad Haral
Senior Vice President- Head of Sales and Marketing

Mr. Haral looks after the overall business development and product development functions of the Company. With total experience spanned over 20 years in Corporate Banking, Risk Management & Asset Management industries besides managing family business for couple of years, he has performed in various roles in MCB-Arif Habib Savings and Investments Limited since 2004 in Lahore & Karachi. He is also a member of Retirement Funds sub-committee of MUFAP. Besides serving as a visiting faculty member in various business schools for the last 16 years, Tanweer is also a guest speaker at NIPA/NIM.

He completed his MBA (Banking Specialization) from IBA, Karachi with distinction besides completing a certificate course in Islamic Law from IIU, Islamabad and Part-1 of IBP Diploma.

Mr. Muhammad Asim
Senior Vice President- Chief Investment Officer

Asim has been associated with AMC industry since 2005 and started his career as Buy Side Analyst.
He has been managing among the most consistent outperforming funds in Equity Funds Category. He has managed funds across various strategies in both active and passive styles in both dedicated core equity and hybrid asset class funds.

Mr. Asim is an MBA with majors in Finance from Institute of Business Administration, Karachi. He also holds CFA Charter from CFA Institute, USA. He has also served as Director and Treasurer on the Board of CFA Association of Pakistan.

3.3.1 **Performance of Listed Associated Companies**

MCB Bank Limited Rupees in Millions

Year Ended December	2014	2013	2012	2011	2010
Profit/(loss) before tax	36,729	32,288	32,054	31,483	26,253
Profit/(loss) after tax	24,325	21,495	20,941	19,425	16,873
Paid up Capital	11,130	10,118	9,199	8,362	7,602
Shareholders' Equity	106,908	97,271	88,157	78,915	69,180
Total Assets	934,631	815,508	765,899	653,233	567,553
Earning per share (Rs.)	21.85	19.31	22.77	21.12	18.34
Cash Dividend (%)	140.00%	140.00%	130.00%	120.00%	115.00%
Bonus (%)	Nil	10.00%	10.00%	10.00%	10.00%

Pak Arab Fertilizer Limited Rupees in million

Year Ended December	2014	2013	2012	2011	2010
Profit/(loss) before tax	(24)	(2,797)	(896)	6,311	4,696
Profit/(loss) after tax	(45)	(1825)	(240)	4,590	3,232
Paid up Capital	4,500	4,500	4,500	4,500	4,500
Shareholders' Equity	6,282	6,200	15,396	10,414	12,248
Total Assets	52,726	48,148	54,636	65,341	50,637
Earning/(Loss) per share (Rs.)	(0.10)	(4.06)	(0.53)	10.20	7.18
Cash dividend (%)	-	-	-	-	-
Bonus (%)	-	-	-	-	-

Arif Habib Corporation Limited Rupees in million

Year Ended June	2015	2014	2013	2012	2011
Profit/(loss) before tax	4,245	2,276	1,514	3,994	3,148
Profit/(loss) after tax	4,439	2,306	1,366	4,254	2,840
Paid up Capital	4,538	4,538	4,538	4,125	3,750
Shareholders' Equity	29,445	25,751	24,685	24,245	21,112
Total Assets	39,597	33,511	29,970	30,070	25,684
Earning/ (Loss) per share (Rs.)	9.78	5.08	3.01	9.38	6.89
Cash Dividend (%)	40.00%	25.00%	25.00%	20.00%	20.00%
Bonus (%)	-	-	-	10.00%	10.00%

Sui Northern Gas Pipelines Ltd. Rupees in Millions

Year Ended June	2012	2011	2010	2009	2008
Profit/(loss) before tax	4,741	1,688	3,880	1,730	3,981
Profit/(loss) after tax	3,044	1,125	2,555	931	2,497
Paid up Capital	5,766	5,491	5,491	5,491	5,491
Shareholders' Equity	21,224	18,729	18,702	16,148	15,000
Total Assets	173,326	138,731	139,237	122,551	97,648
Earning per share (Rs.)	5.28	2.05	4.65	1.69	4.55
Cash Dividend (%)	25.00%	10.00%	20.00%	-	-
Bonus (%)	10.00%	5.00%	-	-	10%

Sui Southern Co. Ltd Rupees in Millions

Year Ended June	2012	2011	2010	2009	2008
Profit/(loss) before tax	4,087	5,520	7,013	417	2,382
Profit/(loss) after tax	2,581	4,724	4,399	257	991
Paid up Capital	8,809	8,390	6,712	6,712	6,712
Shareholders' Equity	18,249	17,775	14,072	9,684	10,000
Total Assets	173,460	140,163	110,760	100,554	71,703
Earning per share (Rs.)	2.93	5.36	6.55	0.38	1.48
Cash Dividend (%)	22.5%	25.00%	15.00%	-	-
Bonus (%)	-	5.00%	25.00%	-	-

Pakistan Engineering Co. Ltd Rupees in Millions

Year Ended June	2015	2014	2013	2012	2011
Profit/(loss) before tax	64	(124)	(153)	(152)	(58)
Profit/(loss) after tax	45	(67)	(83)	(100)	(31)
Paid Up Capital	57	57	57	57	57
Shareholders' Equity	(1,098)	(1,172)	(1,124)	(1,067)	(979)
Total Assets	9,955	9,636	9,586	6,024	6,288
Earning/ (Loss) per share	7.96	(11.71)	(14.61)	(17.56)	(5.38)
Cash Dividend (%)	-	-	-	-	-

Pakistan Cables Limited Rupees in Millions

Year Ended June	2015	2014	2013	2012	2011
Profit/(loss) before tax	250	391	260	241	147
Profit/(loss) after tax	189	222	173	140	86
Paid up Capital	285	285	285	285	285
Shareholders' Equity	1,700	1,649	1,550	1461	1374
Total Assets	4,166	4,364	3,592	3,679	3,808
Earning per share (Rs.)	6.65	7.81	6.08	4.92	3.34
Cash Dividend (%)	30%	45%	40.00%	32.50%	20.00%
Bonus per share (%)	-	-	-	-	-

Summit Bank Ltd. Rupees in million

Year Ended December	2014	2013	2012	2011	2010
Profit/(loss) before tax	12	(1,407)	(2,499)	(3,208)	(3,875)
Profit/ (Loss) after tax	230	(1,828)	(2,717)	(1,209)	(3,018)
Paid up Capital	10,780	10,780	10,780	10,780	7,251
Shareholders' Equity	11,018	3,248	2,897	5,576	3,594
Total Assets	148,457	125,560	134,385	119,348	72,269
Earning/ (Loss) per share	0.16	(1.52)	(2.54)	(1.17)	(5.58)
Cash dividend (%)	-	-	-	-	-
Bonus (%)	-	-	-	-	-

Aisha Steel Mills Limited Rupees in million

Year Ended June	2015	2014	2013	2012	2011
Profit/(loss) before	(1,488)	(409)	(1,115)	(132)	(52)
Profit/(loss) after tax	(1,211)	(347)	(746)	(86)	139
Paid up Capital	3,438	3,438	3,438	3,438	3,200
Shareholders' Equity	2,420	1,906	2,252	2,998	2,849
Total Assets	15,337	16,281	14,351	10,947	8,476
Earning/(Loss) per share (Rs.)	(4.97)	(1.62)	(3.15)	(0.82)	0.39
Cash dividend (%)	-	-	-	-	-
Bonus (%)	-	-	-	-	-

Javedan Corporation Limited

Rupees in million

Year Ended June	2015	2014	2013	2012	2011
Profit/(loss) before tax	1,006	842	723	(746)	(558)
Profit/(loss) after tax	800	842	711	(336)	(131)
Paid up Capital	1,167	583	581	581	581
Shareholders' Equity	2,209	527	(1,416)	(2,952)	(3,744)
Total Assets	14,124	12,891	11,239	10,670	9,688
Earnings per share	7.10	10.25	12.23	(5.78)	(2.25)
Cash dividend (%)	-	-	-	-	-
Bonus (%)	-	-	-	-	-

Power Cement (formerlyAl-Abbas Cement Industries Ltd)

Rupees in million

Year Ended June	2015	2014	2013	2012	2011
Profit/(loss) before tax	616	(140)	435	293	(756)
Profit/(loss) after tax	434	(74)	370	153	(927)
Paid up Capital	3,657	3,657	3,657	3,657	3,657
Shareholders' Equity	1,862	1,429	1,495	1,125	972
Total Assets	5,988	5,786	5,619	5,183	5,051
Earning/(Loss) per share (Rs.)	1.19	(0.20)	1.01	(4.27)	(3.94)
Cash dividend (%)	-	-	-	-	-

Mughal Iron and Steel Industries Limited

Rupees in million

Year Ended June	2015	2014	2013	2012	2011
Profit/(loss) before tax	725	398	125	109	65
Profit/(loss) after tax	721	391	128	107	42
Paid up Capital	1,094	820	820	586	586
Shareholders' Equity	3,642	1,803	949	734	627
Total Assets	11,470	7,074	3,969	4,034	2,976
Earning/(Loss) per share (Rs.)	8.12	4.76	1.72	1.46	1.42
Cash dividend (%)	5%	-	-	-	-
Bonus per share (%)	15%	-	40%	-	-

Safe Mix Concrete Products Ltd Rupees in Millions

Year Ended June	2012	2011	2010	2009
Profit/(loss) before tax	1	(13)	(5)	27
Profit/(loss) after tax	(7)	(5)	(12)	18
Paid up Capital	200	200	200	70
Shareholders' Equity	197.092	203.847	208.813	119.374
Total Assets	329	322	326	287
Earning/ (Loss) per share (Rs.)	(0.34)	(0.25)	(0.58)	2.52
Bonus per share (%)	-	-	-	-

3.4 ***Existing Schemes under Management and their performance -***

Name:	MCB -Pakistan Stock Market Fund (formerly Pakistan Stock Market Fund)
Date of Launching:	March 11, 2002
Category of Fund:	Equity Scheme
NAV on June 30, 2014:	Rs. 3,729.868million
NAV on June 30, 2015:	Rs. 6,075.006million
NAV on September 30, 2015:	Rs. 6,266.067 million
Par value of unit:	Rs. 50

NAV per unit on June 30, 2014:	Rs. 62.56				
NAV per unit on June 30, 2015:	Rs. 83.23				
NAV per unit on September 30, 2015:	Rs. 75.85				
Distribution (June 30, 2014):	Rs.16.71 per unit				
Distribution (June 30, 2015):	Rs.4.00 per unit				
Distribution (Sep 30, 2015):	Rs. Nil				
Return since inception:	2404.24%				
Latest five financial years Returns:	2011	2012	2013	2014	2015
	21.07%	11.33%	49.42%	34.78%	39.35%

Name:	Pakistan Income Fund				
Date of Launching:	March 11, 2002				
Category of Fund:	Income Scheme				
NAV on June 30, 2014:	Rs.1,007.818 million				
NAV on June 30, 2015:	Rs.1,131.446 million				
NAV on September 30, 2015:	1,255.055 million				
Par value of unit:	Rs. 50				
NAV per unit on June 30, 2014:	Rs. 52.04				
NAV per unit on June 30, 2015:	Rs. 53.42				
NAV per unit on September 30, 2015:	Rs. 54.69				
Distribution (June 30, 2014):	Rs. 4.99 per unit				
Distribution (June 30, 2015):	Rs. 4.50 per unit				
Distribution (Sep 30, 2015):	Rs. Nil				
Return since inception:	10.17%				
Latest five financial years Returns:	2011	2012	2013	2014	2015
	12.50%	9.39%	7.16%	8.13%	11.31%

Name:	Pakistan International Element Islamic Asset Allocation Fund				
Date of Launching:	May 2, 2006				
Category of Fund:	Shariah Compliant Islamic Asset Allocation Scheme				
NAV on June 30, 2014:	Rs.411.020 million				
NAV on June 30, 2015:	Rs.803.598 million				
NAV on September 30, 2015:	Rs. 835.216 million				
Par value of unit:	Rs. 50				
NAV per unit on June 30, 2014:	Rs. 49.30				
NAV per unit on June 30, 2015:	Rs. 60.93				
NAV per unit on September 30, 2015:	Rs. 56.83				
Distribution (June 30, 2014):	Rs. 5.00 per unit				
Distribution (June 30, 2015):	Rs. 6.00 per unit				
Distribution (Sep 30, 2015):	Rs. Nil				
Return since inception:	201.99%				
Latest five financial years Returns:	2011	2012	2013	2014	2015
	15.08%	15.66%	28.39%	18.89%	35.59%

Name:	Pakistan Cash Management Fund
Date of Launching:	March 20, 2008

Category of Fund:	Money Market Scheme
NAV on June 30, 2014:	Rs.3,147.568 million
NAV on June 30, 2015:	Rs.1,442.250 million
NAV on September 30, 2015:	Rs. 1,408.423
Par value of unit:	Rs. 50
NAV per unit on June 30, 2014:	Rs. 50.0125
NAV per unit on June 30, 2015:	Rs. 50.1464
NAV per unit on September 30, 2015:	Rs. 50.9133
Distribution (June 30, 2014)	Rs.4.0673 per unit
Distribution (June 30, 2015)	Rs.4.2859 per unit
Distribution (Sep 30, 2015):	Rs. Nil
Return since inception:	10.30%

Latest five financial years Returns:	2011	2012	2013	2014	2015
	12.01%	11.05%	9.07%	8.39%	8.86%

Name:	Pakistan Income Enhancement Fund

Date of Launching:	Aug 28, 2008
Category of Fund:	Aggressive Fixed Income Scheme
NAV on June 30, 2014	Rs. 1,677.166 million
NAV on June 30, 2015	Rs. 968.707 million
NAV on September 30, 2015:	Rs. 2,737.502 million
Par value of unit:	Rs. 50
NAV per unit on June 30, 2014	Rs. 51.05
NAV per unit on June 30, 2015	Rs. 53.00
NAV per unit on September 30, 2015:	Rs. 54.73
Distribution (June 30, 2014)	Rs. 4.23 per unit
Distribution (June 30, 2015)	Rs. 5.00 per unit
Distribution (Sep 30, 2015):	Rs. Nil
Return since inception:	11.75%

Latest five financial years Returns:	2011	2012	2013	2014	2015
	12.39%	8.92%	7.21%	8.73%	13.63%

Name:	MCB Pakistan Islamic Stock Fund (Formerly: Pakistan Strategic Allocation Fund)

Date of Launching:	11 September, 2004
Date of Conversion (Close to Open End):	11 November, 2010
Category of Fund:	Equity Scheme
NAV on June 30, 2014:	Rs. 357.947 million
NAV on June 30, 2015:	Rs. 665.893 million
NAV on September 30, 2015:	Rs. 724.791 million
Par value of unit:	Rs. 10
NAV per unit on June 30, 2014:	Rs. 9.65
NAV per unit on June 30, 2015:	Rs. 10.27
NAV per unit on September 30, 2015:	Rs. 9.41
Distribution: (June 30, 2014):	Rs. 2.57 per unit
Distribution: (June 30, 2015):	Rs. 1.25 per unit

Distribution (Sep 30, 2015):	Rs. Nil				
Return since inception:	386.31%				
Latest five financial years Returns:	2011	2012	2013	2014	2015
	11.14%	14.91%	32.32%	31.38%	19.20%

Name:	Pakistan Capital Market Fund

D ate of Launching:	January 24, 2004				
Date of Conversion (Close to Open Ended)	November 21, 2005				
Category of Fund:	Balanced Scheme				
NAV on June 30, 2014:	Rs. 364.636 million				
NAV on June 30, 2015:	Rs. 681.887million				
NAV on September 30, 2015:	Rs. 759.556 million				
Par value of unit:	Rs. 10				
NAV per unit on June 30, 2014:	Rs. 9.06				
NAV per unit on June 30, 2015:	Rs. 10.55				
NAV per unit on September 30, 2015:	Rs. 10.05				
Distribution (June 30, 2014):	Rs. 1.51 per unit				
Distribution (June 30, 2015):	Rs. 1.35 per unit				
Distribution (Sep 30, 2015):	Rs. Nil				
Return since inception:	478.39%				
Latest five financial years Returns:	2011	2012	2013	2014	2015
	14.00%	9.42%	28.08%	26.10%	31.11%

Name:	MCB Pakistan Asset Allocation Fund (Formerly: MCB Dynamic Allocation Fund)

Date of Launching:	March 17, 2008				
Category of Fund:	Asset Allocation Scheme				
NAV on June 30, 2013	Rs. 432.680 million				
NAV on June 30, 2014	Rs. 779.117 million				
NAV on June 30, 2015	Rs. 2,639.699 million				
NAV on September 30, 2015:	Rs. 3,131.629 million				
Par value of unit:	Rs. 100				
NAV per unit on June 30, 2013	Rs. 84.24				
NAV per unit on June 30, 2014	Rs. 71.87				
NAV per unit on June 30, 2015	Rs. 77.37				
NAV per unit on September 30, 2015:	Rs. 76.2741				
Distribution: (June 30, 2013):	Rs. 12.91 per unit				
Distribution: (June 30, 2014):	Rs. 8.00 per unit				
Distribution: (June 30, 2015):	Rs. 8.50 per unit				
Distribution (Sep 30, 2015):	Rs. Nil				
Return since inception:	63.72%				
Latest five financial years Returns:	2011	2012	2013	2014	2015
	20.86%	8.66%	19.23%	11.95%	19.41%

Name:	MCB-DCF Income Fund (Formerly MCB Dynamic Cash Fund)

Date of Launching:	March 01, 2007

Category of Fund:	Income Scheme
NAV on June 30, 2013	Rs. 11,319.750 million
NAV on June 30, 2014	Rs. 11,101.985 million
NAV on June 30, 2015	Rs. 11,272.806 million
NAV on September 30, 2015:	Rs. 13,378.610 million
Par value of unit:	Rs. 100
NAV per unit on June 30, 2013	Rs. 103.65
NAV per unit on June 30, 2014	Rs. 101.10
NAV per unit on June 30, 2015	Rs. 105.6002
NAV per unit on September 30, 2015:	Rs. 107.7341
Distribution: (June 30, 2013)	Rs.10.06 per unit
Distribution: (June 30, 2014)	Rs.10.39 per unit
Distribution: (June 30, 2015)	Rs.8.27 per unit
Distribution (Sep 30, 2015):	Rs. Nil
Return since inception:	10.86%

Latest five financial years Returns	2011	2012	2013	2014	2015
	12.85%	10.78%	9.82%	10.79%	12.64%

Name:	MCB Cash Management Optimizer
Date of Launching:	October 01, 2009
Category of Fund:	Money Market Scheme
NAV on June 30, 2013	Rs. 11,074.530 million
NAV on June 30, 2014	Rs. 10,180.728 million
NAV on June 30, 2015	Rs. 12,532.646 million
NAV on September 30, 2015:	Rs. 7,921.457 million
Par value of unit:	Rs. 100
NAV per unit on June 30, 2013	Rs. 101.10
NAV per unit on June 30, 2014	Rs. 100.02
NAV per unit on June 30, 2015	Rs. 100.11
NAV per unit on September 30, 2015:	Rs. 101.6744
Distribution: (June 30, 2013):	Rs. 9.0618 per unit
Distribution: (June 30, 2014):	Rs. 7.9099 per unit
Distribution: (June 30, 2015):	Rs. 8.6960 per unit
Distribution (Sep 30, 2015):	Rs. Nil
Return since inception:	9.96%

Latest five financial years Returns:	2011	2012	2013	2014	2015
	11.65%	11.26%	9.20%	8.23%	8.83%

Name:	MCB Islamic Income Fund
Date of Launching:	June 20th, 2011
Category of Fund:	Open-end (Islamic) Income Scheme
NAV on June 30, 2013	Rs. 2,946.490 million
NAV on June 30, 2014	Rs. 2,054.563 million
NAV on June 30, 2015	Rs. 1,261.060 million
NAV on September 30, 2015	Rs. 1,220.187 million
Par value of unit:	Rs. 100

NAV per unit on June 30, 2013	Rs. 101.89			
NAV per unit on June 30, 2014	Rs. 100.03			
NAV per unit on June 30, 2015	Rs. 100.19			
NAV per unit on September 30, 2015:	Rs. 101.5587			
Distribution: (June 30, 2013):	Rs.9.1842 per unit			
Distribution: (June 30, 2014):	Rs.8.1015 per unit			
Distribution: (June 30, 2015):	Rs.6.3800 per unit			
Distribution (Sep 30, 2015):	Rs. Nil			
Return since inception:	8.54%			
Latest five financial years Returns:	2012	2013	2014	2015
	10.29%	8.91%	8.38%	6.55%

Name:	Pakistan Sarmaya Mehfooz Fund
D ate of Launching:	December 19, 2014
Category of Fund:	Capital Protected Scheme
NAV on June 30, 2015:	Rs. 740.976 million
NAV on September 30, 2015	Rs. 685.543 million
Par value of unit:	Rs. 100
NAV per unit on June 30, 2015:	Rs. 107.6262
NAV per unit on September 30, 2015:	Rs. 104.6695
Distribution (June 30, 2015):	Rs. 3.35 per unit
Distribution (Sep 30, 2015):	Rs. Nil
Return since inception:	10.95%
Latest five financial years Returns:	2015
	10.95%

3.5 **Role and Responsibilities of the Management Company**

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

3.5.1 **Administration of the Scheme**

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

3.5.2 **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 Replacement 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.

3.5.3 **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 acquired registration with the Mutual Funds Association of Pakistan (MUFAP) as registered service providers and are abiding by the code of conduct prescribed by the Association; and

(b) the written contract with the Distributors clearly states the terms and conditions for avoidance of frauds and sales based upon misleading information.

3.5.4 **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 facilitator have acquired registration with the Mutual Funds Association of Pakistan (MUFAP) as registered service providers and are abiding by the code of conduct prescribed by the Association; and

b. the written contract with the Investment facilitator clearly states the terms and conditions for avoidance of frauds and sales based upon misleading information.

3.5.5 **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 Replacement Offering Document, on its web site and at designated points. Such Cut-Off Timing shall uniformly apply on all Unit Holders.

3.6 Maintenance of Unit Holders Register

3.6.1 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.

3.6.2 The office of the Transfer Agent is located at **8th Floor, Techno City, Corporate Tower, Hasrat Mohani Road, Karachi,** where Register of Unit Holder will maintain.

3.6.3 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.

3.6.4 **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. The Management Company 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.

3.7 **Role of the Trustee**

- The trustee shall perform its role as specified in the Rules, Regulation and directives issued there under, the 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 the 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 the Trust Deed or the Rules and Regulations. Whenever pursuant to any provision of the 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 or Unit Holder as the case may be, 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.

3.7.1 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 Replacement Offering Document and discharge all its duties in accordance with the Rules, Regulations, the Trust Deed and this Replacement 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.

3.7.2 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.

3.7.3 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 Replacement Offering Document(s), the Regulations, circulars, directives and the conditions (if any) which may be imposed by the Commission from time to time.

3.7.4 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 Replacement Offering Document(s), the Regulations, the Circulars and Directives of SECP or any other applicable law.

3.7.5 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 there for 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.

3.7.6 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.

3.8 Transfer Agent

The Management Company will perform duties 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

Central Depository Company of Pakistan Limited 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**

3.10.1 Parties detailed in Annexure "**D**" of this Replacement 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 "**D**" of this Replacement 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 Commission accordingly. The Management Company may itself perform the functions of a Distributor either directly or through sub-distributors.

3.10.2 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.

3.10.3 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**

3.11.1 **Ernst & Young Ford Rhodes Sidat Hyder & Co., Chartered Accountants.**

3.11.2 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.

3.11.3 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.

3.11.4 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.

3.11.5 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.

3.11.6 The contents of the Auditors report shall be as mentioned in the Regulations.

3.12 **Legal Advisors**

Bawaney & Partners
Advocates & Investment & Corporate Advisers
3rd & 4th Floors, 68-C, Lane-13
Bokhari Commercial Area
Phase-VI, DHA
Karachi.

3.13 **Bankers**

Current List of Bankers	Rating
MCB Bank Limited	AAA
Habib Metropolitan Bank Limited	AA+
Allied Bank Limited	AA+
Faisal Bank Limited	AA
Bank Alfalah Limited	AA
United Bank Limited	AA+

In addition to the above-mentioned Banks, the Management Company may appoint any other conventional Bank with the approval of its Board of Directors. The Trustee shall operate the bank accounts on instructions from the Management Company.

3.13.1 **Bank Accounts**

(a) The Trustee, at the request of the Management Company, shall open Bank Account(s) titled "**CDC-Trustee MCB Pakistan Sovereign Fund"** for the Unit Trust at designated Bank(s) inside or outside Pakistan, subject to the relevant laws, Trust Deed, Rules and Regulations, for collection, investment, redemption or any other use of the Trust's Funds.

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

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

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

(e) 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 upto 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.

(f) 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.

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 (Rs. 100,000,000/-), 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 conservative 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 **Types of Units -**

Type A Units being offered and issued at the time of Initial Offer Period (IPO) with no Sales Load. For Units issued after the Initial Offer Period, a Front-End Load may or may not be charged at the discretion of the Management Company. (For current level of Front-end Load, please refer **Annexure "B"** of this Offering Document).

4.3 **Administrative Plan -**

Investors of the Fund may opt for an Administrative Plan over the Fund at any time to attain a regular periodic income and systematic transfer to support their liquidity requirements with the approval of SECP.

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 Replacement Offering Document.

(b) Units of the Scheme shall be allocated on the basis of Purchase (Offer) Price applicable on the date of realization of subscription money into the bank account of the Scheme.

(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 in the Fund. Application may be made pursuant to the procedures described in paragraph 4.5.2 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**

(a) 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 opening of accounts.

(b) In case of new Investor before purchasing Units of the Fund an investor must open an account with Management Company using the Account Opening Form (Form) attached to this Replacement Offering Document.

(c) 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. The Management Company may also requires other documents for processing account opening request in accordance with the laws as may be applicable from time to time.

(d) 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/ trustees/ governors 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.

The Management Company may also requires other documents for processing account opening request in accordance with the laws as may be applicable from time to time.

(e) 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 the Management Company. However, the account number must be provided to facilitate linking.

Any change in particulars of Unit Holder including name or address or bank account as entered in the Register shall forthwith be notified in writing by relevant unit holder to the distributor company or transfer agent.

(f) 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.

(g) 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 (15) days and in the event the discrepancy is not removed in the said fifteen (15) 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 (15) days and if the investor, in the opinion of the Registrar, fails to remove the discrepancy without good cause, the Units shall be redeemed at the Redemption Price fixed on the date the Units are so redeemed. The Unit Holder shall not be entitled to any payment beyond the redemption value so determined.

(h) The Investor Account Opening Form can be lodged with any Distributor or directly lodged with the Management Company. No other person is authorized to accept the forms or payment.

(i) 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.

(j) Electronic Transactions

Web Based account opening functionality may be made available on the Website of the Management Company after seeking approval from the Commission. Currently, the Management Company is only providing Web Based Functionality ("WEB BACHAT") and Interactive Voice Response ("TELE BACHAT') for transactions and the same has been approved by SECP vide its letter # SCD/AMCW/MAHSIL/423/2013. The process of the WEB BACHAT and TELE BACHAT are available at the Management Company's Website. Further updated information about the electronic/internet transaction functionality will be made available from time to time on the website of the Management Company.

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 principal holder basis. However, each person must sign the Account Opening Form and submit a copy of Computerized National Identity Card, NICOP, Passport ,other identification document and is also required to fulfill the FACTA and KYC requirements.

(b) The principal 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 principal 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 Replacement Offering Document. Payment for the Units must accompany the form.

(b) Application for Purchase of Units shall be made 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 MCB Pakistan Sovereign Fund**
- Online transfer to Bank Account(s) of **CDC Trustee MCB Pakistan Sovereign Fund**
- Cheque (account payee only marked in favor of **CDC Trustee MCB Pakistan Sovereign Fund**
- CDC Trustee MCBAH Funds (for collection accoun**ts)**

(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 may 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.

(h) **Electronic Transactions:**
Web Based purchase of units may be made available on the Website of the Management Company after seeking approval from the Commission. Further updated information about the electronic/internet transaction functionality will be made available from time to time on the website of the Management Company.

4.5.5 **Minimum Amount of Investment**

Initially Units shall be issued at Par Value of **Rs 50** with a minimum investment size of **Rs.5,000** (Rupees Five Thousand only) and thereafter the minimum amount for investment would be Rs. 1,000/- (Rupees One Thousand only) per transaction, at applicable NAV or purchase price, other than reinvestment of Dividend and Bonus Units. The Management Company reserves the right to alter the minimum amounts stated hereinabove after giving thirty (30) days prior notice to the Unit Holders. However, enhancement in current minimum monetary investments shall not take effect retrospectively. The minimum initial

and subsequent investment size will not be applicable to conversion of one CIS to another CIS, Transfer and transmission.

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

(a) Units offered during the Initial period will be as specified in Clause 1.6.

(b) After the Initial Period, the Purchase (Offer) Price for the Unit offered through Public Offering, shall be determined from time to time pursuant to the Sub clause (c) hereafter and shall be announced by the Fund for Dealing Days during the period when the Fund is open for subscription.

(c) The Purchase (Offer) Price shall be equal to the sum of:
   (i) The Net Asset Value as of the close of the Business Day;
   (ii) Any Front-end Load as disclosed in this Replacement 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.
   (v) Such sum shall be calculated upto two decimal places.

(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 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. Any Investment Request Forms received after Business Hours will be transferred to the next Dealing Day.

(b) Units will be allocated at the Purchase Price as determined in Clause 4.5.6 above and issued after realization of Funds in the bank account of the Fund.

(c) The statements or report shall be sent only by electronic mail at the time of opening of first account and there after each time there is issuance of units against fresh subscription on the registered email address of the Unit Holder(s). Physical copy of account statement shall only be send on specific request of the Unit Holder. Provided that the Management Company shall send an investment account statement to each Unit Holder on the registered mailing address provided by the Unit Holder at least once in a year. The Management Company shall provide the account statement to the investors within 7 working days from the receipt of such request.

(d) In case the Management Company announces a suspension of further issue of Units of Fund, it may allow existing Unit Holder to continue acquiring Units out of any dividend declared on the Units held.

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 as determined by the Management Company from time to time and available on MCBAH website. However, the Management Company may waive the fee on case to case basis.

(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 principal Unit Holder, if the relevant Unit or Units are jointly held.

(d) 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 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.

(c) Each new issue of Certificate(s) will require payment as determined by the Management Company from time to time and available on MCBAH website, 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 in Book Entry form in CDS. The Issuance of Units in CDS shall be made in accordance with the procedure laid down in CDCPL Regulations. The cost of CDS for issuance of units in CDS would be deducted from Unit Holder (s) account equivalent to the number of Units.

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**

4.6.3 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.

4.6.4 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.

4.6.5 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.

4.6.6 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's Account Opening Form. However, the Transfer Agent will follow any subsequent change in account operating instruction requested by the Unit Holder or Holders as the case may be.

4.6.7 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.

4.6.8 The Unit Holder may request for a receiving note confirming the receipt of the application for redemption from the relevant Distribution Office.

4.6.9 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 may advise the applicant to remove the discrepancy. In the meanwhile, the application may be held in abeyance for fifteen (15) days. In the event the discrepancy is not removed in the said fifteen (15) 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. However, the Management Company may at its discretion cancel any such request without allowing 15 days rectification, the Unit Holder will then have to submit a fresh application for Redemption of Units.

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

4.6.11 The amount payable on redemption may be paid to the Unit Holder or principal Unit Holder by dispatching a cheque/ bank draft/ pay order for the amount to the registered address of the Unit Holder or through Electronic Bank transfer to the Unit Holder's designated bank account as communicated by the Unit Holder from time to time either through Account Opening Form or Special Request Form within six (6) 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.

4.6.12 The Management Company may request the Trustee to disburse the redemption proceeds to any third party upon specific or standing instruction of the Unit Holder as the case may be.

4.6.13 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 including but not limited to Internet or ATM facilities under prior arrangement with the Trustee. The Management Company may redeem appropriate number of units from the account of Unit Holder to cover any transaction /processing charges applicable on the mode of payment selected by the Unit Holder. Please refer to the website of the Management Company for current level of charges.

4.6.14 The receipt of any amount payable in respect of the Units by the Unit Holders or any Joint Holder, as the case may be, shall be a good discharge to the Trustee and the Management Company.

4.6.15 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 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**.

4.6.16 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.

4.6.17 **Redemption of Units in Book Entry form in CDS**

Unit Holder may redeem their Units held in Book Entry form in CDS. 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's prior approval and other applicable laws, Rules and Regulations, in the event of arrangements being made by the Management Company for 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 The Redemption (Repurchase) Price shall be equal to the Net Asset Value as of the close of Business Day (forward pricing) less:

(a) Any Back-end Load as per the details in this Replacement Offering Document; 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 calculated upto two decimal places.

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

4.8.2 Being a Forward Pricing Scheme, the Repurchase (Redemption) Price so determined shall apply to properly filled redemption application requests received before the close of the Business Hours on the Dealing Day by the Distributor or the Management Company.

4.8.3 The Redemption Price 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 Special Request/ Instruction Forms. 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 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**

Subject to the submission of Special Request Form and supporting documents to the satisfaction of the Management Company, the Unit Holder may request any change in his or

her information kept in the Unit Holder Register. Changes will not be allowed in CNIC and Joint holder.

(a) Fully completed Special Request/ Instruction Form(s) have to be submitted by both Individual and/or Institutional Investor(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.

(b) The applicant must obtain a copy of the Special Request/ Instruction Form signed and duly verified by an Authorized Officer of the Distributor or Management Company.

(c) The Distribution Company and/ or Management Company will be entitled to verify the particulars given in the Special Request/ Instruction 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) of Units have specified otherwise, all the Joint Unit Holder(s) shall sign the Special Request/ Instruction Form for such Units.

4.9.3 **Transfer, Nomination, Transmission and Conversion Procedure**

4.9.4 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 applicable taxes and duties, if any, have been complied with.

4.9.5 Both the transferor and the transferee must sign every instrument 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 of transfer must be duly completed in all respects. .

4.9.6 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 Replacement Offering Document. The Management Company or the Transfer Agent shall retain all instruments of transfer.

4.9.7 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 (12) years from the date of registration thereof and all the Certificates which have been cancelled at any time after the expiration of ten (10) 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 (10) 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. Unit Holder may nominate any successor/ nominee for transmission, subject to all legal requirements, in case of the decease of Unit Holder.

4.9.8 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 intimation of death of deceased Unit Holder along with certified copy of death certificate , indemnity from nominee along-with copy of CNIC of nominee and deceased Unit Holder, and original unit certificate (in case of physical certificate) etc. If considered necessary the Management Company may also require either heirship or succession certificate for the purpose of determining entitlement of the deceased Unit Holder's property. 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.

4.9.9 A Unit Holder may convert the Units of the Scheme into Units of another scheme managed by the Management Company by submitting a form designated for this purpose either physically or electronically. Notwithstanding anything contained in this Offering Document, the Offer Prices applicable on the conversion shall be the price applicable for the day on which form is submitted. For the purpose of conversion transaction applicable Cut Off timings of the respective Schemes shall be applicable. 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.

4.9.10 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.

4.9.11 **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 "**E**" of this Replacement Offering Document. This Form 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 CDC 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 Pledgee 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 Pledgor 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, 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 Replacement 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 Units in issue, the Management Company may invoke a Queue System whereby requests for redemption shall be processed on a first come first served basis for up to ten percent (10%) of the Units in issue. The Management Company shall proceed to sell adequate assets of the Fund and / or arrange borrowing as it deems fit in the best interest of 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 Units in issue, 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

Units then in issue.

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. 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

The Management Company shall decide as soon as possible but not later than forty-five (45) days after the Accounting Date whether to distribute among Unit Holders, profits, either in form of bonus Units 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.

5.2 Determination of Distributable Income

- The amount available for distribution in respect of any Accounting Period shall be determined in accordance with the regulatory and taxation requirements as may be applicable from time to time.

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 Fund Property, provided that and subject to the regulatory and taxation requirements 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 Fund 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 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. In case of pledged Units the dividend shall be reinvested in pledgor’s account after deducting applicable taxes and pledge shall be marked in favor of charge holder.

5.4 Dispatch of Dividend Warrants/Advice

Dividend warrants/advices/payment instruments and/or Account Statements shall be dispatched to the Unit Holders and 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 at the ex-dividend NAV. 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.

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 (45) 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 circulated all over 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.

The Management Company may at its discretion charge different levels of Load as per 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 dividend distribution or issue of Units in lieu of cash 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 types of Units, but Unit Holders within a type 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 shall 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 successors in the case of inheritance or distribution of the estate of a deceased Unit Holder. Subject to consent of the Unit Holder at the time of executing any transaction, the Management Company may recover reasonable transactional charges either from the transaction proceeds or from the account of the Unit Holder by redeeming appropriate number of units.

Units 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 on that date.

6.1.4 **Expenses borne by the Management Company and the Trustee**

The Management Company and Trustee shall bear all expenditures in respect of services provided in accordance with the provisions of the applicable laws. 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 to be payable out of Trust Property.

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 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 close of the Initial Offering 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 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 exit 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 following the expiry of the Initial 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**

Only the expenses allowed under the applicable laws shall be paid out of the Fund Property. Following are the example of charges which shall be payable out of the Fund Property, however the expenses chargeable to Fund Property shall be in accordance with the applicable laws:

(i) Custody, Brokerage, Transaction Costs of investing and disinvesting of the Fund Property.

(ii) All expenses incurred by the Trustee in effecting the registration of all registerable property in the Trustee's name.
(iii) Legal and related costs incurred in protecting or enhancing the interests of the Unit Holders.
(iv) Bank charges, borrowing and financial costs;
(v) Auditors' Fees and out of pocket expenses.
(vi) printing costs and related expenses for issuing Fund's quarterly, half yearly and annual reports
(vii) Fund rating fee payable to approved 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.
(xi) Charges and levies of stock exchanges, national clearing and settlement company, CDC charges.
(xii) registrar services, accounting, operation and valuation services related to CIS maximum up to 0.1% of average annual net assets of the Scheme or actual whichever is less.
(xiii) Any other expenses as permissible under the Rules and Regulations from time to time and / or permitted by the Commission.

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.

7.2 Withholding tax

Under the provision of Clause 47(B) of Part (IV) of Second Schedule of the Income Tax Ordinance 2001, the Fund's income from dividend from securities or instruments of companies, organizations and establishments, return on (Riba free) deposits with

banks/financial institutions, return from contracts, will not be subject to any withholding tax.

7.3 **Zakat on Fund**

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

7.4 **Taxation and Zakat on Unit Holders**

7.4.1 **Taxation on Income from the Fund of the Unit Holder**

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

7.4.2 Unit Holders of the Fund will be subject to tax on dividend income distributed by the Fund at applicable tax rates as mentioned in Income Tax Ordinance 2001. The tax deducted on dividend will be the final tax 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 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 Unitholders may be liable to pay tax even though they may not have earned any gain on their investment as return of capital through distribution to investors is also taxable as per Income Tax Ordinance, 2001.

7.4.5 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.

7.4.6 **Tax Credit to Unit Holders**

Unit Holders other than a company shall be entitled to a tax credit under Section 62 of the Income Tax Ordinance, 2001, on purchase of new Units.

7.4.7 **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 statements or report shall be sent only by electronic mail at the time of opening of first account and there after each time there is issuance of units against fresh subscription on the registered email address of the Unit Holder(s). Physical copy of account statement shall only be send on specific request of the Unit Holder.

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 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 electronically in such form and manner as set out in SECP SRO 787 of 2014 and Regulations as amended or substituted from time to time . In case where any unit holder who has opted to receive Audited Financial Statements and notice through email and subsequently ask for the hard copy of Audited Financial Statements the same shall be provided free of cost with in seven days of receipt of such request.

(b) The Management Company shall prepare and transmit quarterly reports electronically in such form and manner as set out in SECP SRO 787 of 2014 and Regulations as amended or substituted from time to time. In case where any unit holder who has opted to receive quarterly Financial Statements and notice through email and subsequently ask for the hard copy of quarterly Financial Statements, the same shall be provided free of cost within seven days of receipt of such request.

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's Report each month as per guideline issued by MUFAP and also made available at their website latest by 7th of each month. The Management Company shall transmit the same to the Unit Holders through electronic mail if requested by the Unit Holders.

9. WARNING AND DISCLAIMER

9.1 Warning

9.1.1 If you are in any doubt about the contents of this Replacement 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.

9.1.3 Before making any investment decision, investor should review the latest monthly fund manager report and financial statements of the Scheme particularly the details of non-complaint investment and Risk Factors.

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 Replacement Offering 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 website of the Management Company:

8th Floor, Techno City Corporate Tower, Hasrat Mohani Road, Karachi

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 (15) 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;

(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:

11.1 **"Accounting Date"** means the thirtieth day of June in each year and any interim date on which the financial statements of the Scheme 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.

11.2 **"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 Management Company.

11.3 "**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.

11.4 **"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.

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

11.6 **"Asset Management Company"** means an asset Management Company as defined in the Rules and Regulations.

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

11.8 **"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.

11.9 **"Authorized Broker"** means those Brokers which are authorized to deal in Government Securities.

11.10 ***"Authorized Investments"*** mean investments as defined in the Clause 2.1.1 of this Replacement Offering Document.

11.11 ***"Back-end Load"*** means the charge 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 types of Units, as specified in this Replacement Offering Document.

11.12 ***"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.

11.13 ***"Bank Accounts"*** means those account(s) opened and maintained for the Trust by the Trustee at Banks, the beneficial ownerships in which shall vest in the Unit Holder(s).

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

11.15 ***"Business Day"*** means any day on which banks are open for business in Pakistan.

11.16 ***"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.

11.17 ***"Connected Person"*** shall have the same meaning as assigned in the Rules and Regulations.

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

11.19 ***"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.

11.20 ***"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 "C" of this Replacement Offering Document.

11.21 ***"Dealing Day"*** means that Business Day on which Units will be available for dealing (purchase, redemption, transfer, switching etc) 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 (7) 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).

11.22 ***"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**.**

11.23 ***"Distribution Account"*** means the Bank Account (which may be a current, saving or 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) shall be transferred. Interest, income or profit, if any, including those accruing on unclaimed dividends, in this account shall be transferred to the main account of the Fund from time to time, as part of the Trust Property for the benefit of the Unit Holder(s).

11.24 ***"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.

11.25 ***"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.

11.26 ***"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.

11.27 ***"Exposure"*** shall have same meanings as provided in the Regulations.

11.28 ***"Federal Government"*** means the Federal Government of Islamic Republic of Pakistan.

11.29 ***"Financial Institution"*** means a Bank, Development Finance Institution, Non Banking Finance Company, Modaraba or an institution registered under relevant laws to provide financial services within or outside Pakistan.

11.30 ***"Financial Sector"*** shall comprise of the savings and term deposits / certificates/ securities/ instruments issued by the entities of Banking Sector, Financial Services Sector, Life Insurance Sector and Non- Life Insurance Sector as classified by Karachi Stock Exchange and DFIs.

11.31 ***"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.

11.32 ***"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 Replacement Offering Document, announcements describing the Scheme and all other expenses incurred until the end of the Initial Period.

11.33 ***"Front-end Load"*** means the Sales load which may be included in the offering price of the Units; 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 and Back-end Load should not exceed 3% of Net Asset Value.

11.34 ***"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.

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

11.36 ***"Initial Period" or "Initial Offering Period"*** means a period determined by the Management Company during which Units will be offered as mentioned in clause 1.7 of this Replacement Offering Document.

11.37 ***"Initial Price" or "Initial Offer"*** means the price per Unit on the first day of the Initial Period determined by the Management Company.

11.38 ***"Investment"*** means any Authorized Investment forming part of the Trust Property.

11.39 ***"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.

11.40 ***"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 Replacement Offering Document.

11.41 ***"Local Governments"*** mean all the local / city governments in Pakistan.

11.42 ***"Management Company"*** is defined in the preamble hereto;

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

11.44 ***"Net Asset Value" or "NAV"*** means per Unit value of the Trust arrived at by dividing the Net Assets by the number of Units outstanding.

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

11.46 ***"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.

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

11.48 ***"Ordinance"*** means the Companies Ordinance, 1984.

11.49 ***"Par Value"*** means the face value of Rs. 50 for a Unit of the Fund.

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

11.51 ***"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 Replacement Offering Document.

11.52 ***"Profit Distribution Date"*** means the date on which the Management Company decides to distribute the profits (if any).

11.53 ***"Provincial Governments"*** mean the Provincial Governments of all four provinces of Pakistan.

11.54 ***"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 Replacement Offering Document.

11.55 ***"Redemption Price or Repurchase Price"*** means the amount to be paid to the relevant Holder upon redemption of that Unit, such amount to be determined pursuant to this document.

11.56 ***"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.

11.57 ***"Regular Interval"*** means monthly, quarterly, half yearly or annual periods.

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

11.59 ***"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.

11.60 ***"Sales Load"*** mean Front end load and Back end load and any processing charges or Commission (excluding Duties and Charges) not exceeding three percent of NAV or as may be allowed under the Regulations, which may be included in the offer price of all or certain type of Units or deducted from the NAV in order to determine the Redemption Price of certain types of Units.

11.61 ***"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.

11.62 ***"Special Instruction 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 Replacement Offering Document.

11.63 ***"Stock Exchange"*** means Stock Exchanges registered under the Securities and Exchange Ordinance, 1969.

11.64 ***"Transaction Costs"*** means the costs incurred or estimated by the Management Company to cover the costs (such as, but not restricted to ,bank charges, brokerage, Trustee charges,

taxes or levies on transactions, etc.) related to the investing or disinvesting activity of the Unit itself or Trust's portfolio, inter alia, necessitated by creation or cancellation of Units, which costs may be added to the NAV for determining the Offer Price of Units or to be deducted from the NAV in determining the Redemption Price.

11.65 ***"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.

11.66 ***"Transfer Form"*** means a standardized form prescribed by the Management Company to be duly filed by the investor to transfer Units and will be stated in this Replacement Offering Document.

11.67 ***"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.

11.68 ***"Trust" or "Unit Trust" or "Fund" or "Scheme"*** or "MCB PSF" means the Unit Trust constituted by the Trust Deed as amended and replaced by the First and Second Supplemental Trust Deeds for continuous offers for sale of Units of the Trust.

Words and expressions used but not defined herein shall have the meanings assigned to them in the 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 Replacement Offering Document.

Annexure A

REMUNERATION OF TRUSTEE

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

TARIFF STRUCTURE FOR OPEN END GOVERNMENT SECURITIES SCHEMES

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

NET ASSETS (Rs.)	TARIFF
Upto 1 billion	0.15% p.a. of Net Assets.
1 billion to 10 billion	Rs. 1.5 million plus 0.075% p.a. of Net Assets exceeding 1 billion.
Over 10 billion	Rs. 8.25 million plus 0.06% p.a. of Net Assets exceeding Rs. 10 billion.

Annexure B

Current Level of Front End Load and Back End Load:

Transaction less than or equal to Rs.15 million:	Front end load is	1.5%
Transaction more than Rs.15 million:	Front end load is	Nil
For corporate*	Front end load is	Nil

*C**orporate** includes all the Unit Holders other than the individuals who hold valid National Identity Card/ Pakistan Origin Card or valid passport including foreigners.

Back End Load: 0%

An AMC shall ensure that no sales load is charged if the investor approaches directly for investment or where transactions are done online through a website

Management fee

The remuneration shall be 10% of the fund's gross revenue. The minimum fee charged to the fund will be 0.5% of the net assets. The maximum fee charged will be 1.5% of the net assets calculated on an annual basis and shall be subject to the maximum percentage allowable under the law. The fee shall be payable monthly, based on daily accrual. Provided that the remuneration so calculated shall not exceed the maximum remuneration allowed under the Regulations.

Transaction Charges/ processing charges** (see clause# 4.5.8,4.5.9,4.6.13,6.1.3)	As determined by the Management Company from time to time and available on MCBAH website .

**The Management Company may at its discretion waive the transaction/ processing charges on case to case basis.

Annexure C

Cut off timing shall be observed from **9:00am to 4:30pm**

Annexure D

MANAGEMENT COMPANY AND DISTRIBUTION COMPANY

Management Company

Management Company of the Fund is MCB Arif Habib Savings and Investments Limited. Forms and other information of the Fund can be collected from the following address of the Management Company or from the branches of the Distribution Company:

MCB Arif Habib Savings and Investments Limited
8th Floor, Techno City, Corporate Tower
Hasrat Mohani Road,
Karachi

For more information
Call: 111-162-224/ 111-468-378
Email: info@mcbah.com
Website: www.mcbah.com

Distribution Companies

1. MCB Bank. MCB House, 15-D, Main Gulberg, Lahore

2. Standard Chartered Bank. P.O. Box. No. 5556, I.I. Chundrigar Road, Karachi 74000

Updated list of distribution companies is available at our website: www.mcbah.com

Annexure E

PLEDGE OF UNITS FORM "G-1"

MCB ARIF HABIB SAVINGS & INVESTMENTS LIMITED
8th Floor, Techno City Corporate Towers, Hasrat Mohani Road, Karachi
Toll Free: 0800-62626, Phone: (021)111-622-262 (111-MCB-AMC) Fax: (021)32276908/32276898

Date:_____ **Please write in block letters using black ink**

1) Principal Applicant/Pledger Details

Name			
Investor Registration No.		**CNIC/NICOP/Passport No.**	

2) Details of Units to be pledged by the Pledger

Name of the Fund/Investment Plan	Number of Units to be pledged/placed under lien	Certificate Number(s) (If issued)	Date of Certificate Issuance

3) Pledger's Declaration and Signature(s)

I/We, the undersigned, are the registered holder(s) of the above-mentioned Units and request the Management Company of the above-mentioned Fund(s) to register pledge/lien on such Units in favour of Pledge/Lien-holder as mentioned in section no. 4 of this application form. I/We (the Pledger(s)) recognize and undertake that:

(a) The registration of this pledge/lien places a responsibility on the Management Company to ensure that for any reason whatsoever, if the Units are encashed, save any legal bar or court requiring otherwise, the proceeds accruing on such Units (hereinafter called the Pledged Units) shall be held or paid to the order of the Pledge/Lien-holder according to the provisions of the relevant Trust Deed(s), Offering Document(s) and Supplemental Offering Document(s);

(b) Save any legal bar or court order requiring otherwise, any dividends that are declared on the Pledged Units shall be paid to the order of the Pledge/Lien-holder. Furthermore, any Units issued on reinvestments or Bonus Units that the Pledged Units are entitled to, shall automatically be marked under the pledge/lien. In the event the Pledged Units are redeemed for any reason whatsoever, the redemption proceeds of Pledged Units shall be paid to the order of the Pledge/Lien-holder for the account of the Pledger(s);

(c) The Management Company and the Trustee, however, do not accept any responsibility for the validity of Pledger(s)' act of placing the Pledged Units under pledge/lien and for any obligation or commitment undertaken by the Pledger(s) in respect thereof; and

(d) The pledge/lien on the Pledged Units shall continue till such time that the same is released by the Pledge/Lien-holder in writing.

Principal Applicant's Signature (Company Stamp in case of Institution)	
Joint Holder(s) / Authorised Signatories	**Signature(s)**
1. Name:	
2. Name:	
3. Name:	

4) Pledge/Lien-holder's Details and Signature(s)

Name		**CNIC/NTN No.**	
Postal Address			
Telephone No.		**Fax No.**	

I/We have read and understood the Trust Deed(s), Offering Document(s) and Supplementary Offering Document(s) of the above-mentioned Fund(s) and understand that the marking of pledge/lien would be made in accordance with the terms and conditions as mentioned in these Constitutive Documents. I/We further confirm that I/We have read and understood the details of Pledger given above.

Name of Authorised Signatories	Designation	Signature(s)	Corporate Stamp

5) Investment Facilitator / Distributor Details (For Official Use Only)				
Distributor / Facilitator Name		**Code**		Distributor's Stamp with date and time
Branch Name		**City**		

6) Registrar Details (For Official Use Only)		
Date and Time Stamping	**Form received by**	Name and Signature
	Date, Form and attachments verified by	Name and Signature
	Data input by	Name and Signature

Account Opening Form

Bachat ka Doosra Naam

MCB-Arif Habib Savings

AOF (FOR INDIVIDUALS ONLY)

Investor Registration Number (for official use only) No. _____

No. BF-1/MA-0001

Account Opening Form

DATE: _____ Please write in block letters using black ink

1. PRINCIPAL APPLICANT'S DETAILS

PRINCIPAL APPLICANT'S NAME (as per CNIC)					
FATHER'S/HUSBAND'S NAME					
CNIC/ NICOP/ PASSPORT No.					
DATE OF BIRTH	d d m m y y y y				
COUNTRY OF BIRTH		GENDER	MALE ☐ FEMALE ☐	NATIONALITY	
ZAKAT DEDUCTION	Yes ☐ No ☐ (If No please provide Zakat Affidavit)			MOTHER'S MAIDEN NAME	

2. GUARDIAN'S DETAILS (TO BE FILLED IN CASE OF MINOR APPLICANT)

NAME		RELATIONSHIP WITH MINOR	
CNIC/ NICOP/ PASSPORT No.		NATIONALITY	

3. CONTACT DETAILS

CORRESPONDENCE ADDRESS							
CITY / DISTRICT		POSTAL CODE		COUNTRY			
TELEPHONE No.	RES.		OFF.		EXT.	MOBILE No.	
EMAIL ADDRESS						FAX No.	
PERMANENT ADDRESS							

4. BANK DETAILS

Applicant who cannot sign or whose signature is unstable, should provide two recent passport size photographs duly verified by the Branch Manager of the Bank from where cheque has been issued. In such case, Redemption proceeds will only be transferred in the Bank Account mentioned below. No cheque will be given to such applicant.

COMPLETE BANK ACCOUNT No.		BANK NAME	
BRANCH NAME & ADDRESS		CITY	
IBAN			

5. ACCOUNT OPERATING INSTRUCTIONS (PLEASE TICK (✓) THE APPROPRIATE BOX) **DEFAULT : PRINCIPAL APPLICANT ONLY**

PRINCIPAL APPLICANT ONLY ☐ ALL JOINT HOLDERS ☐ JOINTLY (ANY TWO) ☐

EITHER OR SURVIVOR ☐ OTHERS (Please Specify) ☐ _____

6. NOMINATION DETAILS

Nominees can only be the relatives of the applicant namely spouse / father / mother / brother / sister / son / daughter (including a step / adopted child.)

(a) NAME			
RELATIONSHIP WITH INVESTOR		CNIC/ NICOP/ PASSPORT No.	
(b) NAME			
RELATIONSHIP WITH INVESTOR		CNIC/ NICOP/ PASSPORT No.	

Signature /
Left Hand Thumb Impression

Bachat ka Doosra Naam

MCB-Arif Habib Savings

To be filled by each Joint Holder separately

7. KNOW YOUR CUSTOMER (KYC) - MANDATORY

Please provide the following information as required by SECP's Circular No. 12 of 2009 and Money Laundering Laws applicable in Pakistan

Residential Status	☐ Resident Pakistani	☐ Non Resident Pakistani	☐ Person of Pakistan Origin	☐ Foreign National
Only for Foreign Nationals	Nationality		☐ Resident	☐ Non - Resident
	Do you belong to countries where KYC/AML regulations are negligent		☐ Yes	☐ No
Source of Fund (Please attach Supporting documents)	☐ Salary/Wages ☐ Commission Income ☐ Home Remittance ☐ Business/Self Employed (Please Specify)			
	☐ Inheritance ☐ Agriculture Income ☐ Investment ☐ Other (Please Specify)			
	Name and Address of Employer in case of Salaried class:			
Education	☐ Under graduate ☐ Graduate ☐ Post graduate ☐ Professional ☐ Other (Please Specify)			
Annual Income	☐ Up to 1 Million ☐ Up to 2 Million ☐ Up to 4 Million ☐ Up to 6 Million ☐ Up to 8 Million ☐ Up to 10 Million ☐ Over 10 Million			
Documents to be attached	☐ Copy of valid and Unexpired CNIC ☐ Student Card in case of Student ☐ Business/ Employment Proof			
Declaration by Investor (Please mark the box if the declaration is **incorrect**)	My account has never been refused by any financial institution ☐		This account is not being opened on behalf of any other person ☐	
	I am not holding a senior position in any public office ☐		I am not holding a senior position in any political party ☐	
	I do not deal in value items. (Gold, Silver, Diamond etc) ☐		I do not have any links to offshore tax haven countries ☐	

Declaration

I, the undersigned, hereby declare that the above mentioned information is correct, complete and up-to-date to the best of my knowledge and belief, and I shall immediately update the Management Company if there is any change in such information. I hereby assure to the Management Company that the proceeds invested in the Fund(s) are not derived from money laundering or illegal activities and the source of funds declared in this Form is true and correct to the best of my knowledge and belief.

8. RISK PROFILING QUESTIONNAIRE

Answering these questions will help to understand your investment objectives, risk/return expectation that will translate your needs into an asset allocation suitable to your investment needs. This questionnaire will provide only guideline and should not constitute as specific advice. You should make your fund allocation based on your own judgment and personal circumstances. Please tick the box in the left hand margin that corresponds to your choice

1	Your current age		2	Your Sources for investment		3	Your investment horizon	
☐	More than 60 years	1	☐	Retired	1	☐	Less than 6 Months	1
☐	46 - 60 years	2	☐	House Wife/Student	2	☐	Less than 1 year	2
☐	30 - 45 years	3	☐	Salaried Employee	3	☐	Between 1 - 5 years	3
☐	Less than 30 years	4	☐	Business	4	☐	Over 5 years	4

4	What portion of your investments are currently invested in the Stock Market		5	Primary objective of your investment		6	Your risk tolerance level	
☐	76 - 100 %	1	☐	Regular Income	2	☐	Low	1
☐	51 - 75 %	2	☐	Cash Management	4	☐	Medium	2
☐	21 - 50 %	3	☐	Capital growth	6	☐	High	3
☐	0 - 20 %	4	☐	Long term savings/Retirement	8	☐	Very High	4

SCORING OF RISK PROFILING RESULTS

Question Number	1	2	3	4	5	6	TOTAL
Your Score							

Your Portfolio	Score	Investor Portfolio	Fund
	Score 1 to 10	Conservative	Money Market Funds
	Score 11 to 14	Stable	Income Funds
	Score 15 to 21	Balance	Balanced Funds
	Score 22 to 28	Aggressive	Equity / Asset Allocation Funds

Declaration

I understand that this questionnaire will help me assess my risk appetite based on the information provided by me. I am aware that my financial needs may change over time depending on my personal and situation objectives. I understand that this questionnaire does not constitute, in any manner, advice given by the Company.

Signature /
Left Hand Thumb Impression

Bachat ka Doosra Naam

MCB-Arif Habib Savings

9. Foreign Account Tax Compliance Act ("FATCA) Section

9.1. This section of Account Opening Form must be completed by Individual/ Sole Proprietor Investor who wishes to open an investor account with MCB-Arif Habib Savings and Investments Limited (MCB-AH). Each Joint Holder is required to fill this section separately.

Please complete in **BLOCK LETTERS**

Name: _____ Country of Residence: _____

Country of Birth: _____

Please tick (✓) Yes or No for each of the following questions:

1.	Are you a U.S. Resident?	No ☐	Yes ☐
2.	Are you a U.S. Citizen?	No ☐	Yes ☐
3.	Are you holding a U.S. Permanent Resident Card (Green Card)?	No ☐	Yes ☐
4.	Are you registered in the US as a tax payer?	No ☐	Yes ☐

Note: If answer to any of the above-mentioned questions is "Yes" then please complete Form W-9 "Request for Taxpayer Identification Number and Certification".

Declaration:

1. I hereby confirm that the information provided above is true, accurate and complete;
2. Subject to applicable local and foreign laws, I hereby consent for MCB-AH, the Trustee of the Collective Investment Schemes/ Voluntary Pension Schemes or any of their affiliates (including without limitation branches) to share my information with domestic and overseas tax authorities, where necessary to establish my tax liability in any jurisdiction;
3. Subject to the requirements of domestic or overseas laws, I consent and agree that MCB-AH or the Trustee of the Collective Investment Schemes/ Voluntary Pension Schemes may withhold from my account(s) such amounts as may be required according to applicable laws, regulations and directives;
4. I hereby undertake not to initiate any proceedings against MCB-AH and the Trustee of the Collective Investment Schemes/ Voluntary Pension Schemes in case any amounts are withheld from my account and remitted to the local or foreign authorities/regulators;
5. I hereby undertake that I have not granted a Power of Attorney to a person who has an address outside Pakistan to operate the Investor Account (either physically or electronically);
6. I hereby undertake that I have no intention to set up Payment Standing Instruction(s)for the banking account(s) and beneficiary account(s) in a country outside Pakistan;
7. I hereby undertake to notify MCB-AH within thirty (30) calendar days in case of any change in any information whatsoever which I have provided to MCB-AH; and
8. I further agree and accept that the terms and conditions as contained herein shall form part and parcel of the Account Opening Form and the terms and conditions of the Account Opening Form as well other documentation shall remain in full force and effect.

Signature:

Signature/ Left Hand Thumb Impression	Attestation of Branch Manager and Witnesses shall be required only in case of Investor with unstable signature or thumb impression		
	Attestation of Branch Manager	Witnesses (Adult Male Persons only)	
		Name: _____	Name: _____
		CNIC: _____	CNIC: _____
		Signature: _____	Signature: _____

10. INVESTMENT DETAILS

WE DO NOT ACCEPT CASH OR BLANK/BEARER CHEQUE

We would like to inform all our investors that the Management Company has a policy not to accept cash or blank/bearer cheques for investments in mutual funds managed by it. Investors are advised to prepare their payment instruments (crossed payees account cheques, pay-order or demand drafts) in favour of Trustee of respective mutual fund. The complete names of mutual funds and their types and classes of units are mentioned on the back side of this Account Opening Form as well as in their respective Offering Documents. Investors are also advised not to give cash to any person on behalf of mutual funds and always use plain Account Opening Form without any cutting or marking on it.

NAME OF THE FUND / INVESTMENT PLAN	TYPE OF UNITS	CLASS OF UNITS	AMOUNT IN FIGURES (Rs)	AMOUNT IN WORDS
(a)				
(b)				
(c)				

MODE OF PAYMENT PLEASE TICK (✓) THE APPROPRIATE BOX	CHEQUE ☐	PAYMENT ORDER ☐	DEMAND DRAFT ☐	BANK TRANSFER ☐	ONLINE TRANSFER ☐
DRAWN ON (BANK AND BRANCH NAME)			INSTRUMENT No.		
PAYMENT FREQUENCY - IN CASE OF INCOME UNITS ONLY PLEASE TICK (✓) THE APPROPRIATE BOX	MONTHLY ☐ SEMIANNUALLY ☐	QUARTERLY ☐ ANNUALLY ☐			
FOR SYSTEMATIC INVESTMENTS	AUTO DEBIT ☐	POST DATED CHEQUES ☐	INTERNET BANKING ☐ (Please fill in B-3 form for these 3 options separately)		

11. BACHAT SAHULIYAT

I/We would like to subscribe the following Bachat Sahuliyat:

Tele Bachat Services ☐ Web Bachat Services ☐ Daily Email of NAV ☐

Daily SMS of NAV ☐ Email of Monthly Fund Manager's Report ☐

1. I/We understand that protecting my/our personal information is important for the Management Company and that the privacy policy of the Management Company is designed to support this objective. However, despite all the precautionary measures taken by the Management Company, I/We recognize that there exists the risk of wrongful and / or unauthorized access of confidential information being communicated electronically. Recognizing this risk, I/We hereby waive and discharge the Management Company fully from any implied or express obligation of confidentiality/ non disclosure which may result as a consequence of the Management Company complying with the first request herein above and/or any breakdown, malfunction erroneous or unauthorized transmission or access to the Statement of Account and/ or any claims for any loss or damage accruing to me/us.
2. I/We the undersigned, hereby declare that I/We have read, understood and agree to the Terms and Conditions of Tele Bachat mentioned overleaf.

_____

Signature / Left Hand Thumb Impression

GENERAL INSTRUCTION:

Investors are requested to complete this application form by using the following details of investment plans under management of MCB Arif Habib Savings & InvestmentsLimited.

Name of Funds / Investment Plans	Associated Fund	Minimum Investment Amount	Payment Instrument in favour of
MCB Cash Management Optimizer	MCB CMOP	Growth Units PKR 5,000/- Cash Dividend Units PKR 5,000/- Income Units PKR 100,000/-	CDC - Trustee MCB Cash Management Optimizer
Pakistan Cash Management Fund	PCF	A - PKR 5,000/- B - PKR 10,000,000/-	MCB FSL - Trustee Pakistan Cash Management Fund
MCB DCF Income Fund	MCB DCFIF	Growth Units PKR 5,000/- Cash Dividend Units PKR 5,000/- Income Units PKR 100,000/-	CDC - Trustee MCB DCF Income Fund
Pakistan Income Fund	PIF	PIF - PKR 5,000/- PIF - CD PKR 10,000,000/-	CDC - Trustee Pakistan Income Fund
MCB Pakistan Sovereign Fund	MCB PSF	MSF - Perpetual - 100 units	CDC - Trustee MCB Pakistan Sovereign Fund
Pakistan Income Enhancement Fund	PIEF	A - PKR 5,000/- B - PKR 10,000,000/-	CDC - Trustee Pakistan Income Enhancement Fund
MCB Islamic Income Fund	MCB IIF	Growth Units PKR 500/- Cash Dividend Units PKR 500/- Income Units PKR 100,000/-	CDC - Trustee MCB Islamic Income Fund
MCB Pakistan Asset Allocation Fund	MCB PAAF	PKR 5,000/-	CDC - Trustee MCB Pakistan Asset Allocation Fund
Pakistan International Element Islamic Asset Allocation Fund	PIEIF	A & B - PKR 5,000/- C & D - PKR 10,000,000/-	CDC - Trustee Pakistan International Element Islamic Asset Allocation Fund
Pakistan Capital Market Fund	PCM	PCM - PKR 5,000/- PCM - CD PKR 10,000,000/-	CDC - Trustee Pakistan Capital Market Fund
Pakistan Strategic Allocation Fund	PSAF	PKR 5,000/-	CDC - Trustee Pakistan Strategic Allocation Fund
MCB Pakistan Stock Market Fund	MCB PSM	PSM - PKR 5,000/- PSM - CD PKR 10,000,000/-	CDC - Trustee MCB Pakistan Stock Market Fund
MCB Pakistan Frequent Payout Fund	MCB PFPF	PKR 5,000/-	MCB FSL - Trustee MCB Pakistan Frequent Payout Fund
PSM Savings Plan	MCB-PSM	Rs.1,000/-	CDC - Trustee Pakistan Stock Market Fund
PIF Savings Plan	PIF	Rs.1,000/-	CDC - Trustee Pakistan Income Fund
Balanced Savings Plan	MCB PSM & PIF	Rs.1,000/-	CDC - Trustee AHIM Fund
Pension Builder	MCB-PSM & PIF	Rs.1,000/-	CDC - Trustee AHIM Fund
AH Monthly Income Plan	PIF	Rs.100,000/- (subsequent investment Rs.1,000/-	CDC - Trustee Pakistan Income Fund
Smart Portfolio	MCB PSM & PIF	Rs.100,000/- (subsequent investment Rs.1,000/-	CDC - Trustee AHIM Fund
Balanced Portfolio	MCB PSM & PIF	Rs. 50,000/- (subsequent investment Rs.1,000/-	CDC - Trustee AHIM Fund
Smart Trader	MCB PSM & PIF	Rs. 100,000/- (subsequent investment Rs.1,000/-	CDC - Trustee AHIM Fund
Hajj Saver Account	PIEIF Type 'A'	Rs. 5,000/- (subsequent investment Rs.1,000/-	CDC - Trustee Pakistan International Element Islamic Asset Allocation Fund
Target Saver Account	PIEIF Type 'A'	Rs. 5,000/- (subsequent investment Rs.1,000/-	CDC - Trustee Pakistan International Element Islamic Asset Allocation Fund
Monthly Drawings Account	PIEIF Type 'A'	Rs. 500,000/- (subsequent investment Rs.1,000/-	CDC - Trustee Pakistan International Element Islamic Asset Allocation Fund
Dynamic Income Provider	MCB PSM & PIF	Rs. 1,000,000/-	CDC - Trustee AHIM Fund
Gulluck Plan	MCB PSM	Any Amount	CDC - Trustee MCB Pakistan Stock Market Fund

Note : For cut-off timings, please visit our website www.mcbah.com. For Pension schemes, please use seperate forms (also available website).

Bachat ka Doosra Naam

MCB-Arif Habib Savings

12. DISTRIBUTION **DEFAULT: REINVEST**

Please tick (√) if you want distribution encashed ☐

13. HOW DID YOU HEAR ABOUT US ?

Newspapers / Advertising ☐ Friends / Relatives ☐

Internet / Social Media ☐ Others _____ (Please Specify)

14. DECLARATION AND SIGNATURES

1. I/We, the undersigned, hereby declare that:

(a) the information provided in this Account Opening Form is correct, complete and up-to-date to the best of my/our knowledge and belief and the documents submitted along with this Account Opening Form are complete and valid in all respects;

(b) I/We understand that investments in mutual fund will be subjected to Zakat deduction if duly executed Zakat Affidavit (CZ-50) is not submitted along with this Account Opening Form.

(c) I/We have read and understood the relevant constitutive documents of the Fund in which I/We am/are investing. I/We understand that all investments in mutual funds are subject to market risk and the price of the Fund's units may go down resulting in loss of principal investment;

(d) I/We understand that the Offer Price of the Fund's Units may include Front-end Load and could be higher than NAV price of the Units;

(e) I/We understand that once the investment request has been received by the Investment Facilitator/ Distributor, it cannot be cancelled;

(f) I/We understand that Management Company of the Fund has the sole discretion to allocate/ not to allocate Units of the Fund.

FOR INVESTMENT IN MCB PAKISTAN FREQUENT PAYOUT FUND (MCB-PFPF)

(a) I/We hereby acknowledge and understood that purchase, redemption, transfer, switching etc. in MCB-PFPF are only available during the first five Business days of every month.

CURRENT PRINCIPAL APPLICANT'S SIGNATURE / LEFT HAND THUMB IMPRESSION	PRINCIPAL APPLICANT'S SIGNATURE AS PER CNIC/ NICOP/ PASSPORT	ATTESTATION OF BRANCH MANAGER AND WITNESSES SHALL BE REQUIRED ONLY IN CASE OF INVESTOR WITH UNSTABLE SIGNATURE OR THUMB IMPRESSION	
		ATTESTATION OF BRANCH MANAGER	WITNESSES (ADULT MALE PERSONS ONLY) NAME: _____ CNIC: _____ SIGNATURE: _____ NAME: _____ CNIC: _____ SIGNTAURE: _____

15. DETAILS OF JOINT HOLDER (S)

a) NAME	b) NAME	c) NAME	d) NAME
CNIC/ NICOP/ PASSPORT No.	CNIC/ NICOP/ PASSPORT No.	CNIC/ NICOP/ PASSPORT No.	CNIC/ NICOP/ PASSPORT No.
CURRENT SIGNATURE	CURRENT SIGNATURE	CURRENT SIGNATURE	CURRENT SIGNATURE
SIGNATURE AS PER CNIC/ NICOP/ PASSPORT	SIGNATURE AS PER CNIC/ NICOP/ PASSPORT	SIGNATURE AS PER CNIC/ NICOP/ PASSPORT	SIGNATURE AS PER CNIC/ NICOP/ PASSPORT

16. INVESTMENT FACILITATOR / DISTRIBUTOR DETAILS (FOR OFFICIAL USE ONLY)

DISTRIBUTOR / FACILITATOR NAME		CODE		Distributor's Stamp with date and time
BRANCH NAME		CITY		

17. REGISTRAR DETAILS (FOR OFFICIAL USE ONLY)

Date and Time Stamping	FORM RECEIVED BY	Name and Signature
	DATE, FORM AND ATTACHMENTS VERIFIED BY	Name and Signature
	DATA INPUT BY	Name and Signature

MCB-Arif Habib Savings and Investments Limited

Head Office: 8th Floor, Techno City Corporate Tower, Hasrat Mohani Road, Karachi.

Bachat Center (Toll Free): 0800-622-24 (MCBAH), Fax: (+92-21)32276898, 32276908, URL: www.mcbah.com, Email: info@mcbah.com

Terms and Conditions for Tele Bachat and Web Bachat

These terms and conditions (the **Terms and Conditions**) regulate the Interactive Voice Response (**IVR**) service offered by MCB-Arif Habib Savings and Investments Limited to the Customers (as defined below).

1. **Definitions and Interpretation**
All capitalized terms used herein shall have the following meanings:

"Administrative Plan" means the investment plans offered by MCB-AH from time to time which allows Unit holders a focused investment strategy in any one or a combination of Collective Investment Schemes managed by MCB-AH.

"Customer" means and includes the person using the Tele Bachat services who may also be a Unit holder.

"Constitutive Documents" means the trust deed, offering documents and other principal documents governing the formation of a Fund, including all related material agreements.

"Collective Investment Schemes" has the meaning given to it in the NBFC Rules, 2003.

"Funds" means the Collective Investment Schemes and Voluntary Pension Funds managed by MCB-AH.

"Instruction" means any instruction or command purportedly given by the Customer in reference to any Service by using the Tele Bachat services.

"IVR" means Interactive Voice Response.

"NAV" means, in relation to a Fund, the per unit value of that Fund arrived at by dividing the Net Assets (being the excess of the assets over the liabilities of the Fund, such excess being computed in the manner provided in the offering document for the relevant Fund) by the number of Units outstanding in that Fund.

"Person" shall mean and include individuals, company or corporation, sole proprietorship, partnership firm and any other association of persons whether registered or not.

"Registered Number" means a Customer's cellular, LAN or other phone number registered with MCB-AH for using the Tele Bachat services.

"Service" shall mean and include all facilities and services under Tele Bachat services including the following:
(a) NAV for Funds under management of MCB-AH;
(b) General information about the Funds under management of MCB-AH;
(c) Registration service for the subscription by SMS alerts of NAV for Funds managed by MCB-AH ;
(d) Registration service for the subscription by email alerts of NAV for Funds managed by MCB-AH;
(e) Appointment request with sales agent of MCB-AH;
(f) Purchase of Units by Customers who are Unit holders;
(g) Balance inquiry by Customers who are Unit holders;
(h) Redemption of units in a Fund by Customers who are Unit holders;
(i) Transfer of units from one Unit holder to another; and
(j) Conversion of units from one Fund to another Fund within the same Administrative Plan or from one Fund to another Fund of a different Administrative Plan, pursuant to the Constitutive Documents of such Fund, by a Customer who is a Unit holder

"Tele Bachat Services" means the IVR system to be used by the Customers who are registered with MCB-AH to avail the Services.

"TPIN" shall mean a four digit personal identification number kept by the Customer to access the Services provided under the Tele-Bachat services to the Customer by MCB-AH's Tele-Bachat call centre.

"Transaction" means:
(a) an inquiry by a Customer to know the value of the units (NAV for a Fund multiplied by the number of units held by the Customer in that Fund) held by a Customer in a particular Fund;
(b) a transaction in relation to transfer of units from one Unit holder who is a Customer to another;
(c) a transaction in relation to purchase of Units by Customers who are Unit holders;
(d) a transaction in relation to the conversion of the units of the Unit holder from one Fund to another Fund within the same Administrative Plan or from one Fund to another Fund of a different Administrative Plan, pursuant to the Constitutive Documents of such Fund, by a Customer who is a Unit holder; and/or
(e) The redemption of the units of the Unit holder in a Fund,
as the case maybe.

"Unit holder" means a legal or natural person whose name has been entered in the register of the Unit holders of the Fund(s) in which he is holding units, who has been allotted and is holding units in one or more of the Funds managed by MCB-AH, including persons jointly holding units in such Funds.
Words importing the singular shall include the plural or vice versa. A reference to one gender includes a reference to the other gender.

2. **General**
2.1 By receiving the TPIN, the Customer is deemed to have acknowledged that he has read, reviewed, understood and unconditionally and irrevocably accepted all these Terms and Conditions. These Terms and Conditions form the contract between the Customer and MCB-AH for the use of the Tele Bachat services. These Terms and Conditions are in addition to and not in derogation of the Constitutive Documents for the relevant Fund(s) of which the Customer is a Unit holder and shall be construed in accordance with the applicable law and regulations from time to time. MCB-AH shall have the absolute discretion to amend or supplement any of these Terms and Conditions pertaining to the Tele Bachat services at any time and it shall be notified by hosting the same on the website of MCB-AH or in any other manner as decided by MCB-AH. Such amended Terms and Conditions stipulated by MCB-AH will thereupon apply to and be binding on the Customer. The Customer shall be responsible for regularly reviewing these Terms and Conditions including amendments thereto as may be posted on the website of MCB-AH.
2.2 The Customer shall have no objection to MCB-AH verifying the identity before registering the Customer for Tele Bachat services. The Customer shall register for Tele Bachat facility by providing such personal details as shall be required by MCB-AH from time to time for the purpose of creating the TPIN. MCB-AH shall validate the personal details provided by the Customer to enable the Customer to create the TPIN. In the event that any of the details provided by the Customer are not in conformity with the details available with MCB-AH, MCB-AH shall, at its sole discretion, reject the creation of the TPIN by the Customer and the Customer shall be required to update his personal details with MCB-AH in the manner prescribed by MCB-AH.
2.3 In case of any discrepancy in the details of any transaction carried out in respect of the Customer's account, the Customer shall be obliged to intimate MCB-AH thereof in writing within 10 (ten) days of receipt of the [statement of account], in respect of the Customer failing to do so, the [statement of account] will be deemed to be correct and accepted by the Customer.
2.4 MCB-AH is authorized to provide any information or details relating to the Customer or his account to any third person so far as is necessary to give effect to any instructions or to comply with any order of the Court or of any competent/ statutory authority or as is required under applicable law.
2.5 The Customer understands and acknowledges that MCB-AH, reserves the right to modify, alter and/or amend, any of the terms and conditions of the Tele Bachat services at its sole discretion. The Customer undertakes to bind himself [and continue to be so bound] by the terms and conditions of the Tele Bachat service, unless the same be modified, altered and/or amended. In the event that the terms and conditions of the Tele Bachat services are so modified, altered and/or amended, the Customer shall not be permitted to proceed with the use of the Service unless he agrees to such modified, altered and/or amended terms (as the case may be).
2.6 The Customer hereby confirms that the Customer shall solely be responsible for all the transactions conducted by using the TPIN over the Tele Bachat services and the same will be deemed to have emanated from such Customer. The Customer agrees that all instructions transmitted from the Customer's Registered Numbers or by using the TPIN otherwise issued by him, shall be deemed to be written instructions, and agrees not to dispute or challenge the validity or enforceability of any such instruction on the grounds that such instructions were not written documents and hereby waives any such right the Customer may have at law. In addition, such instructions are considered original documents and the Customer agrees not to challenge the admissibility of any such instruction on the grounds that it is made in electronic or oral form.
2.7 The Customers acknowledges that it is their responsibility to inform MCB-AH in case of any change in their Registered Numbers.
2.8 The Customer represents to MCB-AH that the Customer has full power to perform its obligations in accordance with these Term and Conditions and availing the Tele Bachat services.

3. **Security and Confidentiality of Information**
3.1 The TPIN allotted to the Customer is confidential in nature and the Customer confirms that he will keep the TPIN confidential and will not divulge it to anybody else except for the purpose of using it himself for availing of any facilities as may be offered by MCB-AH under Tele Bachat services from time to time. The Customer also agrees to take all possible care to prevent discovery of the TPIN by any other person. The responsibility for misuse of the TPIN of the Customer is solely of the Customer and MCB-AH shall not be responsible for the use/misuse of the TPIN in any manner whatsoever. Accordingly, the Customer agrees to accept the transactions made through the use/misuse of or fraudulent use of the TPIN of the Customer in the same manner as if such transactions were duly authorized by the Customer himself.
3.2 The Customer confirms and assures that he will not share his TPIN with any person(s). Notwithstanding the aforesaid, in the event of the Customer sharing his TPIN with any other person(s), for availing any facilities offered by MCB-AH under Tele Bachat service, then for such disclosure and any consequences of use / misuse of TPIN by such person(s), the Customer shall be solely responsible.
3.3 The Customer shall inform MCB-AH immediately in case his TPIN becomes known to any other person or lost. MCB-AH may in its absolute discretion, issue to the Customer a new TPIN on similar terms and conditions or under such terms and conditions as MCB-AH may deem fit.
3.4 The Customer shall be fully liable to MCB-AH for every transaction entered into using the Tele Bachat services, whether with or without the knowledge of the Customer and consequences thereof.
3.5 The Customer is aware of all security risks including possible third party interception of his account and the content of his account becoming known to third parties. The Customer accepts that the use of IVR is not the most secure method of accepting and transmitting information and that it involves security hazards and the risk of any loss of information or obtaining of information by any third party will be to his account and MCB-AH shall, in no way, be held responsible for the same and this shall not be considered as a breach of its or its constituent company.
3.6 Any Instructions given using the Customer's TPIN shall be deemed to be an Instruction received from the Customer and the Customer accepts sole responsibility for use, confidentiality and protection of the TPIN, as well as for all transactions made using such TPIN.
3.7 A Customer's access to Tele Bachat services will be disabled if a wrong TPIN or identification information is entered successively for 3 times or as decided by MCB-AH in its sole discretion from time to time.
3.8 To ensure that the Customer is alone able to access and give instructions, he must at all times:
(a) safeguard his TPIN and not disclose any details of his TPIN to anyone else (including to a member of MCB-AH staff);
(b) not record the TPIN in a way whereby it will be legible or accessible to any third party;
(c) preferably memorize the TPIN and then destroy any record of it;
(d) not allow anyone to operate the Tele Bachat services on his behalf;
(e) not leave any call unattended while he is using the Tele Bachat services; and
(f) undertake any other security measures which a person of reasonable prudence will follow/exercise to keep his most valuable articles/goods safe and ensure that the same are not misused.

4. **Service**
4.1 The Customer acknowledges that the price, rates, conditions and charges applicable for a Transaction shall be in accordance with the applicable Constitutive Documents and susceptible to change in accordance with the terms thereof.
4.2 The calculation of the NAV for redemption transactions will be done in accordance with the Constitutive Documents. **[Af Note: We should keep this provision short. What we can consider inserting is what if instructions are received after hours, they will be dealt with on the next day. Client to confirm]**
4.3 The Customer understands that MCB-AH may, at its absolute discretion, alter, suspend or terminate any of the Services completely or partially without any notice to the Customer and without assigning any reasons thereof.
4.4 The Tele Bachat services shall be provided by MCB-AH at the sole discretion of MCB-AH who reserves the right to add, revise, suspend in whole or in part any of the Services provided by it.

5. **Charges**
5.1 The Customer agrees that he may be charged transaction cost for using any Service, up to Rs. 25 per Transaction. However, MCB-AH may increase the transaction cost from time to time in consideration for the Services provided herein and will notify the same through its website.

6. **Liability**
6.1 MCB-AH shall have no obligation to verify the authenticity of any transaction/Instruction received or purported to have been received from the Customer other than by means of verification of the TPIN. The Customer understands that MCB-AH disclaims all and any liability, whether direct or indirect, whether arising out of loss of profit or otherwise arising out of any failure or inability by MCB-AH to honor any instruction from the Customer for whatsoever reason. The Customer understands and accepts that MCB-AH shall not be responsible for any of the risks. The Customer also accepts that MCB-AH has disclaimed all liability in respect of the said risks.
6.2 The Customer acknowledges that the Service is dependent on the infrastructure, connectivity and services provided by the telephone service providers and other factors. The Customer accepts that timeliness, accuracy and readability of SMS/alerts/information shall depend on factors affecting the telephone service providers. MCB-AH shall not be liable for non-delivery or delayed delivery of SMS/alerts/instructions/information, payments, error, loss or distortion in transmission of information and instructions to/from the Customer.
6.3 The Customer shall not interfere with, alter, amend, tamper with or misuse in any manner whatsoever the Tele Bachat services and in the event of any damage or loss due to improper or fraudulent use by the Customer, he / she shall be liable himself.
6.4 The technology for enabling the Services offered by MCB-AH using the Tele Bachat service can be affected by virus or other malicious, destructive or corrupting code, programme or interceptions. This could result in delays in the processing of Instructions or failure in the processing of instructions and other such failures and inabilities. The Customer shall not hold MCB-AH liable for any such instance.
6.5 The Customer understands and accepts that the offer price or redemption price of units of the Funds may change from time to time and that MCB-AH shall not be responsible or held liable for quoting or misquoting any price whatsoever.
6.6 The Customer acknowledges having read and understood these terms and conditions. The Customer accepts and agrees to be bound by these terms and conditions including those excluding MCB-AH's liability.
6.7 MCB-AH shall not be liable for any loss or damage to the Customer as a result of making or not making the Tele Bachat service available to the Customer, including direct, indirect, consequential or special loss, even if MCB-AH has been advised of the same.
Circumstances where MCB-AH will not be liable will include (but not be limited to):
(a) acting on instructions received by MCB-AH through the use of the TPIN;
(b) any reliance on financial information provided as part, or by means of, the Tele Bachat services; and
(c) loss or distortion of data during transmission or other faults in the telecommunication network or a network failure.

7. **Indemnity**
7.1 The Customer indemnifies and agrees to keep MCB-AH, including its officers, employees and agents, at all times saved, defended, harmless and indemnified from and against any and all loss, costs, outgoings, expenses, claims, actions, damages or consequences whatsoever on a full indemnity basis that they may suffer as a result of or in consequence of MCB-AH providing the Tele Bachat services.
7.2 In consideration of MCB-AH providing the Customer with the IVR Tele Bachat services, the Customer agrees to keep MCB-AH, its associated companies, their officers, employees, successors and assigns safe, harmless and indemnified from and against all actions, claims, demands, proceedings, loss, damages, costs, charges and expenses whatsoever which MCB-AH or its constituent companies may at any time incur, sustain, suffer or be put to as a consequence of or arising out of the Customer's use of the said Services.

8. **Governing Law**
8.1 The validity, construction and performance of these Terms and Conditions shall be governed by and be interpreted in accordance with the laws of the Pakistan.
8.2 In the event of any disputes between the Parties arising out of these terms and conditions or any matter related thereto, including as to the respective rights and liabilities of the Parties or the interpretation of the terms and conditions, the Parties shall refer the matter to arbitration by two arbitrators, one each appointed by both the parties and in the event of lack of consensus between the two arbitrators, the matter shall be referred to an umpire to be selected by the two arbitrators before the commencement of the reference. The joint decision of the arbitrators or the decision of the umpire, as the case may be, shall be final and binding upon both the Parties.
8.3 The arbitration shall be held in accordance with the Arbitration Act 1940, or any amendment or re-enactment thereof. The arbitrators as well as the umpire shall be the presidents or chief executive officers of a reputable bank or financial institution or a corporate brokerage house or an asset management company. The arbitration as aforesaid shall be a condition precedent to any action in a Court of law. The venue of arbitration shall be Karachi.

9. **Waiver**
9.1 No forbearance, delay or indulgence by MCB-AH in enforcing the provision of these Terms and Conditions between MCB-AH and the Customer shall prejudice or restrict the rights of MCB-AH nor shall any waiver of its rights in relation to a breach of these Terms and Conditions operate as a waiver of any subsequent breach and no right, power or remedy given to or reserved to the MCB-AH under the agreement is exclusive of any other right, power or remedy available to MCB-AH and each such right, power or remedy shall be cumulative.

10. **Severability**
10.1 If any provision of these Terms and conditions is held to be ineffective, unenforceable or illegal for any reason, such decision shall not affect the validity or enforceability of any or all of the remaining provisions of these Terms and conditions.

Investment Application Form

Bachat ka Doosra Naam

MCB-Arif Habib Savings

INVESTMENT FORM "B-1"

No. B-1/MA-0001

WE DO NOT ACCEPT CASH OR BLANK/BEARER CHEQUE

We would like to inform all our investors that the Management Company has a policy not to accept cash or blank/bearer cheques for investments in mutual funds managed by it. Investors are advised to prepare their payment instruments (crossed payees account cheques, pay-order or demand drafts) in favor of Trustee of respective mutual fund. The complete names of mutual funds and their types and classes of units are mentioned on the back side of the investment form as well as in their respective Offering Documents. Investors are also advised not to give cash to any person on behalf of mutual funds and always use plain Investment Form without any cutting or marking on it.

Date: **Please write in block letters using black ink**

1) Investor's Details

Title of Investor Account	
Investor Registration Number	**CNIC/NICOP/Passport No.**

2) Investment Details

Name of the Fund	Type of Units	Class of Units	Amount in Figures (Rs)	Amount in words
(a)				
(b)				
(c)				

Mode of Payment Please tick (✓) the appropriate box	**Cheque** ☐	**Payment order** ☐	**Demand Draft** ☐	**Bank Transfer** ☐	**Online Transfer** ☐
Drawn on (Bank and Branch Name)			**Instrument No.**		

Source(s) of Funds Please tick (✓) the appropriate box (multiple option can be selected)

For Individual Investor

Salary/Wages ☐ Business Income ☐ Savings ☐ Investment Income ☐
Commission ☐ Home Remittance ☐ Property Income ☐ Inheritance ☐
Gifts ☐ Retirement Benefits ☐ Others (please specify) _____

In case of Home Remittance, Inheritance and Gifts, please specify the name and relationship with the person from whom you are receiving funds for investments.

Name: _____ Relationship with the Investor: _____

For Institutional Investor

Income from operations ☐ Investment Income ☐ Property Income ☐ Charity/Donations ☐
Export proceeds ☐ Others (please specify) _____

Payment Frequency - In case of Income Units Only Please tick (✓) the appropriate box

Monthly ☐ Quarterly ☐
Semiannually ☐ Annually ☐

3) Declaration and Signatures

1. I/We, the undersigned, hereby declare that:
   (a) I/We have read and understood the relevant constitutive documents of the Fund in which I/We am/are investing. I/We understand that all investments in mutual funds are subject to market risk and the price of the Fund's units may go down resulting in loss of principal investment;
   (b) I/We understand that the Offer Price of the Fund's Units may include Front-end Load and could be higher than NAV price of the Units;
   (c) I/We understand that once the investment request has been received by the Investment Facilitator/Distributor, it cannot be cancelled; and
   (d) I/We understand that the Management Company of the Funds has the sole discretion to allocate/not to allocate Units of the Fund.
2. I/We, the undersigned hereby assure to the Management Company that the proceeds invested in the Fund are not derived from money laundering or illegal activities and the source(s) of funds declared in this Form is true and correct to the best of my/our knowledge and belief.

FOR INVESTMENT IN MCB PAKISTAN FREQUENT PAYOUT FUND (MCB-PFPF)

(a) I/We hereby acknowledge and understood that purchase, redemption, transfer, switching etc. in MCB-PFPF are only available during the first five Business days of every month.

Institutional Investor	Individual Investor	Attestation of Branch Manager and Witnesses shall be required only in case of Investor with unstable signature or thumb impression	
Company Stamp	**Principal Applicant's Signature / Left Hand Thumb Impression:**	**Attestation of Branch Manager**	**Witnesses (Adult Male Persons only)** Name: _____ CNIC: _____ Signature: _____ Name: _____ CNIC: _____ Signature: _____

Authorised Signatories / Joint Holder(s)	Signature(s)
(a) Name:	
(b) Name:	
(c) Name:	
(d) Name:	

4) Investment Facilitator / Distributor Details (For Official Use Only)

Distributor/Facilitator Name		**Code**		Distributor's Stamp with face value title
Branch Name		**City**		

5) Registrar Details (For Official Use Only)

Date and Time stamp on	**Form received by**	Name and Signature
	Date, Form and attachments verified by	Name and Signature
	Data input by	Name and Signature

MCB-Arif Habib Savings and Investments Limited

Head Office: 8th Floor, Techno City Corporate Tower, Hasrat Mohani Road, Karachi.
Bachat Center (Toll Free): 0800-622-24 (MCBAH), Fax: (+92-21)32276898, 32276908, URL: www.mcbah.com, Email: info@mcbah.com