

## **Fifth Supplemental Offering Document of MCB Pakistan Islamic Stock Fund**

**Managed by MCB – Arif Habib Savings and Investments Limited,  
An Asset Management Company**

**This Fifth Supplemental Offering Document dated September 20, 2016 to the Offering Document of MCB Pakistan Islamic Stock Fund (MCB PISF) was issued on November 11, 2010.**

**Managed by MCB Arif Habib Savings and Investments Limited , an Asset Management Company managing Collective Investment Schemes, registered with the Securities and Exchange Commission of Pakistan (SECP) and regulated under the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003),the Non-Banking Finance Companies and Notified Entities Regulations, 2008).**

The Pakistan Strategic Allocation Fund (the Fund/the Scheme/the Trust/the Unit Trust/PSAF) has been established in Pakistan as a Closed-end unit trust scheme by a Trust Deed dated May 26, 2004, entered into and between MCB Arif Habib Savings and Investments Limited , as the Management Company and the Central Depository Company of Pakistan Limited, as the Trustee. The Management Company for the benefit of Certificate Holders and pursuant to the Certificate Holder’s Resolution the Fund is converted to an Open-end Scheme Vide First Supplemental Trust Deed dated September 23, 2010 under the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the “Regulations”) and registered under the Trust Act 1882 (11 of 1882). Further, the Management Company for the benefit of Unit Holder’s has changed the category of the Fund after giving 90 days notice to the Unit Holder’s from Equity Scheme to Shariah Compliant Equity Scheme and renamed as MCB Pakistan Islamic Stock Fund vide Second Supplemental Trust Deed dated 13 March, 2015 under the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the “Regulations”) and registered under the Trust Act 1882 (11 of 1882).

The following sub-clause of the Offering Document with regard to Minimum Investment amount, amendment in exposure clauses, Addition of Bachat Units and amendment in Annexure ‘B’, to read in their entirety as follows:

**1. Deletion of Sub-clause 2.3(d)**

- Sub-clause 2.3(d) stands deleted.
- Existing sub-clause from 2.3(e) to 2.3(m) now renumbered as 2.3(d) to 2.3(l).

## **2. Amendment in Sub-clause 2.3 (e) now renumbered as 2.3(d)**

*Amended sub-clause shall be read as*

- 2.3(d) The investment in Shariah Compliant equity securities of a company shall not, at any time, exceed an amount equal to fifteen per cent (15%) of total Net Assets of the Scheme or fifteen per cent (15%) of the issued capital of that company, whichever is lower.

## **3. Amendment in Sub-clause 2.3 (g) now renumbered as 2.3(f)**

*Amended sub-clause shall be read as*

- 2.3(f) Where the Exposure of the Scheme exceeds the limits specified in (d) or (e) of this Clause because of corporate actions including taking up rights or bonus issue or due to market price increase or decrease in net assets the excess Exposure shall be regularized within four (4) months of the breach of limits.

## **4. Amendment in Sub-clause 4.2**

*Amended sub-clause shall be read as*

### **Types of Units -**

- (a) Type “A” Units are Units issued to all investors both individual and institutional investors whose units were converted from Closed End Fund to an Open End Fund.
- (b) Type “B” Units are Units offered and issued to both individual and institutional investors post conversion of the Scheme with or without Front-end Load and Transaction Cost at the discretion of the Management Company in accordance with the Front-end Load and Transaction Cost structure as per Annexure B. Current level of Front-end Load and Back-end Load and Transaction Cost are mentioned in Annexure "B" to this Offering Document.
- (c) **Type “C” (Bachat Units):** Bachat units are meant for those investors having long term investment prospect i.e. two years or more. Front End Load on the Bachat Unit Holders will not be applicable, however back end load as outlined in Annexure ‘B’ will be allowed if the investor redeems their investment before two years' time. Minimum and additional Investment for Bachat Units are Rs. 500/- and Rs. 500/- respectively.  
These Units will be entitled to get Bonus Units and/or Cash dividend whichever is announced by the Management Company.

### **Special Features:**

- a) Conversion of Bachat units to another type of units of all funds excluding Bachat units is allowed subject to Back end load. However, no back end load will be applicable on the Bachat Units converted after two years from

- the date of its initial investment. Front end load will be applicable as per OD of other schemes if conversion is made in any other type of units.
- b) Conversion of Bachat units is allowed in bachat units of other Funds without any Back end load.
  - c) Investment date in conversion cases shall remain the date of first investment in such type of unit in any Fund before any conversions were made.
  - d) In case there is a multiple investment at different dates, the redemption of bachat units would be based on FIFO method.
  - e) At the time of distribution, the dividend on Bachat Units would be reinvested in Type 'B' units after deduction of applicable taxes. Investor needs to make a request through Account Opening form or Special Request Form for reinvestment of dividend.

#### **5. Amendment in Sub-clause 4.5.5**

*Amended sub-clause shall be read as*

Initially Units shall be issued at Par Value of Rs 10 with a minimum investment size of Rs.500 (Rupees Five Hundred only) for Type 'B' and Bachat Units; thereafter the minimum amount for investment would be Rs. 500/- (Rupees Five Hundred only) for Type 'B' and Bachat Units 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.

#### **6. Amendment in Current Level of Front-end Load and Back End Load as specified in Annexure B to the Offering Document**

*Amended text to be read as*

##### **Current Level of Front End Load and Back End Load:**

Individual	Front end load is	3%
Corporate*	Front end load is	Nil

\*Corporate 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:

None

**Bachat Units**

- Front End Load Nil
- Back End Load 3% if redeemed before completion of two years from the date of initial investment.  
0% if redemption after completion of two years from the date of initial investment.

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.