

**NINTH SUPPLEMENTAL
TO THE
OFFERING DOCUMENT OF
ALHAMRA ISLAMIC MONEY MARKET FUND**

(Formerly: MCB Pakistan Frequent Payout Fund- MCB PFPF)

**MANAGED BY
MCB ARIF HABIB SAVINGS AND INVESTMENTS LIMITED**

Dated: November 17, 2020

This Ninth Supplemental dated November 17, 2020 to the Offering Document of Alhamra Islamic Money Market Fund (Formerly: MCB Pakistan Frequent Payout Fund-MCB PFPF) approved by the Securities and Exchange Commission of Pakistan (SECP) on September 15, 2015.

Managed by MCB Arif Habib Savings and Investments Limited, an Asset Management Company registered under the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003).

MCB Pakistan Frequent Payout Fund (the Fund/the Scheme/the Trust/the Unit Trust/MCB PFPF) has been established in Pakistan as an Open-ended unit trust scheme under the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the “Regulations”) and registered under the Trust Act 1882 (11 of 1882) by a Trust Deed dated July 22, 2015, entered into and between MCB Arif Habib Savings and Investments Limited, as the Management Company and the MCB Financial Services Limited, as the Trustee of the Scheme. Further, the Management Company has changed the category of the Fund after giving 30 days’ notice to the Unit Holder’s from Asset Allocation Scheme to Shariah Compliant Money Market Scheme and renamed as Alhamra Islamic Money Market Fund vide First Supplemental Trust Deed dated 17 July, 2020 under the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the “Regulations”) and registered under the Trust Act 1882 (11 of 1882).

Sub clauses 1.3 (A), 2.4(11), 2.5, 2.6, 4.2.1, 4.5.4(e), 4.5.1, 5.1, 5.3, 5.4, 5.5, 5.6, 5.7, 11.15, 11.71 and Annexure C to the Offering Document have been added/ amended/deleted and to read in their entirety as follows:

1. Addition of sub clause 1.3 (A) to the Offering Document:

Added text to be read as,

1.3 (A) Introduction to Alhamra Islamic Money Market Fund

Alhamra Islamic Money Market Fund is an Open Ended Shariah Compliant Money Market Scheme. The Fund has following features mentioned below:

- I. Dividend on daily basis will be distributed to the unit holder(s).
- II. Daily Dividend received by the Unit Holder(s) shall be REINVESTED.
- III. Dividend would be distributed to unit holders appearing in the unit holder register within cut-off time as mentioned in Annexure “C” on a daily basis.
- IV. For online Unit Holder(s), every day is a business day of the Fund.
- V. The Fund will work on Back ward pricing (knowing pricing) method.

2. Amendment in sub clause 2.4 (11) to the Offering Document:

Existing text:

2.4 (11) Distribution Risk:

The investor may be given monthly payment in lieu of Distribution from its own capital investment due to equity loss which results in loss per unit in that month. In order to maintain

the monthly stream of cash flows to the Unit Holder, monthly payment in this case would be done by redeeming the units of the unit holders on the basis of previous 6 months average rate of dividend distribution per unit. 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 unit holder.

Amended text:

Amended text to be read as:

2.4 (11) 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 unit holder. Unit holders who invest in a fund before distribution of dividends may be liable to pay tax even though they may not have earned any gain on their investment as return of capital to investors upon distribution is also taxable. Shariah non-compliance Risk - The risk associated with employing funds in investments that are not compliant with Shariah.

3 Amendment in sub clause 2.5 to the Offering Document:

Existing text:

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.

Amended text:

Amended text to be read as:

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. The portfolio of the Fund is subject to market risks and risks inherent in all such investments. Fund 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 profit rates.

4 Addition of sub clauses 2.6 to the Offering Document:

Added text to be read as:

2.6 Cleansing/Purification Process

A. Non-Shariah compliant Investment

This refers to the Shariah non-compliant investment made by the Fund Manager and any other shari'ah compliant investment which subsequently became Non-Shariah compliant. The said investment will be disposed of / withdrawn on priority basis. In the event, the disposal / withdrawal of the investment resulted in gain (through capital gain and/or dividend), the gain is to be channeled to any other charitable bodies as advised by the Shariah adviser. If the disposal/withdrawal of the investment resulted in losses to the Shariah-compliant funds, the losses are to be borne by the Fund Manager.

All costs incurred during the acquisition and disposal process, whether the investment has resulted in gain or losses, are to be borne by the Fund Manager.

B. Reclassification of Shariah Status of Investments For The Shariah-Compliant Funds

A security may be reclassified as Shari'ah non-compliant in the periodic review of the securities by the commission or any other relevant Islamic Shari'ah competent authorities. If the value of such Shariah non-compliant investment exceeds the original investment cost, such securities should be disposed as soon as practicable, which in any event such disposal should be done within one (01) month after the announcement day or receipt of such notice.

If the Shariah non-compliant investment is below the original investment cost, such securities is allowed to be kept until the total amount of dividends received and/or the market value/price equal the original investment costs. When the value of Shariah non-compliant investment equals the original investment cost, such securities should be disposed as soon as practicable, which in any event such disposal should be within 60 days.

5 Amendment in sub clause 4.2.1 to the Offering Document:

Existing text:

- 4.2.1 Growth Units are the Units in which the Unit value grows in line with the growth in the NAV, and the Unit Holders shall receive distribution income in the form of cash dividend and/or bonus units if any distribution announced by the Fund.

Growth Units shall be offered and issued to the investors of the Scheme with or without Front-end Load at the discretion of the Management Company. Current level of Front-end Load is mentioned in Annexure "B" to this Offering Document.

Amended text:

Amended text to be read as:

- 4.2.1 Growth Units are the Units in which the Unit value grows in line with the growth in the NAV, and the Unit Holders shall receive distribution income in the form of cash dividend and/or bonus

units if any distribution announced by the Fund. It will also include the unit issued against the reinvestment of daily dividends net of any applicable taxes.

Growth Units shall be offered and issued to the investors of the Scheme with or without Front-end Load at the discretion of the Management Company. Current level of Front-end Load is mentioned in Annexure "B" to this Offering Document.

6 Amendment in first paragraph of sub clause 4.5.2 to the Offering Document:

Existing text:

4.5.2 Account Opening Procedure

The procedure given below is designed for paper-based transactions. The Management Company has introduced electronic/Internet based options for opening of accounts for which SECP has already given approval via letter # SCD/AMCW/MCBAHSIL/496/2017 dated March 29, 2017.

Amended text:

Amended text to be read as:

4.5.2 The procedure given below is designed for paper-based transactions. The Management Company has introduced electronic/Internet based options for opening of accounts for which SECP has already given approval via letter # SCD/AMCW/MCBAHSIL/496/2017 dated March 29, 2017.

Further; paper based transaction will be available for 5 business day(s) from Monday to Friday except banking and gazette holiday(s) while for online Unit Holder(s) transaction will be available round the clock. Please refer Annexure "C" for cutoff timing of paper based and online transactions.

7 Amendment in sub clause 4.5.4 (e) to the Offering Document:

Existing text:

4.5.4 (e) The applicant must obtain a copy of the application signed and stamped by an authorized officer of the Distributor acknowledging the receipt of the application, copies of other documents prescribed herein and the demand-draft, pay-order, cheque or deposit slip as the case may be. Acknowledgement for applications and payment instruments can only be validly issued by Distributors.

Amended text:

Amended text to be read as:

4.5.4 (e) The applicant must obtain on their registered mobile number a SMS and/ or on registered email address an acknowledgment for the receipt of the application, other documents and the demand-

draft, pay-order, cheque or deposit slip, online investment as the case may be. However; applicant may ask to get the hardcopies of the same and in case where the applicant does not have registered mobile number and email address, the Management Company will send the acknowledgement through registered post at their registered home address. Further, the Management Company shall ensure to send an investment account statement to each unit/certificate holder on the registered mailing address and e mail address provided by the unit holder, as the case may be, 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.

8 Amendment in sub clause 5.1 to the Offering Document:

Existing text:

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.

Amended text:

Amended text to be read as:

Declaration of Dividend

The Fund on a daily basis shall distribute all net profit (after deducting all expenses of the Fund) as dividend and that dividend shall be re-invested after deducting applicable taxes. By distributing dividend on a daily basis, the Management Company shall ensure that total distribution in an Accounting period accumulates to an amount that is required under the tax laws and other regulations in force to be distributed and that may be beneficial for its Unit Holders. The Fund will comply with regulatory and taxation requirements and the distribution policy may be amended accordingly after intimation to Trustee and SECP.

Further, in order to avail relevant tax benefit for exemptions, the Fund can also distribute bonus on annual basis.

Further provided that dividend amount less than Rs. 0.01 shall not be taken into account and dividend shall not be entitled if holding in register of any unit-holder(s) is less than one unit.

In case during the financial year, NAV falls below Ex- NAV than the dividend distribution shall be stopped immediately till the NAV reaches Ex-NAV of the financial year. NAV at the end of Financial year shall be treated as EX-NAV for next financial year for dividend distribution. This means investment/redemption/conversions etc. is on EX-NAV.

Dividend will be distributed to the Unit Holder(s) appearing in the register within cutoff timing as mentioned in Annexure 'C' on a daily basis. Unit Holder(s) having discrepancies of any type will not be eligible for dividend distribution purposes unless all the discrepancies are removed.

Note: Daily dividend will generally appears into Unit Holder's Account on next working day of the Management Company.

9 Amendment in sub clause 5.3 to the Offering Document:

Existing text:

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 pledger's account after deducting applicable taxes and pledge shall be marked in favor of charge holder.

Amended text:

Amended text to be read as:

5.3 Payment of Dividend

All unit holders appearing in the register of Unit Holders will be entitled for dividend and the amount of dividend shall be reinvested at the ex-dividend NAV after deduction of all applicable taxes.

10 Amendment in sub clause 5.4 to the Offering Document:

Existing text:

5.4 Dispatch of Dividend Warrants/Advice

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

Amended text:

Amended text to be read as:

5.4 Dispatch of Dividend Warrants/Advice

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

11 Amendment in sub clause 5.5 to the Offering Document:**Existing text:****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 after deduction of all taxes. The Unit Holders shall be entitled to change such option.

Amended text:

Amended text to be read as:

5.5 Reinvestment of Dividend

Any cash dividend entitled to the unit holder shall be reinvested at the ex-dividend NAV after deduction of all applicable taxes.

12 Amendment in sub clause 5.6 to the Offering Document:**Existing text:****5.6 Bonus Units**

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

Amended text:

Amended text to be read as:

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.

13 Deletion of Sub clause 5.7 to the Offering Document:

Sub clause 5.7 stands deleted and Sub clause 5.8 be renumbered to 5.7.

14 Amendment in sub clause 11.15 to the Offering Document:

Existing text:

11.15 “Business Day” means any day on which Banks are open for business in Pakistan.

Amended text:

Amended text to be read as:

11.15 “Business Day” means every day in the financial year of the Fund; provided that physical forms will be accepted within cutoff timing from Monday to Friday except bank holiday(s) and gazette holiday(s).

15 Addition of sub clause 11.71 to the Offering Document:

Added text to be read as

11.71 “Working Day” means a business day from Monday to Friday other than banking and gazette holiday(s).

16 Amendment in Annexure ‘C’ to the Offering Document:

Existing text:

Annexure ‘C’

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

Note: Any change in the above-mentioned Cut-Off Timings/Business Hours including for the month of Ramadan shall be notified to the Unit-Holders through website of the Management Company.

Amended text:

Amended text to be read as:

Annexure C

- Cut off timing shall be observed at 11:59:59 pm for online investment/ redemption and conversion.
Provided that Cut off timing will be observed at 3:00 pm (Monday to Thursday) and 4:00pm (Friday) for online conversion of Backward pricing Fund(s).
- Cut off timing shall be observed at 3:00 pm (Monday to Thursday) and 4:00pm (Friday) for physical form investment/ redemption and conversion from Monday to Friday except banking holiday(s) *and gazette holiday(s)*.
- NAV Announcement of the Fund will be on **next working day** till 11:30 am

Note: *Any change in the above-mentioned Cut-Off Timings/Business Hours including for the month of Ramadan shall be notified to the Unit-Holders through website of the Management Company.*