

Risk Disclaimer:

All investments in mutual funds are subject to market risks. The value of your investment may go up or down based on market conditions. The investors are advised in their own interest to carefully read the contents of the Offering Document in particular the Investment Policy mentioned in Clause 4.2, Risk Disclosures in Clause 4.9, Warnings and Disclaimer in Clause 4.10 before making any investment decision.

OFFERING DOCUMENT

OF

MCB ISLAMIC INCOME FUND (MCB IIF)
Open-end Shariah Compliant (Islamic) Income Scheme

MANAGED BY
MCB ASSET MANAGEMENT COMPANY LIMITED

The Securities and Exchange Commission of Pakistan has sanctioned the Amalgamation of MCB Asset Management Company Limited with and into Arif Habib Investments Limited with effect from June 27, 2011. On and after this date, the merged entity will act as the Management Company of MCB Islamic Income Fund.

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**OFFERING DOCUMENT OF
MCB ISLAMIC INCOME FUND (MCB IIF)
(Open-end Shariah Compliant (Islamic) Income Scheme)**

MANAGED BY

MCB Asset Management Company Limited (MCB AMC)

[An NBFC licensed as an Asset Management Company and Investment Advisor under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (as amended)]

Date of Publication of this Offering Document – June 10, 2011

Initial Offering Period: June 16, 2011 to June 18, 2011 (both days inclusive)

This Offering Document contains necessary information for prospective investors to make an informed decision to invest in the Fund described herein. Prospective investors are advised in their own interest to carefully read the contents of this Offering Document and in particular the Risk Disclosure mentioned in Clause 4.9, and Warnings and Disclaimer in Clause 4.10 before investing. Investors may note that this Offering Document remains effective until a material change occurs and they should retain this Offering Document for future reference. Material changes shall be subject to prior approval from the Securities and Exchange Commission of Pakistan (SECP) and shall be circulated to all Investors or may be publicly notified by advertisements in the newspaper or through the website www.mcbamc.com.pk subject to the applicable provisions of the Trust Deed, the Rules and the Regulations.

Investors should realize that all investments involve risk. It should be clearly understood that the portfolio of MCB Islamic Income Fund (MCB IIF) is subject to market fluctuations and risks inherent in all such investments. The value of the Units in the Fund may appreciate as well as depreciate as well as the level of dividend declared by the Fund may go down as well as up.

If you have any doubt about the contents of this Offering Document, you should seek independent professional advice from your legal, financial and/or other professional adviser.

The particulars of this Fund under this Offering Document have been prepared in accordance with the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and filed with SECP. It must be distinctly understood that in giving this approval, SECP does not take any responsibility for the financial soundness of the Fund nor for the accuracy of any statement made or any opinion expressed in this Offering Document.

1. INTRODUCTION TO MCB ISLAMIC INCOME FUND

MCB Islamic Income Fund (hereinafter referred to as “MCB IIF”, or “the Scheme”, or “the Fund”, or “the Trust” or “the Unit Trust”) is an **Open-end Shariah Compliant (Islamic) Income Scheme** and has been established through a Trust Deed dated March 7th, 2011, entered into between MCB Asset Management Company Limited, as the Management Company and Central Depository Company of Pakistan Limited, as the Trustee and is registered under the Non-Banking Finance Companies and Notified Entities Regulations, 2008, as amended and replaced (the Regulations).

The provisions of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 as amended and replaced (the Rules), the Regulations, the Trust Deed and the Supplemental Trust Deed(s) govern this Offering Document. It sets forth information about MCB IIF that a prospective investor should know before investing in any Unit of the Scheme.

2. REGULATORY APPROVAL AND CONSENT

2.1 Approval of the Securities and Exchange Commission of Pakistan

The Securities and Exchange Commission of Pakistan (the SECP/the Commission) has registered MCB IIF as Notified Entity under the Regulation No. 44 of the Regulations vide letter No. NBFC/MF-RS/MCBIIF/2011/165 dated April 8th, 2011. The SECP has approved this Offering Document under the Regulation No. 54 of the Regulations vide its letter No. NBFC/MF-RS/MCBIIF/2011/272 dated June 10, 2011.

It must be distinctly understood that in giving this approval, the SECP does not take any responsibility for the financial soundness of the Fund nor for the accuracy of any statement made or any opinion expressed in this Offering Document.

The provisions of the Trust Deed, the Supplemental Trust Deed(s), the Rules and the Regulations govern this Offering Document. It sets forth information about the Fund that a prospective investor should know before investing in the Fund. Investor should realize that all investments in the Fund involve risk.

It should be clearly understood that the portfolio of the Fund consists of different Shariah Compliant fixed income securities that are subject to market fluctuations and risks inherent in all such investments. The value of the Units in the Fund may appreciate as well as depreciate as well as the level of dividend declared by the Fund may go down as well as up.

Prospective investors in their own interest are advised to seek independent professional advice from their legal, financial and/or professional adviser(s) before investing in the Fund.

2.2 Governing Law and Jurisdiction

- (a) The Trust Deed and this Offering Document of the MCB IIF shall be subject to and be governed by the Laws of Pakistan, including the Ordinance, the Rules, the Regulations and all other applicable laws, rules and regulations, as amended or replaced from time to time through circulars, notifications etc, and it shall be deemed for all purposes whatsoever that all the provisions required to be contained in a trust deed by the Rules and the Regulations are incorporated in the Trust Deed of the MCB IIF as a part and parcel thereof and in the event of

any conflict between the Trust Deed of the MCB IIF and the provisions required to be contained in a trust deed by the Rules, the Regulations and/or directives issued by the SECP through circulars, notifications etc, the latter shall supersede and prevail over the provisions contained in the Trust Deed of the MCB IIF unless the specific waivers have been obtained from the SECP.

- (b) In the event of any conflict between this Offering Document and the Trust Deed of the MCB IIF, the latter shall supersede and prevail over the provisions contained in this Offering Document. The Management Company, the Trustee and the MCB IIF shall be subject to the full compliance of the Rules, the Regulations, the Trust Deed and this Offering Document.
- (c) The Fund shall also be subject to the rules and regulations framed and circular issued by the State Bank of Pakistan and the SECP with regard to the foreign investments made by the Fund and investments made in the Fund from outside Pakistan in foreign currency.
- (d) The Investments made in offshore countries and the Bank Accounts and custodial services accounts that may be opened by the Trustee for the Fund in any offshore countries on the instructions of the Management Company may become subject to the laws of such countries.
- (e) Subject to the Arbitration clauses in Part 15 hereafter, applicable between the Management Company and the Trustee inter se, each party, including the Unit Holder(s) irrevocably submit to the exclusive jurisdiction of the Courts at Karachi, Pakistan.

2.3 Filing of the Offering Document

The Management Company has filed a copy of this Offering Document signed by the Chief Executive Officer along with the Trust Deed with the SECP. Certified copies of these documents along with documents as mentioned below can be inspected at the registered office of the Management Company or the place of business of the Trustee, at their addresses provided in the Clause 17.2 of this Offering Document.

- (a) Trust Deed of the Fund dated March 7th, 2011 between MCB Asset Management Company Limited (MCB AMC), as the establisher and the Management Company, and Central Depository Company of Pakistan Limited (CDC), as the Trustee;
- (b) SECP's letter No. NBFC-II/12/MCBAMC/AMS/07/2011 dated March 2nd, 2011 renewing the license of MCB AMC to carry out Asset Management Services together with the copy of the license;
- (c) SECP's letter No. NBFC-II/13/MCBAMC/AMS/06/2011 dated March 2nd, 2011 renewing license to MCB AMC to carry out Investment Advisory Services together with the copy of the license;
- (d) SECP's letter No NBFC/MF-RS/MCBIIF/2011/165 dated April 8th, 2011 registering the Fund as a Notified Entity and approving the MCB AMC to be the Management Company of the Fund;
- (e) SECP letter No. NBFC/MF-RS/MCBIIF/2011/50 dated January 25, 2011 approving the appointment of CDC as the trustee of the Fund;

- (f) SECP letter No. NBFC/MF-RS/MCBIIF/2011/48 dated January 25, 2011 approving the Trust Deed entered into between MCB Asset Management Company Limited, as the Management Company and Central Depository Company of Pakistan Limited, as the Trustee;
- (g) Letter No. C0440 dated February 2, 2011 from A.F.Ferguson & Co, Chartered Accountants, first statutory auditors of the MCB Islamic Income Fund consenting to act as auditors;
- (h) Letter No .MCB(AMC)-53/276/11/115 dated February 21, 2011 from Bawaney & Partners consenting to act as legal adviser of MCB Islamic Income Fund;
- (i) SECP letter No.NBFC/MF-RS/MCBIIF/2011/272 dated June 10, 2011, approving this Offering Document.
- (j) The Shariah Advisor has confirmed that the provisions of the Trust Deed and this Offering Document are in compliance with Shariah vide his letters dated 31 August 2010 and April 20, 2011 respectively.

3. CONSTITUTION OF THE SCHEME

3.1 Constitution

MCB IIF is an Open-end Shariah Compliant (Islamic) Income Scheme and has been constituted by a Trust Deed entered into at Karachi on March 7th, 2011 between:

MCB Asset Management Company Limited, an unlisted public limited company, incorporated under the Companies Ordinance, 1984 and licensed as a non-banking finance company to provide asset management services under the provisions of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (hereinafter referred to as the “**Rules**”), having its registered office at 8th Floor, Techno City Corporate Tower, Hasrat Mohani Road, Karachi (hereinafter called the “**Management Company**” which expression where the context so permits, shall include its successors in interest and assigns) of the one part; and

Central Depository Company of Pakistan Limited, an unlisted public limited company, incorporated under the Companies Ordinance, 1984, and registered to act as a central depository under Rule 4(3) of the Central Depository Companies (Establishment and Regulation) Rules, 1996, having its registered office at CDC House, 99-B, Block B, SMCHS, Main Shahrah-e-Faisal, Karachi (hereinafter called the “**Trustee**” which expression where the context so permits, shall include its successors in interest and assigns) of the other part.

3.2 Registered Address, Place and Date of Creation

The registered address of the MCB Asset Management Company Limited is 8th Floor, Techno City Corporate Tower, Hasrat Mohani Road, Karachi. The Trust was created on March 7th, 2011. The official website address of the MCB Asset Management Company Limited is www.mcbamc.com.pk.

3.3 Trust Deed binding on all parties

The terms and conditions of the Trust Deed including any Supplemental Trust Deed(s), made after getting prior approval of SECP, shall be binding on the Trustee, the Management Company and each

Unit Holder(s) as if he/she had been a party to it. Each Unit Holder shall be authorized to require the Trustee and the Management Company to do as required of them by the terms of the Trust Deed, the Rules and the Regulations.

3.4 Modification of Trust Deed

- (a) The Trustee and the Management Company, acting together and with the prior approval of SECP, shall be entitled by Supplemental Trust Deed(s) to modify, alter or add to the provisions of the Trust Deed in such manner and to such extent as they may consider expedient on any of the following grounds:
 - i) to the extent as may be required to ensure compliance with any applicable laws, any fiscal or statutory requirement and regulations or any amendment in the Rules and the Regulations;
 - ii) to enable the provisions of the Trust Deed to be more conveniently, efficiently or economically managed and implemented;
 - iii) to enable the Units to be dealt in or quoted on a Stock Exchange; or
 - iv) otherwise for the benefit of the Unit Holder(s).

Provided that in case of (ii), (iii) and (iv) above, such modification, alteration or addition shall not prejudice the interest of the Unit Holders and that in any event, it shall not operate to release the Trustee or the Management Company from any responsibility to the Unit Holder(s).

- (b) Where the Trust Deed has been altered or supplemented, the Management Company shall notify the same to the Unit Holder(s) immediately by advertising in the newspaper and either through mail or by posting on its website regarding such alteration/amendments.
- (c) The Management Company may, from time to time, with the consent of the Trustee frame policies and procedures for conducting the business of the Trust or in respect of any other matter incidental thereto; provided such policies and procedures are not inconsistent with the provisions of the Trust Deed, this Offering Document, the Rules and/or the Regulations.
- (d) If the SECP modifies the Rules and/or Regulations or issues any circular / notification / directive to allow any relaxations or exemptions, these shall be deemed to have been included in the Trust Deed without requiring any modification as such with an intimation to Shariah Advisor by the Management Company.

3.5 Modification of Offering Document

- (a) The Management Company with the consent of the Trustee and with the prior approval of the SECP shall be entitled by Supplemental Offering Document(s) to modify, alter or add to the provisions of the Offering Document for including different administrative arrangements and plans and for making alterations in various provisions contained in this Offering Document as may be legally permissible.
- (b) Where this Offering Document has been supplemented, the Management Company shall notify the same to the Unit Holder(s) immediately either through mail or by posting on its website regarding such alteration/amendments.

- (c) If the SECP modifies the Rules and/or Regulations or issues any circular / notification / directive to allow any relaxations or exemptions, these shall be deemed to have been included in this Offering Document without requiring any modification as such.

3.6 Scheme Structure

MCB IIF is an Open-end Shariah Compliant (Islamic) Income Scheme. It is divided into Units having Par Value of Rs. 100/- (Rupees One Hundred only) each.

3.7 Duration

The Duration of the Fund is perpetual. However, it can be wound up by the SECP or by the Management Company on the occurrence of certain events as stated in Part 16 of this Offering Document under the heading “**Revocation of the Scheme**”.

3.8 Core Investor

The Core Investors have subscribed to Core Units representing the seed capital of the Scheme aggregating to Rs. 100,000,000/- (Rupees One Hundred million only) out of which at least Rs. 50,000,000/- (Rupees Fifty million only) shall remain invested in Core Restricted (CR) units of the Scheme for at least two years from the close of Initial Offering Period and the remaining in Core Unrestricted (CU) Units . However, these Core Units are transferable subject to relevant rules and the regulations with the condition that these Core Units shall be taken up by a person who would hold the investment for the remaining time of the Duration. The Auditors’ Certificate on subscription money received from Core Investor is attached in Part 13 of this Offering Document. This seed capital was received on May 31, 2011.

The detail of Core Investor is as follows:

Name	Class of Units	Number of Units	Rupees
MCB Asset Management Company Limited	CR	500,000	50,000,000
MCB Asset Management Company Limited	CU	500,000	50,000,000
Total		1,000,000	100,000,000

The above Core Investor and the Pre-IPO Investors will be eligible to receive bank profit or equivalent additional Units (as per investor’s preference) on their investment from the date the funds are credited in the Scheme’s bank account till the start of the Initial Offering Period. The purpose of this is to ensure that all Unit Holders (Core Investor, Pre-IPO Investors and Initial Offering Period investors) are treated at par as far as their investments into the Scheme is concerned.

3.9 Units

- (a) The Fund shall offer and redeem Units on a continuous basis subject to terms and conditions contained herein and in the Trust Deed, the Rules and the Regulations. The Units shall be fully paid before they are issued. There is currently no maximum limit set on the Units to be issued to a single Person or on the total number of Units to be issued to the public. However, the Management Company may impose, from time to time, certain amounts of minimum and maximum monetary investment limits to facilitate economical, efficient and effective management of investors’ accounts. Fractional Units will be issued to enhance economical and efficient handling.

- (b) The liability of the Unit Holders shall be limited to the Offer Price payable by them for the Units purchased by them. The Unit Holders may redeem Units or fractions thereof for cash by redeeming from the Fund provided in case of fractions the number of Units redeemed is greater than one.
- (c) Units shall be issued in registered, un-certificated form and will be confirmed to investors by means of an Account Statement issued by the Management Company. Certificates representing Units will be issued only if so requested by the Unit Holder at the time of application or at any later stage and upon payment of a fee not exceeding Rs. 50/- per Certificate, subject to revision of this fee from time to time by the Management Company.
- (d) Units purchased or redeemed would be subject to Front-end Load or Back-end Load as specified in Annexure 'B' of this Offering Document as on the day the complete application for the purchase or redemption of Units is received by the Management Company. Units are also transferable.
- (e) Subject to the terms of the Trust Deed, all Units and fractions thereof represent an undivided share in the Fund and shall 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 Scheme, proportionate to the Units held by such Unit Holder and shall have such rights as are set out in the Trust Deed and this Offering Document.

3.10 Initial Offer and Initial Price

The initial offer shall be for three (3) days from June 16,2011 till June 18,2011 and during this period Class "A" and Class "B" Units only with or without Front-end Load shall be offered. During the Initial Offering Period, Units shall be offered at an Initial Price of Rs. 100/- (Rupees One Hundred only) each and Front-end Load may be charged according to the class of Units. The percentage of Front-end Load is mentioned in Annexure "B" to this Offering Document. The initial offer shall be made during the Initial Offering Period, which shall be for three (3) Business Days and will commence at the start of the banking hours on June 16,2011 and shall close at the end of banking hours on June 18,2011. During the Initial Offering Period, the Units shall not be redeemed.

3.11 Transaction in Units after Initial Offering Period

- (a) After the Initial Offering Period, the Units shall be issued and redeemed on Offer Price and Redemption Price determined on the basis of the Net Asset Value (NAV) of the Fund.
- (b) The Management Company shall announce and make available the Offer Price and Redemption Price as of the close of each Business Day, to the public through its website and at the designated offices of the Management Company within Cut-Off timings. The Management Company shall determine the Offer Price and Redemption Price in accordance with the Clause 6.12.3 and Clause 6.12.4 of this Offering Document respectively.
- (c) The Management Company may at some future time apply for the eligibility of Units of the Fund for trading through a depository organization such as the Central Depository Company of Pakistan Limited, after fulfilling applicable regulatory requirements. Any issue, redemption, transfer or transmittal of de-materialized eligible Units with the depository will take place according to the rules and regulations of the depository organization.

- (d) The Management Company may issue Bonus Units, but they shall be issued without Front-end Load, to the Unit Holders opting to receive Units in lieu of dividends.

3.12 Shariah Governance / Shariah Advisory Services

3.12.1 All activities of the Scheme shall be undertaken in accordance with the Islamic Shariah as per the guidelines given by the Shariah Advisor and the guidelines that may be specified by the SECP.

3.12.2 There are some activities that are unlawful in Shariah in which the Scheme cannot involve in. These activities include among others but are not limited to:

- i) Investment in riba based transactions; conventional insurance transaction, intoxicant, gambling, pornography, haram meat etc;
- ii) Taking interest-bearing deposits or raising interest-bearing loans; and
- iii) Any other activity/investment declared restricted/unlawful under Shariah by the Shariah Advisor.

3.12.3 The details of the Shariah Advisor are given in Clause 5.8 below.

4. INVESTMENT OBJECTIVES, INVESTMENT POLICY, PERFORMANCE BENCHMARK, RESTRICTIONS, RISK DISCLOSURE AND DISCLAIMER

4.1 Investment Objective

The investment objective of the Fund is to generate superior risk adjusted returns by investing in short, medium and long-term Shariah Compliant fixed income instruments.

4.2 Investment Policy

The Fund shall seek to provide the investors with a rate of return consistent with a broadly diversified portfolio of long, medium and short term, high quality Shariah Compliant fixed income instruments.

4.3 Authorized Investments

The Scheme shall invest in the following class of assets:

	Asset Class	Entity Rating	Instrument Rating	Exposure Limit (% of NAV)
1.	Shariah Compliant Government Securities with maturity equal to and greater than 90 days, where the maximum weighted average maturity in this category shall not exceed 7.5 years.	N/A	N/A	0 - 75%
2.	Shariah Compliant Government Securities of less than 90 days maturity and Cash in Bank Accounts (excluding term deposits)	A+	N/A	25 - 100%

	with licensed Islamic Banks and licensed Islamic Banking windows of conventional Banks			
3.	Spread Transactions as approved by the Shariah Advisor in eligible securities as declared by the Stock Exchanges and the SECP;	N/A	N/A	0 - 40%
4.	Secured and Unsecured (listed and/or privately placed) Sukuks	A+	A+	0 - 75%
5.	Shariah Compliant non-traded securities with maturity of <u>less than and equal to six (6) months</u> including but not limited to Bank Deposits with licensed Islamic Banks and licensed Islamic Banking windows of conventional Banks and Placement of funds under Mudarabah, Murabaha, Musharakahs, Istisna'a and Ijarah arrangements with banks, NBFCs, Mudarabahs and DFIs	A+	A+	0 - 75%
6.	Shariah Compliant non-traded securities with maturity exceeding six (6) months including but not limited to Bank Deposits with licensed Islamic Banks and licensed Islamic Banking windows of conventional Banks and Placement of funds under Mudarabah, Murabaha, Musharakahs, Istisna'a and Ijarah arrangements with banks, NBFCs, Mudarabahs and DFIs	A+	A+	0 - 15%
7.	Authorized investments in overseas markets including mutual funds. Overseas investments would be subject to prior approvals/guidelines of SECP and SBP.	A+	A+	0-30% (Subject to a cap of USD15 million)
8.	Any other Shariah Compliant instrument / securities that may be allowed by the SECP from time to time and is in accordance with the guidelines of Shariah Advisor of the Scheme.	A+	A+	As may be allowed by the Commission

4.4 Performance Benchmark

The performance of the Fund shall be compared against a benchmark based on average of the most recently published three-month profit rates of three Islamic Banks rated A and above.

4.5 Investment outside Pakistan

4.5.1 The Investments outside Pakistan shall be subject to prior approval from the SECP and SBP. These investments will enable the Scheme to diversify the risk as well as avail opportunities for higher returns in the markets that are undervalued. Such investments may be made up to thirty per cent (30%) of the Net Assets of the Scheme and are subject to a cap of USD 15 million.

- 4.5.2 In case the limit to international investment is exceeded, the Management Company shall regularize the excess within three (3) months of breach of the limit.
- 4.5.3 While investing internationally, the Fund Property shall not be placed in any investment that has the effect of unlimited liability to the Fund.
- 4.5.4 In making investments outside Pakistan, the currency of the investment shall be convertible currencies like US Dollar, Pound Sterling, Euro and Japanese Yen or any other currency. This condition however will be relaxed in those cases where the Management Company feels that there exists cost effective conversion mechanism to convert foreign currency in Pakistani currency or any other convertible currency. Provided however, the Base currency of the Scheme shall always be considered as Pakistani Rupee.
- 4.5.5 No more than fifty per cent (50%) of the allowable investment limit of overseas investments will be placed in any one country. Provided that where an investment is made in a mutual fund which makes investments in the different regions or countries of the world, the allowable limit of fifty per cent (50%) would be applicable in relation to the country in which investment is made by such fund and not in relation to the country of registration or incorporation of such fund or of its management company/investment adviser or of its trustee. The Management Company shall ensure compliance with this sub-clause at the time of making investment in overseas mutual funds.
- 4.5.6 Arrangements for international custody of securities where required will be made with reputable institutions and procedures will be agreed upon by the Trustee. The Management Company will make best efforts to minimize cost affiliated with international transactions so that the savings can be passed on to the Unit Holders.

4.6 Investment and Exposure Restrictions

- 4.6.1 The Scheme shall invest only in Authorized Investments as mentioned in Clause 4.3.
- 4.6.2 The Fund Property shall be subject to such exposure limits, investment restrictions, limitations and prohibitions as are provided under Regulations No. 55 and 58 of the Regulations or as amended by SECP through Regulations, circulars, notifications etc. from time to time
- 4.6.3 The investment in single issue of debt 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 that single issue, whichever is lower. In all other cases the exposure limit of ten per cent (10%) as specified in Regulation No. 55(5) of the Regulations shall prevail.

Provided that where the Exposure of the Scheme exceeds the limits specified above because of corporate actions or due to market price increase or decrease in Net Assets of the Scheme, the excess Exposure shall be regularized within three months of the breach of limits unless the said period of three months is extended by the Commission on an application by the Management Company.

- 4.6.4 The Management Company shall not invest more than twenty five per cent (25%) of total Net Assets of the Scheme in securities of any one sector as per classification of the stock exchange.
- 4.6.5 The Management Company, on behalf of the Scheme, shall not take Exposure of more than thirty five

- per cent (35%) of the Net Assets of the Scheme in any single group.
- 4.6.6 Group means persons having at least thirty percent (30%) common directors or thirty percent (30%) or more shareholding in any other company, as per publicly disclosed information.
- 4.6.7 The Management Company, on behalf of the Scheme, shall not take Exposure of more than ten per cent (10%) of the Net Assets of the Scheme in listed group companies of the Management Company and such Exposure shall only be made through the secondary market.
- 4.6.8 Exposure to Spreads transactions shall not exceed forty per cent (40%) of the Net Assets of the Scheme. The futures leg of the transaction will be executed as a promise to purchase or sell at a stated rate for a certain quantity executed on that particular day.
- 4.6.9 The Scheme shall invest at least twenty five per cent (25%) of the Net Assets in cash and near cash instruments which include cash in bank account (excluding TDRs) and Shariah Compliant Government Securities not exceeding ninety (90) days maturity. This minimum cash and near cash requirements shall be calculated on the basis of the average for each calendar month.
- 4.6.10 The Scheme shall not invest more than fifteen per cent (15%) of the Net Assets in non-traded securities including Bank Deposits, Certificates of Investments, Certificates of Musharakas and anything over six (6) months maturity which is not a marketable security.
- 4.6.11 Rating of any bank or DFI with which funds of the Scheme are placed shall not be lower than A+ (A Plus).
- 4.6.12 Rating of Shariah Compliant debt instruments in the portfolio of the Scheme shall not lower than A+ (A Plus).
- 4.6.13 Rating of any NBFC and Mudarabah with which funds of the Scheme are placed shall not be lower than A+ (A Plus).
- 4.6.14 Weighted Average Time to Maturity of Net Assets of the Scheme, inclusive of Government Securities, shall not exceed 7.5 years.
- 4.6.15 There shall be no restriction regarding time to maturity of any single asset and duration of a single security in the portfolio of the Scheme.
- 4.6.16 The Management Company on behalf of the Scheme shall not
- (a) invest in anything that is not authorized by the Shariah Advisor;
 - (b) enter in transactions with any broker that exceed thirty percent (30%) of the commission paid by the Scheme in any one accounting year. Transactions relating to money market instruments and debt securities do not fall under the ambit of this requirement;
 - (c) affect a short sale in a security whether listed or unlisted;
 - (d) purchase any security in a forward contract;
 - (e) purchase any security on margin;

- (f) apply any part of its assets to real estate, commodities or commodity contracts;
- (g) invest in securities of the Management Company;
- (h) issue a senior security which is either stock or represents indebtedness, without the prior written approval of the Commission;
- (i) apply for delisting from stock exchange, unless it has obtained prior written approval of the Commission;
- (j) invest in any security of a company, if:
 - i) any director or officer of the Management Company owns more than five per cent (5%) of the total amount of securities issued by that company; or
 - ii) the directors and officers of the Management Company collectively own more than ten per cent (10%) of those securities;
- (k) lend, assume, guarantee, endorse or otherwise become directly or contingently liable for or in connection with any obligation or indebtedness of any person.

Shariah Compliant sale and repurchase transactions involving Shariah Compliant securities stated as Authorized Investments in the Offering Document under an agreement and spread transaction through ready buy and future sale or CFS or replacement thereof which are protected by the clearing company and stock exchanges shall not be attracted by this clause provided risk management parameters are disclosed in the Offering Document of the Scheme;

- (l) sell units for consideration other than cash unless permitted by the Commission on the basis of structure and investment policy of the Scheme;
- (m) without obtaining prior approval of the Commission merge Collective Investment Schemes or acquire or take over any other Collective Investment Scheme;
- (n) invest the subscription money until the closure of public offer of shares or certificates;
- (o) take Exposure in any other Collective Investment Scheme, except for overseas investment;

4.6.17 No netting off transaction (adjustment of assets of the Scheme against the investment of Unit Holders) is allowed within the Scheme.

4.6.18 The Management Company shall not undertake brokerage services on the Stock Exchanges or in the Money Market.

4.6.19 The Management Company shall not rollover the investments, if the borrowing limits have already been exhausted by the Scheme or redemptions are pending for more than six (6) Business Days.

4.7 Borrowing and Borrowing Restrictions

4.7.1 Subject to requirements of Regulation No. 58(1)(k), the Management Company may borrow for meeting redemption requests only and in a manner advised by the Shariah Advisor.

- 4.7.2 The charges payable to any bank or financial institution by the Scheme against such financing on account of the Scheme as permissible under Clause 4.7.1 above shall not be higher than the normal prevailing bank charges or normal market rates for similar service and/or facility. Such financing arrangements shall be in strict conformity with the rules of Islamic Shariah, as advised by the Shariah Advisor of the Scheme.
- 4.7.3 The maximum borrowing for the account of the Scheme shall not exceed fifteen (15) percent of the total Net Asset Value at the time of borrowing of the Scheme or such other limit as may be provided in the Regulations and shall be repayable within a period of ninety days. If subsequent to such borrowing, the Net Assets are reduced as a result of depreciation in the market value of the Fund Property or redemption of Units, the Management Company shall not be under any obligation to reduce such borrowing.
- 4.7.4 Neither the Trustee, nor the Management Company shall be required to issue any guarantee or provide security over their own assets for securing such borrowings from banks and financial institutions. The Trustee or the Management Company or their officers shall not in any manner be liable in their personal capacities for repayment of such loans or advances.
- 4.7.5 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 a part of the Fund 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.
- 4.7.6 Neither the Trustee nor the Management Company shall incur any liability by reason of any loss to the Scheme or any loss that Unit Holder(s) may suffer by reason of any depletion in the Net Asset Value that may result from any borrowing arrangement made hereunder in good faith.

4.8 Restriction on Transactions with Connected Persons

- 4.8.1 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 from, or sell any securities to any connected person or employee of the Management Company:

Explanation: The above shall not apply to the issue, sale or redemption of units issued by the Scheme.

- 4.8.2 Where cash forming part of assets of the Scheme is deposited with the trustee or the custodian that is a banking company or an NBFC, a return on the deposit shall be paid by such trustee or custodian at a rate that is not lower than the rate offered by the said banking company or NBFC to its other depositors on deposits of similar amount and maturity.
- 4.8.3 All transactions with connected persons carried out by the Management Company on behalf of the Scheme shall be in accordance with the provisions of the Constitutive Documents and shall be disclosed in the annual report of the Scheme.

4.9 Risk Disclosure

Investors should realize that all investments in mutual funds and securities involve risk. It should be clearly understood that the portfolio of the MCB IIF is subject to market fluctuations and other risks inherent in all such investments. The value of the Units in MCB IIF may appreciate as well as depreciate as well as the level of dividend declared by MCB IIF

may go down as well as up. Past performance does not necessarily indicate future performance. Therefore, before you invest in MCB IIF you should carefully evaluate the risks.

Some of the factors which add to the risk of MCB IIF include but are not limited to the following factors:

- (a) **Credit Risk** – The risk that a security’s issuer or the counter party may not meet its obligation in full and/or on time to pay profit and repay capital or other financial obligations.

The Management Company shall help mitigate this risk by continuously reviewing the market conditions and shall also consider individual credit risks but it should be understood that market value of fixed-income instruments will fluctuate with change in rate/markup levels. Credit risk in MCB IIF will also be further mitigated as the minimum credit rating threshold is A+ (A Plus).

Credit risk is comprised of default risk; credit spread risk and downgrade risk:

- i) **Default risk** is the risk that the issuer of the security will not be able to pay the obligation, either on time or at all.
 - ii) **Credit spread risk** is the risk that there will be an increase in the difference between the return rate of an issuer’s bond and the return rate of a bond that is considered to have little associated risk (such as a government guaranteed bond or treasury bill). The difference between these return 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 fixed income securities including money market instruments.
 - iii) **Downgrade risk** is the risk that a credit rating agency, such as PACRA or JCR-VIS or any other reputed international credit rating agency will reduce the credit rating of an issuer’s securities. Downgrades in credit rating will decrease the value of those fixed income securities including money market instruments.
- (b) **Market Risk** – The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market rates or prices resulting in a loss to earnings and capital. The prices of and the income generated by the securities held by the Fund may decline in response to certain events, including those directly involving the companies whose securities are owned by the Fund, general economic and market conditions, regional or global economic instability or currency and rate/markup fluctuations.
- (c) **Performance Risk** – Performance risk is the uncertainty relating to the performance of the Fund with respect to its ability to earn superior risk adjusted returns as outline in its investment objective. The NAV of the Fund might go down.
- (d) **Liquidity Risk** – Some companies have limited market float of their issued securities due to which these securities are not actively traded in the financial markets. Securities issued by such companies may be difficult to buy or sell, which may cause the value of the Funds that buy these securities to rise and fall substantially because any buying or selling of such company’s securities may have a great impact on that company’s security price.

- (e) **Concentration Risk** – Any significant transaction made by any investor could significantly impact a Fund’s cash flow. If the third party buys large amounts of Units of the Fund, the Fund could temporarily have a high cash balance. Conversely, if the third party redeems large amounts of Units of the Fund, the Fund may be required to fund the redemption by selling securities at an inopportune time. This unexpected sale may have a negative impact on the performance of the investment.
- (f) **Interest Rate Risk** – A rise in interest rates during the investment period may result in reduced prices of the held securities, thus reducing the overall return in terms of opportunity cost. Fixed income securities including money market instruments generally pay a fixed rate of coupon/mark-up. The value of the Fund, due to its holdings in these securities including money market instruments, will rise and fall as market interest rates change. For example, when interest rates fall, the value of an existing bond will rise because the coupon rate on that bond is greater than prevailing return/mark-up rates and vice versa.
- (g) **Government Regulation Risk** – Government policies or regulations are more prevalent in some sectors than in others. Funds that invest in these sectors may be affected due to change in these regulations or policies, which directly or indirectly affect the earnings and/or the cash flows and/or any governmental or court orders restraining payment of capital, principal or income.
- (h) **Sovereign Risk** – Payment of debt securities may be effected by the economic and political events in the country of the relevant issuer. The occurrence of a sovereign risk event could result in the loss of all or a portion of the principal invested, as a result of any economic or political circumstance.
- (i) **Exchange Rate Risk** – It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Fund’s Investments in overseas markets will be subject to currency risk and are here-in-after referred to as foreign currency investments. Foreign currency investments shall be made after obtaining the prior approvals of the Securities and Exchange Commission of Pakistan (SECP) and the State Bank of Pakistan (SBP). Foreign exchange positions limits shall be devised to monitor exposure in individual currencies.
- (j) **Other Risks Involved** – Mismanagement of the investee company, third party liability whether through class action or otherwise or occurrence of other events such as strikes, fraud etc., in the company in which the investment is made or a breakdown of law and order, war, terrorist activity, natural disasters etc, senior rights of creditors over the shareholders in the case of winding up, break-down of communication systems of the issuers, stock exchanges or general disruptions of satellite system.
- (k) **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 month Fund Manager Report as per the format prescribed by Mutual Funds Association of Pakistan (MUFAP) will be available on the website of the**

Management Company (www.mcbamc.com.pk) and can be obtained by calling/writing to the Management Company.

4.10 Warnings and Disclaimer

- (a) If you are in any doubt about the contents of this Offering Document, you should consult your legal, financial and/or other professional adviser.
- (b) The price of the Units and the income from them (in case income is distributed) may increase or decrease.
- (c) It should be noted that the Units of the Scheme are not bank deposits and are neither issued by, insured by, obligations of, nor otherwise supported by the SECP, the Stock Exchanges, any Government agency, the Trustee, the Management Company, any of the sponsors, affiliates, shareholders or employees of the Management Company, any of the Core or Pre-IPO Investors of the Fund or any other Bank or Financial Institution.
- (d) Investment in this Fund is suitable for investors who have the ability to take the risks associated with financial and other market investments whether listed or otherwise. Capital invested in the financial markets could in extreme circumstances lose its entire value. The historical performance of this Fund or any similar fund managed by the Management Company, the financial and other markets, or that of any one security or transaction included in the Fund's portfolio will not necessarily indicate future performance.
- (e) The portfolio of the MCB IIF is subject to market risks and risks inherent in all such investments. The target return or dividend range for the MCB IIF cannot be guaranteed. The Unit price of the MCB IIF after Initial Offer Period is not guaranteed. It is based on the NAV that may go up or down depending upon the factors and forces affecting the financial markets.
- (f) The Scheme may also invest outside Pakistan and such investments outside Pakistan may be exposed to certain additional risk including political, economic and exchange rate risks that may reduce the value of the investments. However, studies show that diversifying internationally would tend to reduce the overall volatility of a portfolio and thus may reduce risks for investors.

Investors are requested to read the Risk Disclosure and Warnings and Disclaimer as mentioned in Clause No. 4.9 and Clause No. 4.10 of this Offering Document.

5. OPERATORS AND PRINCIPALS

5.1 Management Company – MCB Asset Management Company Limited

a) Organization

MCB Asset Management Company Limited (MCB AMC / the Management Company), is a public limited unlisted company and a wholly owned subsidiary of MCB Bank Limited. MCB AMC was incorporated in September 2005 with a paid-up capital of Rs. 300 million and has been licensed by the SECP to undertake asset management and investment advisory services

under the Rule No. 5 of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003.

The Assets Under Management (AUM) of MCB AMC as at January 31, 2011 of Rs. 16,769 million and is currently managing five (5) open-end schemes as of the date of this Offering Document. The Asset Managers Rating of MCB AMC is AM2- (AM Two Minus) with positive outlook assigned by Pakistan Credit Rating Agency Limited (PACRA)..

b) Vision Statement

To develop trustworthy relationships with our investors by working closely with them to understand their financial requirements and help them in achieving their long-term objectives and short-term needs through our fund management services.

c) Mission Statement

To achieve leadership position in the asset management industry by offering an innovative and extensive portfolio of investment products. We aim to provide superior returns to our clients and help them manage their money more efficiently through our dedicated professional staff, extensive distribution network and state of the art technology platform.

d) Shareholding Pattern

Name of the Shareholder	Number of Shares	Amount in Rupees
MCB Bank Limited	29,998,000	299,980,000
Mian Umer Mansha	1,000	10,000
Yasir Qadri	1,000	10,000
Total	30,000,000	300,000,000

5.2 Board Of Directors

5.2.1 Board Of Directors - Synopsis

Name	Occupation and Address	Position	Other Directorships
Mian Mohammad Mansha	Industrialist 28, Main Gulberg, Lahore	Chairman / Director	<ul style="list-style-type: none"> ▪ MCB Bank Limited ▪ Engineering Management Foundation (Foundation for Advancement of Engineering & Advanced Technologies - FAST) ▪ Board of Investment, Government of Pakistan ▪ Shalamar Medical & Dental College ▪ Punjab Coal Mining Company ▪ Punjab Board of Investment & Trade (PBIT)

Name	Occupation and Address	Position	Other Directorships
Mr. Ali Munir	Banker 39, Gulberg V, Lahore	Director	<ul style="list-style-type: none"> ▪ Hub Power Company Limited ▪ Muslim Commercial Financial Services (Private) Limited ▪ MNET Services (Private) Limited ▪ Adamjee Insurance Company Limited
Mr. Muhammad Usman Ali Usmani	Banker H.#. 32/1, Khayaban-e-Hilal, Defence, Karachi	Director	<ul style="list-style-type: none"> ▪ MCB Bank Limited ▪ MCB TRADE SERVICES LIMITED ▪ MNET SERVICES (PVT.) LIMITED ▪ First Women Bank Limited.(MCB Nominee) ▪ Muslim Commercial Financial Services (Private) Limited
Mr. Ahmed Jahangir	Service House No. 80 H Block, Model Town, Lahore	Director	None
Syed Waliullah Shah	Service B-94, Block-3, Gulshan-e-Iqbal, Karachi	Director	<ul style="list-style-type: none"> ▪ Siddiqsons Tinplate Limited
Mr. Haroun Rashid	Service A-15, Nisar Road, The Cantonment, Lahore	Director	<ul style="list-style-type: none"> ▪ Pakistan Cables Ltd ▪ Heritage Developments. ▪ Public Procurement Regulatory Authority. ▪ Rashid Poultry
Mr. Samir Saigol	Service 45, FCC, Gulberg III, Lahore.	Director	<ul style="list-style-type: none"> ▪ National Container (Pvt.) Limited. ▪ Azam Textile Mill Ltd ▪ Saritow Spinning Mills Ltd
Mr. Ismail Arif Rafi	H # 97/A, Block B, Ghalib Market, Gulberg 2, Lahore	Director	None
Mr. Yasir Qadri	Fund Management 12/II, Phase IV, Main Gizri Avenue, DHA, Karachi	Chief Executive Officer	Mutual Fund Association of Pakistan (MUFAP)

5.2.2 Board Of Directors - Particulars

Mian Muhammad Mansha – Chairman

Mr. Mansha is a successful entrepreneur and has been conferred the Civil Award “Sitara-e-Imtiaz” in recognition of his contributions towards industrial development of the country by the Government of Pakistan. Under his leadership the Nishat Group has grown from a cotton export house into a premier business group of Pakistan. For over a decade, the Nishat Group has been the largest exporter of textile products in Pakistan. The Nishat Group diversified into Cement manufacturing, Banking, and Insurance when under Mr. Mansha’s guidance the group ventured into DG Khan Cement, MCB Bank and Adamjee Insurance.

Mr. Mansha is affiliated with Babson College (MA, USA) as a member of their International Advisory Board, the National Management Foundation as a member of Board of Governors. He serves as a Trustee of Government College of Faisalabad and Textile College of Faisalabad. Previously he has been the President of All Pakistan Textile Manufacturers Association (APTMA) and APTMA Punjab.

Mr. Ali Munir – Director

Mr. Munir needs no introduction in the Banking circles, with over 40 years of practical experience. A Lawyer and Chartered Accountant from England, by qualification, Mr. Munir was also a Member of the Securities Association of England (SFA), and of the Investment Management Regulatory Organization (IMRO) in England. Mr. Munir, is one of the leading bankers of Pakistan, he has worked with the Citibank for many years. He has been awarded Muzzafar Memorial Medal by the State Bank of Pakistan in 2005 for contribution to the banking industry in Pakistan. At MCB Bank Limited Mr. Munir’s responsibilities have included Information Technology, Operations, Financial Control, Cash Management, and Corporate Affairs. In addition to the foregoing, Mr. Munir, has been a member of various Committees of the Government, including Task Force on Real Estate Investment Trust (REITs), National E-Government Council, Sub Committee of Pakistan Banks Association on Accounting, Finance & Taxation, Task Force on elimination of Riba. Further, Mr. Munir has also served as Chairman of Sub-Committee of State Bank of Pakistan on Islamic Banking, Pakistan Banks Association Sub Committee on Accounting & Taxation, Sub-committee of State Bank of Pakistan on revision of National Agricultural Credit Scheme, Sub Committee of State Bank of Pakistan on branch rationalization of five large banks.

Mr. Mohammad Usman Ali Usmani – Director

Mr. Usmani has a vast experience in the banking industry especially on the treasury, FX and capital market side. He is currently serving as President of MCB Bank Limited. Prior to joining this group, he was serving Deutsche Bank as the Head of treasury and global markets.

He has been associated with different international banks during his distinctive professional career. He has held various senior positions at American Express Bank, Pakistan during his 30 year long association.

Mr. Usmani holds a Bachelors degree in Economics from the University of Karachi.

Mr. Ahmed Jahangir – Director

Mr. Jahangir has vast experience in the entire chain of the textile business along with investment banking management. He has served as the head of Home Textile Business Unit at Nishat Mills Limited. Prior to this, he served as the Director Marketing of Taj Textile Mills Limited where he looked after the international marketing of yarn, fabric and home textile made ups.

He also served as a director of Fidelity Investment Bank Limited where he was involved in its turnaround and eventual sale to the Crescent Group. He also oversaw the creation of the group's corporate equity brokerage business.

Mr. Jahangir earned his MBA degree from Lahore University of Management Sciences (LUMS) and BBA from Boston University, USA.

Mr. Waliullah Shah - Director

Mr. Shah holds M. Com degree and is a DAIBP. He is a Director of Siddiqsons Tinplate Ltd. Prior to joining the Siddiqsons Group, he held significant banking positions with institutions such as Habib Bank, Trust Bank in Nairobi and Finance Bank Zambia in various countries such as Sri Lanka, Swaziland, Kenya and Zambia. He is an experienced professional and brings with him extensive knowledge and experience to MCB AMC.

Mr. Haroun Rashid - Director

Mr. Haroun Rashid is a Fellow Member of the Institute of Chartered Accountants in England & Wales and has been a Registered Investment Advisor and Securities Dealer with the Hong Kong Securities Commission. Mr. Haroun brings with him diversified experience in the financial, manufacturing and service sectors. He has served on the Board's of various public companies, Banks and Financial Institutions both internationally and in Pakistan. In addition to the foregoing, Mr. Haroun has been a Speaker at several local as well as international conferences and seminars including Institutional Investor Asia – Pacific International Finance Seminar in Manila, Civil Services Academy Seminar on Non-Repatriable Investment Scheme and National Institute of Public Administration Advanced Course in Public Sector Management in Lahore. His current Board appointments include, among others, Directorship of Public Procurement Regulatory Authority, the Government of Pakistan's watchdog body for ensuring fairness and transparency in public sector procurements.

Mr. Samir Saigol - Director

Mr. Samir Saigol is Master of Business Administration from Wharton School, University of Pennsylvania, USA. He has been performing as Chief Operating Officer of the Textile Division of Saigol Group of Companies. As Chief Operating Officer he is managing two textile companies involve in yarn spinning and a Captive Power Plant which produces and sells power to the National Grid.”

Mr. Ismail Arif Rafi - Director

Mr. Ismail with a vast experience in the whole chain of the textile business including experience in commodity ready and derivative markets holds the position of Executive Director, Head of Procurement and Sales at Amin Textile Mills (Pvt) Limited (ATML) since 1998. He is responsible for the overall operations of ATML ensuring efficient and undisturbed production cycles, and constant review and monitoring of the infrastructure, implementing changes and upgrades wherever required. His current assignment with ATML also includes tracking of movements in the grains markets as well as cotton market futures traded in New York to get a better picture of the trends developing in future markets for timely procurement and sales action. Additionally, he has experience in analyzing global commodity demand/ supply scenarios having strong view on global economic indicators and global trade figures.

Mr. Ismail has earned BBA and MBA degrees from the Babson College, MA, United States of America and Lahore University of Management Sciences (LUMS) respectively.

Mr. Yasir Qadri - Chief Executive Officer

Mr. Qadri currently serves as the CEO of MCB Asset Management, a position he has held for over two years. Prior to his current assignment he served as the Chief Operating Officer of the company. Prior to MCB he was at Arif Habib Investments looking after Business Development and HR and sat on investment committees of both fixed income and equity funds. Mr. Qadri left Arif Habib Investments as Senior Executive Vice President after having spent about six years with the company.

Mr. Qadri also worked in marketing research and communication and has a total experience of 12 years. Mr. Qadri also sat on the Board of Mutual Funds Association of Pakistan (MUFAP) and has also served as a member on Council of the Pakistan Advertisers Society (PAS). He has also actively served on various pan industry committees as member and Chairman. Mr. Qadri is also a regular speaker in seminars and conferences on industry issues. He has also been associated as visiting faculty for graduate and undergraduate classes with leading educational institutions of the country. He currently serves on the consultative group for capital markets set up by SECP.

Mr. Qadri earned his BBA and MBA degree from University of Central Oklahoma.

5.2.3 Performance of Public Listed Companies where the Directors are holding similar office

		2010	2009	2008	2007	2006
Hub Power Company Limited	Profit after tax (Rs. 'mn)	5,556	3,781	2,601	2,654	2,768
	EPS (Rs.)	4.80	3.27	2.25	2.29	2.39
	Payouts	50%	33.5%	27.5%	30.9%	38.4%
	Shareholders' Equity (Rs. mn)	29,881	29,532	28,470	29,052	29,985
	Book value per share (Rs.)	25.82	25.52	24.60	25.06	25.89
MCB Bank Limited		2010	2009	2008	2007	2006
	Profit after tax (Rs. 'mn)	16,873	15,495	15,374	15,266	12,142
	EPS (Rs.)	22.20	22.42	24.47	24.30	23.40
	Payouts	115% 10%B	110% 10%B	125% 10%B	125%	87% 15%B
	Shareholders' Equity (Rs. 'mn)	79,204	69,740	58,436	55,120	40,845
	Book value per share (Rs.)	104.19	100.9	93.01	83.73	78.71
Siddiqsons Timplat Limited		2010	2009	2008	2007	2006
	Profit after tax (Rs. 'mn)	38	(125)	169	249	340
	EPS (Rs.)	0.49	(1.59)	2.15	3.17	4.33

	Payouts	7.5 %	10%	15%	15%	10%
	Shareholders' Equity (Rs. 'mn)	1,257	1,431	1,674	1,623	1,590
	Book value per share (Rs.)	16.00	18.22	21.32	20.66	20.24
Adamjee Insurance Company Limited		2010	2009	2008	2007	2006
	Profit after tax (Rs. mn)		2,434	1,099	4,201	1,577
	EPS (Rs.)		21.65	10.75	41.09	15.43
	Payouts		40%	30%	33%	21%, 19.2%B
	Shareholders' Equity (Rs.mn)		10,609	8,444	7,652	3,788
	Book value per share (Rs.)		94.33	82.59	74.85	37.05
		2010	2009	2008	2007	2006
Azam Textile Mill Ltd	Profit after tax (Rs. mn)		(33.80 5)	(23.3 56)	3,476	(0.818)
	EPS (Rs.)		(2.55)	(1.76)	0.26	(0.06)
	Payouts		-	-		
	Shareholders' Equity (Rs.mn)		(87.65 5)	(65.2 23)	(51.48)	(83.894)
	Book value per share (Rs.)		(6.6)	(4.91)	(3.88)	(5.09)
		2010	2009	2008	2007	2006
Saritow Spinning Mills Ltd	Profit after tax (Rs. mn)	48.14 7	(26)	16.45 4	3,765	5,298
	EPS (Rs.)	3.63	(1.96)	1.24	0.28	0.4
	Payouts					
	Shareholders' Equity (Rs.mn)	50.75 6	1,454	55.25 4	38,394	32,503
	Book value per share (Rs.)	3.82	0.11	4.16	2.89	2.45

Source: Annual reports, KSE Quotations

5.3 Profile of the Key Management Executive

Mr. Yasir Qadri
Chief Executive Officer

Please see background as explained above in Clause 5.2.2 - “**Board of Directors - Particulars**”.

Mr. Muhammad Faisal Malik
Head of Sales & Marketing

With ten years of experience, Mr. Malik is an innovative, results-driven Head of Sales & Marketing with a track record of identifying and capturing new market sectors in the asset management industry to realize exponential revenue growth. Prior to joining MCB Asset Management he was the Head of Strategy & Business Development with NAFA. He also served as SVP - Head of Mutual Funds Distribution and Portfolio Management with IGI Investment Bank Ltd., where he successfully founded and established one of the most successful mutual fund distributions in the

country. He was also the Head of Marketing for UBL Fund Managers (Formerly United Asset Management Ltd). He has also worked as Market Development Officer with Engro Asahi Polymer and Chemicals Ltd and as Assistant Manager with Small and Medium Enterprises Development Authority (SMEDA). With proven success Mr. Faisal is an MBA, MS in Manufacturing Engineering, and BE in Mechanical Engineering.

Mr. Kashif Rafi
SVP - Investments

Mr. Rafi having vast experience in fixed income funds is currently looking after income and cash fund along with fixed income portion of asset allocation fund.

He began his career with BMA Capital Management in May 2001 and contributed his services for 1-1/2 years as a money market dealer. He then joined Security Leasing Corporation Ltd, in November 2002 for a short period as Treasury Manager. Soon he was associated with Arif Habib Investment Management Limited as Vice President, Fixed Income Funds, and on account of proficiency in his field was promoted to SVP & Head of Fixed Income Funds. He then joined JS Investments Limited as SVP, Investments in May 2007 and successfully managed a wide variety of SMA's and funds including income, money market, aggressive income, index tracker, balanced, fund of funds and capital protected funds.

Mr. Rafi has earned an MBA in Finance from Institute of Business Administration, Karachi and cleared CA Foundation from the Institute of Chartered Accountants of Pakistan (ICAP). He has also cleared CFA Level 1 from CFA Institute.

Mr. Muhammad Saqib Saleem
CFO & Company Secretary

Mr. Saleem is an Associate member of the Institute of Chartered Accountants of Pakistan. He has over nine years of working experience which includes over five 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 MCB Asset Management Company Limited, Mr. Saleem was heading the Internal Audit Department of Atlas Asset Management Limited which includes Risk Management and Compliance. Mr. Saleem is serving as CFO and Company Secretary of MCB Asset Management Company Limited. He is responsible for supervising and monitoring all accounts and finance functions and related reporting requirement, liaising with the Board of Directors, regulatory authorities, auditors and tax consultants and ensuring compliance with the Companies Ordinance, NBFC Rules, and all other relevant laws and regulations. He has served couple of times as member on the Professional Committees constituted by Mutual Fund Association of Pakistan.

Mr. Muhammad Adnan Rasheed
Head of Operations

Mr. Adnan holds an MBA degree with a major in Accounting & Finance and has over 17 years of diverse experience in the mutual fund industry. He has held various positions in research, accounts and operations. He is heading the operations department which consists of settlements, unit holder accounts, administration, human resources and information technology.

Prior to joining MCB AMC, he has worked for Al-Meezan Investment Management Limited as an Assistant Vice President, where he was responsible for back-office operations, including maintenance of books of accounts of management company as well as the funds, management

reporting and reporting to regulatory agencies. He also works for some other reputable institutions including, BMA Capital Management Limited, Pak-Kuwait Investment Company (Pvt.) Limited.

Mr. Junaid Khalid, FRM

Head of Product Design & Asset – Liability Management

Mr. Khalid is a certified Financial Risk Manager from the Global Association of Risk Professionals and has over 8 years of Risk Management experience including 2 years at an Actuarial Consultancy Akhtar & Hasan Pvt Ltd. (William Mercer Associates) as an Actuarial Risk Analyst followed by 5 years as Head of Analytics at National Commodity Exchange Limited where he developed an end to end Value at Risk based margining framework for the Exchange. He also developed a Value at Risk and Impact Cost based risk management system for the three stock exchanges which is currently being used to compute margins on a daily basis. Junaid was also invited by National Commodities and Derivatives Exchange India to do a complete Risk Management analysis in 2006 & 2007. He is currently working as VP-Product Design and Asset-Liability Management.

Mr. Muhammad Asim, CFA

Fund Manager – Equities

Asim has about six years experience in the areas of Investment Management, Corporate Finance and Treasury. Prior to joining MCB AMC, he was managing a closed end equity fund and a corporate portfolio at a local Investment Advisory Firm. Performance of his fund was rated as “5-Star” and “4-Star” in successive years by PACRA indicating good performance versus peers. In his earlier assignment, he was leading the Investments and Research function and was playing a key role in expansion and revamping of fund management business. He started his career in fund management as Research Analyst. Earlier, he has been associated for about two years with the country’s largest media conglomerate as Business Analyst.

Asim is a CFA Charter holder awarded by CFA Institute, USA and an MBA from Institute of Business Administration, Karachi.

Mr. Shahab Farooq

Head of Research

Mr. Farooq holds an MBA degree specializing in finance and is associated with the capital markets research since 2002. Mr. Farooq has worked with some of the very well-known names in research and is well versed with the fundamentals of the capital markets and of various sectors with his specialty in the oil and gas, fertilizers, autos and cement sectors. He was previously serving as the Head of Research at AL Habib Capital Markets and prior to that, he was associated with two other local brokerage houses.

Syed Akbar Ali, CFA

Senior Research Analyst

With around 5 years of experience in the area of Investment Research and Management, Mr. Ali is currently associated with MCB AMC as AVP – Senior Research Analyst and he is also a member of its Investment Committee (IC). He is well versed with the fundamentals of the equities market and of various sectors with his specialty in Economy, Banking, Fertilizer, Automobile and Cement sectors. Prior to joining MCB AMC, he was working as a Research Analyst at Ismail Iqbal Securities Limited, sister concern of Candy Land group.

Mr. Ali is a CFA Charter holder and he also holds BBA (Honors) and MBA in Finance degree from Karachi University Business School. Mr. Ali was awarded with a Gold Medal for maintaining excellent academic performance at the university level. During his distinctive academic career, he also received cash scholarships from Mitsubishi Corporation Japan and Governor of Sindh. Mr. Ali

has also been associated with the Institute of Business Administration (IBA) as a visiting faculty member for graduate and under-graduate classes

Syed Sohail Ahmed

Assistant Vice President - Risk Management and Compliance

Mr. Sohail is an associate member of Pakistan Institute of Public Finance Accountants (PIPFA), an individual member of Global Association of Risk Professionals (GARP) and CA Finalist. He completed his four years professional training from A.F.Ferguson & Co., Chartered Accountants (a member firm of PricewaterhouseCoopers - PwC) in Assurance and Business Advisory Services (ABAS) where he was assigned to assurance and other engagements of various financial and non-financial business concerns. After completion of professional training, he also served as an Associate Consultant for almost two years in Risk Advisory Services (RAS) of A.F.Ferguson & Co., Chartered Accountants. During his service as an Associate Consultant, he supervised the Internal Control Project of one of the largest commercial bank. This Internal Control Project involved the implementation of Guidelines on Internal Controls issued by State Bank of Pakistan, Internal Controls Framework adopted by Committee of Sponsoring Organizations of Treadway Commission (COSO) and Auditing Standard No. 2 adopted by Public Company Accounting Oversight Board (PCAOB) for an audit of internal controls over financial reporting.

5.4 Funds under management of MCB Asset Management Company Limited

MCB DYNAMIC CASH FUND (MCB DCF)		
Fund Type	An Open-end Income Scheme (SECP categorization in process)	
Fund Stability Rating	A+(f) by PACRA	
Risk Level	Low	
Launch Date	1-Mar-07	
Performance Benchmark	One Month KIBOR	
Listing	Lahore Stock Exchange (LSE)	
Trustee	Central Depository Company of Pakistan Limited	
External Auditor	A.F.Ferguson & Co. Chartered Accountants	
Net assets as at 31st January, 2011	Rs 4,903 million	
Net Asset Value as at 31st January, 2011	Rs. 101.6830/-	
Performance Information (%) (Annualized return)	MCB DCF	Benchmark
Since inception till 31st January, 2011	11.9%	11.6 %

MCB DYNAMIC STOCK FUND (MCB DSF)	
Fund Type	An Open-end Equity Scheme

MCB DYNAMIC STOCK FUND (MCB DSF)		
Fund Star Ranking	4 Star	
Risk Level	Moderate to High	
Launch Date	1-Mar-07	
Performance Benchmark	KSE-30 Index	
Listing	Lahore Stock Exchange (LSE)	
Trustee	Central Depository Company of Pakistan Limited	
External Auditor	A.F.Ferguson & Co. Chartered Accountants	
Net assets as at 31st January, 2011	Rs. 628 million	
Net Asset Value as at 31st January, 2011	Rs. 100.7061/-	
Performance Information (%)	MCB DSF	Benchmark
Since inception till 31st January, 2011	54.0 %	-14.5%

MCB DYNAMIC ALLOCATION FUND (MCB DAF)	
Fund Type	An Open-end Asset Allocation Scheme
Fund Star Ranking	4 Star
Risk Level	Moderate to High
Launch Date	17-Mar-08
Performance Benchmark	Benchmark is currently under consideration of SECP, Approval is awaited.
Listing	Lahore Stock Exchange (LSE)
Trustee	Central Depository Company of Pakistan Limited
External Auditor	A.F.Ferguson & Co. Chartered Accountants
Net assets as at 31st January, 2011	Rs 331 million
Net Asset Value as at 31st January, 2011	Rs. 78.8265 /-
Performance Information (%)	MCB DAF
Since inception till 31st January, 2011	-9.5 %

MCB SARMA YA MEHFOOZ FUND 1 (MCB SMF1)

Fund Type	An Open-end Capital Protected Scheme	
Capital Protected Rating	AA+(cpf) by PACRA	
Risk Level	Low	
Launch Date	14-Jun-10	
Performance Benchmark	1 year Term Deposit of AA+ rated bank for the same amount and KSE-30 Index in the weightings of Capital Protected Segment and Investment Segment of the Fund	
Listing	Lahore Stock Exchange (LSE)	
Trustee	Central Depository Company of Pakistan Limited	
External Auditor	A.F.Ferguson & Co. Chartered Accountants	
Net assets as at 31st January, 2011	Rs. 643 million	
Net Asset Value as at 31st January, 2011	Rs. 105.6005/-	
Performance Information (%)	MCB SMF1	Benchmark
Since inception till 31st January, 2011	5.9 %	5.8 %

MCB CASH MANAGEMENT OPTIMIZER (MCB CMOP)		
Fund Type	An Open-end Money Market Scheme	
Fund Stability Rating	AA(f) by PACRA	
Risk Level	Low	
Launch Date	01-Oct-09	
Performance Benchmark	Average 3 Months deposit rates of AA and above rated Scheduled banks, net of expenses	
Listing	Lahore Stock Exchange (LSE)	
Trustee	Central Depository Company of Pakistan Limited	
External Auditor	A.F.Ferguson & Co. Chartered Accountants	
Net assets as at 31st January, 2011	Rs. 10,263 million	
Net Asset Value as at 31st January, 2011	Rs. 100.1090/-	
Performance Information (%)	MCB CMOP	Benchmark
Since inception till 31st January, 2011	11.3 %	5.9 %



5.5 Duties and Responsibilities of the Management Company

The Management Company shall manage, operate and administer the Scheme in accordance with the Rules, the Regulations, the Trust Deed and this Offering Document.

5.5.1 Primary Functions of the Management Company

5.5.1.1 Fund Management

The Management Company has the responsibility to make all investment decisions within the framework of the Rules, the Regulations, the Trust Deed and this Offering Document.

5.5.1.2 Fund Manager and Investment Committee

The Management Company shall appoint a qualified fund manager and constitute an investment committee in accordance with the provisions of the Regulations to assist the Management Company in investing and managing the assets of the Fund. All investment and disinvestment decisions shall be made through the investment committee within the framework of the Rules, the Regulations, the Trust Deed and this Offering Document.

5.5.1.3 Investor Services

The Management Company has the responsibility to facilitate investments and disinvestments by investors in the Scheme and to make adequate arrangements for receiving and processing applications in this regard.

5.5.1.4 Investor Records

The Management Company has the responsibility to perform Registrar Functions and maintain investors' records. However it may delegate this function by appointing a Registrar, who is responsible for performing Registrar Functions, i.e. maintaining investors' (Unit Holder(s)) records and providing related services.

Provided that the Management Company shall be responsible for the acts and omissions of the Registrar as if they were its own acts and omissions.

5.5.1.5 Registrar Services

The Registrar shall carry out the responsibility of maintaining investors' records, issuing statements of accounts, issuing Certificates representing Units, processing redemption requests, processing dividend payments and all other related and incidental activities. The Management Company shall not remove the records or Documents pertaining to the Scheme from Pakistan to a place outside Pakistan without the prior written permission of the SECP and the Trustee. The Management Company shall perform the function of Registrar; however, at its discretion the Management Company may outsource the Registrar Function to a third party.

5.5.1.6 Distribution of Units

- i) The Management Company shall (at its own expense), from time to time, appoint, remove or replace one or more Distributor(s) under intimation to the Trustee for carrying on Distribution Function(s) at one or more location(s) on terms and conditions incorporated in the Distribution Agreement(s) entered into between the Distributor and the Management Company. Provided that the Management Company may also itself act as a Distributor for carrying on Distribution Functions. The Distributor(s) shall act as the interface between the investors, the Management Company, the Registrar and the Trustee and perform all other Distribution Function(s), as defined in Clause 18.29 hereafter.

Provided further that where the Management Company delegates Distribution Function(s) to anyone as a Distributor, it shall be responsible for the acts and omissions of such Distributor as if they were its own acts and omissions.

- ii) The Management Company shall ensure, where it delegates the Distribution Function(s), that;
- the Distributors to whom it delegates, have acquired and are maintaining the relevant membership of the Mutual Funds Association of Pakistan (MUFAP) or any other association constituted in consultation with the SECP for such purpose and are abiding by the code of conduct prescribed by the MUFAP or such association; and
 - the written contract with the Distributors clearly states the terms and conditions for avoidance of frauds and sales based upon misleading information.

5.5.1.7 **Investment Facilitators**

The Management Company may, at its own responsibility and expense, from time to time appoint Investment Facilitators (through Direct Marketing, Co-Branding or any other marketing means) to assist it in promoting sales of Units.

5.5.1.8 **Record Keeping**

- i) The Management Company has the primary responsibility for all record keeping, regular determination and announcements of prices of Units and for producing and issuing financial reports from time to time. However, the Trustee has the responsibility to ensure timely delivery to the Management Company of statements of accounts and transaction advices for banking and custodial accounts in the name and under the control of the Trustee. The Management Company shall provide the Trustee unhindered access to all records relating to the Scheme.
- ii) The Management Company shall maintain at its principal office, 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, the amounts received by the Scheme in respect of issues of Units, amounts paid out by the Scheme on redemption of Units and the distributions made by the Scheme by way of dividends, bonus Units, etc. The Management Company shall not remove the records or documents pertaining to the Scheme from its principal place to another place without the prior written permission of the SECP and the Trustee.
- iii) The Management Company shall maintain the books of accounts and other records of the Scheme for a period not less than ten (10) years.

5.5.2 Other Functions and Responsibilities of the Management Company

- (a) The Management Company shall manage the Scheme in the best interest of the Unit Holder(s), in good faith and to the best of its ability and without gaining any undue advantage for itself or any of its related parties including connected persons and group companies or its officers, and subject to the restrictions and limitations as provided in the Trust Deed, the Rules, the Regulations and this Offering Document and subject to any special exemptions granted by SECP.
- (b) Any purchase or sale of investments made under any of the provisions of the Trust 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 Trust Deed or the Regulations or Shariah.
- (c) The Management Company shall comply with the provisions of the Rules, the Regulations, the Trust Deed and this Offering Document 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 Trust 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 manager as if these were its own acts and omissions and shall account to the Trustee for any loss in value of the Fund Property where such loss has been caused by its negligence or reckless or willful act and/or omission or of its officers, officials or agents.
- (d) The Management Company may from time to time appoint, remove or replace the Transfer Agent/Registrar under intimation to the Trustee.
- (e) The Management Company shall make available or ensure that there is made available to the Trustee such information as the Trustee may reasonably require in respect of any matter relating to the Scheme.
- (f) The Management Company shall not be under any liability except such liability as may be expressly assumed by it under the Rules, the 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 negligence or willful breach of duty. 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 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.
- (g) The Management Company shall, within four (4) months of closing of the Accounting Period of the Scheme, prepare and transmit to the Unit Holders, the Trustee, the SECP and the Stock Exchanges on which the Units of the Scheme are listed, the annual report as per the requirements set out in Schedule V of the Regulations, including:-
 - i) copy of the balance sheet and income statement;
 - ii) cash flow statement;
 - iii) statement of movement in the Unit Holders' fund or net assets or reserves; and
 - iv) the Auditors' report of the Scheme.

- (h) The Management Company shall within one (1) month of the closing of the first (1st) and the third (3rd) quarter and two (2) months of the closing of the second (2nd) quarter of each Accounting Period or as prescribed in the Regulations, prepare and transmit (physically or through electronic means if so allowed by the SECP) to the Unit Holder(s), the Trustee, the SECP and the Stock Exchanges, on which the Units of the Scheme are listed, balance sheet, income statement, cash flow statement and statement of movement in Unit Holders' fund for that quarter, and statement showing the securities owned at the beginning of the relevant period, securities purchased or sold during such period, and the securities held at the end of such period together with the value (at carrying and at market) and the percentage in relation to its own net assets and the issued capital of person whose securities are owned for that quarter, whether audited or otherwise:

Provided that the SECP, subject to any conditions, may allow the Management Company to transmit the said quarterly accounts to the Unit Holders by placing them on the Management Company's website and the Management Company shall make the printed copy of the said accounts available to any Unit Holder, free of cost, as and when requested.

- (i) The Management Company shall maintain a Register of Unit Holder(s) of the Scheme (either in physical or electronic form) through Registrar or itself and inform the Trustee and the SECP of the address where the Register is kept.
- (j) The Management Company shall with the consent of the Trustee, appoint at the establishment of the Scheme and upon any vacancy, an auditor from the approved list of auditors circulated by the SECP from time to time, who shall be chartered accountant and independent of the auditors of the Management Company and the Trustee, as the case may be, and such Auditor shall not be appointed for more than five (5) consecutive years and the contents of the Auditor's report shall also be in accordance with the provisions of the Regulations.
- (k) The Management Company shall be obliged to obtain a rating of the Scheme, once the Scheme becomes eligible for ratings as per the rating criteria of the rating agency. Such rating shall be updated once every accounting period and also published in the annual and quarterly reports of the Scheme.
- (l) The Management Company shall, from time to time, advise the Trustee of the settlement instructions relating to any investment/disinvestment transactions entered into by it on behalf of the Scheme. The Trustee shall carry out the settlements in accordance with the dictates of the specific transactions unless they are not in conflict with the Trust Deed and the Regulations. The Management Company shall ensure the settlement instructions are given promptly after entering into the transaction so as to facilitate timely settlement and the Trustee, on its side, shall ensure that the settlement is handled in a timely manner in accordance with dictates of the transaction.
- (m) The Management Company shall provide the Trustee with regular reports indicating dividends, other forms of income or inflows, and any rights or warrants relating to the investments that are due to be received. The Trustee shall report back to the Management Company any such amounts or warrants that are received on such accounts from time to time.
- (n) The Management Company shall nominate one or more of its officers to act as attorney(s) for performing the functions of the Management Company and for interacting with the Trustee.

Subject to Clause 5.5.2(o) hereafter, the Management Company may appoint, at its own cost

and discretion, investment advisors to assist in investing the assets of the Fund in offshore countries, provided that the Management Company shall be responsible for all acts and omissions of such investment advisors.

- (o) The Management Company, at its own costs and in consultation with the Trustee further appoint advisors and professionals in offshore countries for making investments in offshore countries on account of the Fund and/or for issuing Units to the investors in the offshore countries to determine the legal and regulatory requirements to be fulfilled by the Fund, the Management Company and the Trustee and their respective obligations in relation thereto. The fees of such advisors and professionals shall be paid by the Management Company from its own resources.
- (p) The Management Company shall not make any investment or rollover of any investment of the Scheme in case borrowing limit has already been exhausted or redemptions are pending for more than six (6) days.
- (q) The Management Company shall be responsible for the acts or omissions of all persons to whom it may delegate any of its functions as manager as if they were its own acts and omissions.
- (r) The Management Company shall account to the Trustee for all: (i) moneys received from the applicants for issuance of Units; (ii) payments made to the Unit Holders on redemption of Units; and (iii) expenses incurred in relation to the Distribution Function even if it has the Distribution Function delegated.
- (s) The Management Company shall formally forward all the requests for dealing in Units, duly time and date stamped, to the Trustee within twenty four (24) hours of the receipt of such requests.
- (t) The Management Company may, with the consent of the Trustee, introduce one or more Administrative Plans or arrangements for the Unit Holders of the Scheme managed by it, with a view to provide investment and/or saving opportunities to the Unit Holders by different administrative arrangements after obtaining prior approval of the SECP. The features and other details of the Administrative Plans shall be included in the respective Supplementary Offering Documents.
- (u) The Management Company shall not be liable for any loss caused to the Fund or to the value of the Fund Property due to any elements or circumstances of Force Majeure.
- (v) The Management Company shall be obliged to process payment instrument immediately on receipt of duly completed application from the Unit Holder.
- (w) The Management Company shall ensure all valid redemption request are paid based on ranking of the request in a queue.
- (x) The Management Company shall be responsible for maintaining proper accounts and records of the Scheme which will enable a complete and accurate view to be formed of :
 - i) the assets and liabilities of the Scheme
 - ii) the income and expenditure of the Scheme
 - iii) all transaction for the account of the Scheme
 - iv) amounts received by the Scheme in respect of issues of units

- v) pay out by the Scheme on redemption of units and by way of distributions by the Scheme
- vi) pay out at the termination of the Scheme

5.5.3 Responsibility of the Management Company for information given in the Offering Document

The Management Company accepts the responsibility for the information contained in this Offering Document as being accurate and complete to the best of its information.

5.6 Role of the Trustee

5.6.1 Trustee – Central Depository Company of Pakistan Limited

The Central Depository Company of Pakistan Limited (CDC), a company incorporated under the Companies Ordinance 1984, with its registered office at CDC House, 99-B, Block 'B', S.M.C.H.S, Main Shahra-e-Faisal, Karachi – 74400, Pakistan has been appointed as the Trustee for the Fund. The Trustee has considerable amount of experience of trusteeship of the open-end schemes which are successfully functioning in the country.

5.6.2 Duties and Responsibilities of the Trustee

- (a) The Trustee shall take into its custody or control and invest, hold and/or maintain the Trust 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 Trust Deed, this Offering Document, the Rules, the Regulations and the conditions (if any) which may be imposed by the SECP from time to time. All registerable assets shall be registered in the name of or to the order of the Trustee;
- (b) The Trustee has the responsibility for being the nominal owner and for the safe custody of the assets of the Scheme on behalf of the beneficial owners (the Unit Holder(s)), within the framework of the Rules, the Regulations, the Trust Deed establishing the Scheme and Offering Document issued for the Scheme.
- (c) The Trustee shall have all the obligations entrusted to it under the Rules, the Regulations, the Trusts Act 1882, the Trust Deed and the Offering Document.
- (d) The Trustee shall nominate one or more of its officers to act as attorney(s) for performing the Trustee's functions and for interacting with the Management Company.
- (e) The Trustee may in consultation with the Management Company appoint and also remove and replace from time to time one or more bank(s) and/or other depository company, to act as the Custodian(s) for holding and protecting the Fund Property and every part thereof and for generally performing the custodial services at one or more locations and on such terms, as the Trustee and the Management Company may mutually agree and to be incorporated in custodial services agreement(s) to be executed between the Trustee and the Custodian(s). Provided however, the Trustee may also itself provide custodial services for the Scheme with the approval of the Management Company at competitive terms as part of its normal line of business.
- (f) The Trustee shall comply with the provisions of the Trust Deed 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 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 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 Trust Property where such loss has been caused by any willful acts and/or omission of the Trustee or any of its directors, officers, nominees or agents.

- (g) 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 accordance with or in pursuance of any request of the Management Company provided they are not in conflict with the provisions of the Trust Deed, the Rules and the Regulations. Whenever pursuant to any provision of the Trust Deed, any certificate, notice, direction, instruction or other communication is to be given by the Management Company to the Trustee, the Trustee may accept as sufficient evidence thereof:
- i) a document signed or purporting to be signed on behalf of the Management Company by any person(s) whose signature the Trustee is for the time being authorised in writing by the Management Company to accept;
 - ii) any instruction received online through the software solution adopted by the Management Company in consultation with the Trustee for managing and keeping records of the funds managed by the Management Company and to the satisfaction of the Trustee;
 - iii) instructions given electronically to the Trustee based on distinctive users IDs and passwords allocated to authorized signatories of the Management Company through a computerized system for which both the parties i.e. the Management Company and the Trustee have agreed in writing. In case of any error or omission occurring in electronic system due to system malfunction or any instruction(s) based on such system contain any error or omission due to the above malfunction, the Trustee and the Management Company not knowing the fact will act in the best interest of the Fund and the Unit Holders; and/or
 - iv) third party evidence where required such as broker contract, bills, etc in relation to (i) and (ii) the above.
- (h) The Trustee shall not be liable for any loss caused to the Fund or to the value of the Fund Property due to any elements or circumstances of Force Majeure.
- (i) The Trustee shall be liable for any loss caused due to its acts or omissions or that of its agents in relation to any custody of assets or investment forming part of the property of the Scheme;
- (j) The Trustee shall ensure that the Management Company has specified criteria in writing to provide for a diverse panel of brokers at the time of offering of the Scheme and shall also ensure that the Management Company has been diligent in appointing brokers to avoid undue concentration of business with any broker;
- (k) 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 Trust Deed and/or this Offering Document or the Rules or

the Regulations and/or any other applicable law.

- (l) The Trustee shall make available or ensure that there is made available to the Management Company such information as the Management Company may reasonably require from time to time in respect of the Fund Property and all other matters relating to the Scheme.
- (m) The Trustee shall issue a report to the Unit Holder(s) included in the annual and second quarterly reports of the Fund whether in its opinion, the Management Company has in all material respects managed the Trust Property in accordance with the provisions of the Regulations, the Offering Document and the Trust Deed 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.
- (n) The Trustee shall ensure that the sale, purchase, issue, and transfer of Units effected by the Scheme and repurchase, redemption and cancellation of Units effected by the Scheme are carried out in accordance with the provisions of the Constitutive Documents, the Rules and the Regulations;
- (o) The Trustee shall be entitled to require the Auditors to provide such 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 Rules and/or the Regulations. The Trustee shall endeavor to provide the certification at the earliest date reasonably possible.
- (p) The Trustee shall, if requested by Management Company or if it considers necessary for the protection of Fund Property or safeguarding the interest of Unit Holder(s), institute or defend any suit, proceeding, arbitration or inquiry or any corporate or shareholders' action in respect of the Fund Property or any part thereof, with full powers to sign, swear, verify and submit pleadings and affidavits, to file documents, to give evidence, to appoint and remove counsel and to do all incidental acts, things and deeds through the Trustee's authorized directors and officers. All reasonable costs, charges and expenses (including reasonable legal fees) incurred in instituting or defending any such action shall be borne by the Scheme and the Trustee shall be indemnified against all such costs, charges and expenses: Provided that no such indemnity shall be available in respect of any action taken against the Trustee for gross negligence or breach of its duties in connection with the Scheme under the Trust Deed, the Regulations or the Rules. For the avoidance of doubt it is clarified that notwithstanding anything contained in the Trust Deed, the Trustee and the Management Company shall not be liable in respect of any losses, claims, damages or other liabilities whatsoever suffered or incurred by the Scheme arising from or consequent to any such suit, proceeding, arbitration or inquiry or corporate or shareholders' action or otherwise howsoever and (save as herein otherwise provided), all such losses, claims, damages and other liabilities shall be borne by the Fund.
- (q) Neither the Trustee nor the Custodian (if Trustee has appointed another person as Custodian) nor the Management Company or any of their Connected Persons shall sell or purchase or deal in the sale of any Investment or enter into any other transaction with the Scheme, save in the capacity of an intermediary.

The above clause shall not apply to the issue, sale or redemption of units issued by the Scheme as allowed under Regulation No. 59 of the Regulations.

- (r) Subject to the Rules and the Regulations, any transaction between the Trust and the

Management Company or any of their respective Connected Persons as principal shall only be made with the prior written consent of the Trustee.

- (s) The Trustee shall not be under any liability except such liability as may be expressly assumed by it under the Rules, the Regulations and the Trust Deed nor shall the Trustee be liable for any act or omission of the Management Company or for anything except for willful acts and/or omission hereunder. If for any reason it becomes impossible or impracticable to carry out the provisions of the Trust 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.
- (t) The Trustee shall ensure that the Units of the Scheme have been issued after realization of subscription money. For this purpose, the Management Company will provide the Trustee with the summary of Investment on each Business Day.
- (u) The Trustee shall ensure that the investment and financing limitations set out in the Regulations and the Constitutive Documents and the conditions under which the Scheme has been authorized are complied with;
- (v) The Trustee shall ensure that the methodology and procedures adopted by the Management Company in calculating the value of Units are adequate and the pricing and valuation for sale, issue, repurchase, redemption and cancellation are carried out in accordance with the provisions of the Constitutive Documents and regulatory requirements.
- (w) The Trustee shall immediately inform the Commission if any action of the Management Company contravenes the Ordinance, the Rules, these Regulations, Constitutive Documents, guidelines, codes, circulars, directives or any other applicable laws;
- (x) The Trustee shall ensure that the conditions under which the Scheme has been registered are complied with.
- (y) The Trustee shall comply with the directions of the Commission given in the interest of the Unit Holders.

5.7 Custodian

5.7.1 The Central Depository Company of Pakistan Limited (CDC) will also be performing the functions of the custodian of the Scheme. The salient features of the custodial function are:

- (a) Segregating all property of the Scheme 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 Scheme's account.

5.7.2 The Trustee may, if it considers necessary, appoint additional custodians with the approval of the board of directors of the Management Company and at such terms and conditions approved by the Management Company, for the safekeeping of any portion of the Fund Property.

5.8 Shariah Advisor

- 5.8.1 The Management Company shall appoint a Shariah Advisor at its own expense that shall advise the Management Company regarding Shariah.
- 5.8.2 The Shariah Advisor will be comprised of person(s), who must be experts on Shariah and have good understanding of Finance and Economics.
- 5.8.3 Initially, **Dr. Muhammad Zubair Usmani** has been appointed as the Shariah Advisor of the Fund.
- 5.8.4 The Shariah Advisor will be appointed under intimation to the Trustee for a period of five years, but may be reappointed on completion of the term. The Management Company may at any time, with prior notice to the Trustee, terminate the Agreement with the Shariah Advisor by giving a notice as per the Agreement with the Shariah Advisor, before the completion of the term, and fill the vacancy.
- 5.8.5 The Shariah Advisor shall advise the Management Company on all matters relating to Shariah compliance and recommend general investment guidelines, consistent with the Shariah including the guidelines as may be specified by the SECP under the Regulations. Any verdict issued by the Shariah Advisor in respect of any Investment with respect to it being Shariah Compliant or otherwise would be final and acceptable by the Trustee, the Management Company, the Unit Holders and other parties related with that matter. The responsibilities of Shariah Advisor include the following:
- (a) The Shariah Advisor shall provide guidance on Shariah aspects of any issues involving the day to day operations of the Scheme.
 - (b) To do the research as appropriate on the criteria followed by Islamic Unit Trusts all over the world for the purpose of screening of investments. The Shariah Advisor will then decide as to which screening criteria are relevant to be used in the context of Pakistan’s capital markets and the instruments available therein, and which need to be modified/added/deleted.
 - (c) The Shariah Advisor shall decide and/or approve the Shariah related matters pertaining to legal documents of the Scheme.
 - (d) The Shariah Advisor shall decide the methodology for calculation of ‘Haram income’ and its disposal.
 - (e) The Shariah Advisor shall approve new financial products that are relevant to the Scheme.
 - (f) The Shariah Advisor shall conduct periodic review of the Scheme to check its compliance with the Shariah guidelines and issue the annual report/certificate in this regard. The certificate shall be a part of the annual audited financial statements of the Scheme.

5.9 Registrar

The Management Company shall perform duties as the Registrar of the Scheme until any further notice and intimation to the Trustee. The Registrar shall carry out the responsibility of maintaining investors’ records, issuing statements of accounts, issuing Certificates representing Units, processing redemption requests, processing dividend payments and all other related and incidental activities.

5.10 Distributors and Investment Facilitators

- 5.10.1 The Management Company has delegated the Distribution Functions to the parties detailed in Annexure “C” to this Offering Document and therefore each of them has been appointed as Distributors to perform the Distribution Functions. The addresses of the authorized offices/branches of these Distributors are given in Annexure “C” to this Offering Document. The number of these Distributors may be increased or decreased by the Management Company from time to time. The Management Company may from time to time, appoint additional Distributors or terminate the arrangement with any Distributor. The Management Company may itself perform the Distribution Functions either directly or through sub-distributors.
- 5.10.2 The Distributors shall be responsible for performing Distribution Functions including receiving applications for purchase/redemption/transfer/conversion of Units. They will be interfacing with and providing services to the Unit Holders, including receiving applications for change of address and other particulars or application for issuance of duplicate certificates, requests for income tax exemption / 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 own resources and/or from the Front-end Load at the discretion of the Management Company.
- 5.10.3 The Management Company may, at its sole responsibility, from time to time, appoint Investment Facilitators (Facilitators). The Investment Facilitators’ function is to identify, solicit and assist investors in investing in the Scheme. The Management Company shall remunerate the Investment Facilitators out of its own resources.

5.11 Auditors

- 5.11.1 The first independent Auditors of the Scheme are **A.F.Ferguson & Co. Chartered Accountants** having its registered office at State Life Building No. 1- C, I.I. Chundrigar Road, P.O.Box No. 4716, Karachi – 74000, Pakistan.
- 5.11.2 The first Auditors shall hold office until transmission of the annual report and accounts covering the period from the launch of the Scheme up to the close of the first Accounting Period and will be eligible for reappointment by the Management Company with the consent of the Trustee for a total of five consecutive terms of one year each. Thereafter, the Auditors shall only be eligible for appointment after the lapse of at least one (1) year.
- 5.11.3 The Auditor shall have access to the books, papers, accounts and vouchers of the Trust, whether kept at the office of the Management Company, Trustee, Transfer Agent, Distribution Company 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.
- 5.11.4 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 to facilitate the trustee in issuing the certification required under the Regulations.
- 5.11.5 The Auditor shall prepare a written report to the Unit Holders on the accounts and books of accounts of the Scheme and the balance sheet and income and expenditure account and on every other documents forming part of the balance sheet and income and expenditure account, including notes, statement or schedule appended thereto.

5.11.6 The contents and regularity of the Auditor’s reports shall be as required in the Regulations.

5.12 Legal Advisors

The Legal Advisors of the Scheme are **Bawaney & Partners** having its registered office at 404, 4th Floor, Beaumont Plaza, Beaumont Road, Karachi, Pakistan.

5.13 Bankers

MCB Bank Limited

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

5.14 Bank Accounts and Offshore Arrangements

5.14.1 The Trustee, at the request of the Management Company with the approval of Board of Directors of the Management Company, shall open Bank Account(s) titled **CDC-Trustee MCB Islamic Income Fund** for the Scheme at designated Bank(s) at Karachi for collection, investment, redemption or any other use of the Trust’s funds subject to the condition that the ratings of such bank(s) shall be same as those specified for the investment by the Scheme.

5.14.2 The Trustee shall also open additional Bank Account(s) titled **CDC-Trustee MCB Islamic Income Fund** at various branches of such other Bank(s) as requested by the Management Company with the approval of Board of Directors of the Management Company. These accounts shall be temporary collection accounts where collections shall be held prior to their being transferred to the main Bank Account of the Scheme on a daily basis.

5.14.3 The Trustee shall open additional Bank Account(s) titled **CDC-Trustee MCB Islamic Income Fund** at such branches of Banks and at such locations (including outside Pakistan, subject to applicable regulations and after obtaining all necessary approvals from the relevant regulatory authority in Pakistan) as may be reasonably required by the Management Company from time to time with the approval of Board of Directors of Management Company. Such accounts shall be used as collection and redemption accounts. There shall be instructions for all such collection and redemption accounts to promptly transfer the funds collected therein to the main Bank Account and/or transfer the funds to the relevant bank accounts of the Unit Holder for redemption purposes.

5.14.4 The Trustee shall, if requested by the Management Company with the approval of Board of Directors of the Management Company, open Bank Accounts titled **CDC – Trustee MCB Islamic Income Fund** in offshore countries where the 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, including custodial/sub-custodial services accounts and brokerage accounts with such Banks, custodians, sub-custodians, and brokers, as may be required to be appointed for offshore Investments of the Fund. The opening, operation and maintenance of such Bank Accounts, custodial/sub-custodial and brokerage services accounts in offshore countries shall always be subject to the approval of the State Bank of Pakistan and the exchange control regulations, as well as any directives of the State Bank of Pakistan and/or the Commission.

5.14.5 The Management Company shall exercise due caution and diligence in appointing and arranging of such bank, brokerage houses and custodian/sub-custodian in offshore countries. Subject to ensuring regulatory compliance, the Trustee shall not incur any personal liability for any consequences that may arise in the opening and operation of such bank accounts, brokerage accounts and/or custodial/sub-custodial services accounts.

Provided that such indemnity shall not be available to the Management Company and/or the Trustee, if such loss, cost or expense is sustained or incurred due to willful or negligence on their respective part. For the purpose of making arrangements in offshore countries, the Management Company may in consultation with the Trustee retain the services of advisors and professionals to ensure legal and regulatory compliances on part of the Management Company and the Trustee, as provided in Clause 5.5.2(o) above.

5.14.6 The Management Company may require the Trustee to open separate Bank Accounts titled **CDC – Trustee MCB Islamic Income Fund** with the approval of Board of Directors of the Management Company for the Scheme to facilitate investments on account of the Scheme and the receipt, tracking and reconciliation of income or other receipts relating to the investments. This account may also be used to facilitate redemptions and other Trust related (ancillary) transactions.

5.14.7 The Management Company may also require the Trustee to open a separate Bank Account titled **CDC – Trustee MCB Islamic Income Fund** with the approval of Board of Directors of the Management Company for each dividend distribution out of the Scheme.

5.14.8 All bank charges for opening and maintaining Bank Accounts for the Fund shall be charged to the Fund.

5.14.9 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 Holder(s) and shall be transferred periodically from the Distribution Account(s) to the main Bank Account of the Scheme.

5.14.10 The amounts received from the Core Investors (seed capital) and other investors during the Pre IPO (as per Clause 31 below) shall be deposited in a separate Bank Account titled **CDC – Trustee MCB Islamic Income Fund** and transferred to the main Bank Account of the Fund upon the close of the Initial Period. Any income, profit etc earned on the investments by the Core Investors and Private Placement Investors (Pre-IPO Investors) up to the close of the Initial Period, after reducing any expenses incurred in this regard, shall be repaid to the Core Investors and Pre-IPO Investors and shall not form part of the Trust Property. Such payments shall be in the form of cash or equivalent additional units..

5.14.11 Notwithstanding anything contained in the Trust Deed, the beneficial ownership of the balances in the Bank Accounts, except the Bank Account(s) mentioned in sub-Clauses 5.14.7 and 5.14.10 above shall vest in the Unit Holder(s).

5.14.12 The Trustee at the request of the Management Company shall open one or more Bank Accounts titled **CDC - Trustee MCB Funds** for each Administrative Plan introduced by the Management Company under the Scheme at one or more locations as the Management Company consider necessary for making collections and disbursements under such Administrative Plans. The beneficial ownership of the balances in such Bank Accounts shall vest in the pertinent Unit Holders who subscribe to such Administrative Plans in accordance with the terms and condition to be enunciated in the Supplementary Offering Documents for each Administrative Plan.

6. CHARACTERISTICS OF THE FUND

6.1 Eligibility

Application for the issue of Units of the Fund may be made by any investor or any related group of investors qualified or authorized to purchase the Units pursuant to the procedures described in Clause 6.4 of this Offering Document. The onus for being so qualified lies with the investor and neither the Management Company nor the Trustee accepts any responsibility in this regard. Such investors include but not limited to:

- (a) Citizens of Pakistan resident in Pakistan (In respect of minors below eighteen (18) years of age, applications should be made by their guardians).
- (b) Companies, corporate bodies, financial institutions, banks, modarabas, 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) Non-residents Pakistanis, foreign nationals and companies incorporated outside Pakistan subject to the regulations of the State Bank of Pakistan and the Government of Pakistan (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 Scheme 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 all applicable Statutory Regulatory Orders (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 Institutions, funds, trusts, societies or other organizations established in Pakistan for religious, charitable or community service purposes under Chapter XVII of Income Tax Rules, 2002.
- (h) Any other person, natural or artificial, who is allowed to invest in the Fund under the applicable laws.

6.2 Minimum and Maximum Investment Amount

6.2.1 The minimum amount of initial investment that is required to open and maintain a Unit Holder's account with the Management Company is Rs. 500/- (Rupees Five Hundred only) for Growth and Cash Dividend Units and Rs. 100,000/- (Rupees One Hundred Thousand only) for Income Units. Subsequent to initial investment, the Unit Holders may invest minimum Rs. 100/- (Rupees One Hundred only) per transaction at their convenience.

6.2.2 In the event the investment balance in any Unit Holder's account falls below the minimum level as a result of revised limits, changes in NAV; redemption, transfer or transmission, the Management

Company may instruct the Transfer Agent to close such account by redeeming the Units in such accounts at the close of any accounting period at the price applicable to redemptions on such date. For Income Units, in case the investment balance falls below Rs. 90,000, funds may be transferred to Growth Units.

- 6.2.3 The Management Company may from time to time amend the minimum amount as stated above required for opening, maintaining or adding to the Unit Holder's account with seven (7) days prior notice to the Unit Holders.
- 6.2.4 The Management Company may impose, from time to time, certain amounts of maximum monetary investment limits to facilitate economical, efficient and effective management of Unit Holders' accounts without giving any notice.

6.3 Classes and Types of Units

6.3.1 The Management Company may issue any of the following classes and types of Units:

6.3.2 Classes of Units

- (a) Class “**CR**” are Restricted Core Units issued to the Core Investors [as required under Regulation No. 44(3)(e)(ii) of the Regulations] with no Front-end Load and Back-end Load. These Units shall not be redeemable during the period of two (2) years from the date of closure of Initial Offer Period. However, such Units are transferable subject to the condition that these Units shall not be redeemable during the period of two years from the date of closure of Initial Offer Period.
- (b) Class “**CU**” are Unrestricted Core Units issued to the Core Investors [as required under Regulation No. 44(3)(e)(ii) of the Regulations] with no Front-end Load and Bank-end Load. These Units can be redeemable at any time after the date of closure of Initial Offer Period.
- (c) Class “**A**” Units are Units offered and issued to both individual and institutional investors with Front-end Load during Pre-IPO, Initial Offer Period and after Initial Offer Period. This class of Units includes Growth, Cash Dividend and Income Units. The Management Company has discretion to waive Front-end Load for any investor. These Units shall also be subject to Back-end Load, if any, in case of Redemption of Units. Current level of Front-end Load and Back-end Load are mentioned in Annexure “**B**” to this Offering Document.
- (d) Class “**B**” Units are Units offered and issued to both individual and institutional investors that intend to remain invested in the Fund for medium to long term. These Units shall be offered and issued with during Pre-IPO, Initial Offer Period and after Initial Offer Period. This class of Units includes Growth and Cash Dividend Units only. The Management Company has discretion to waive Front-end Load for any investor. Depending on holding period as mentioned in Annexure “**B**”, these Units shall also be subject to Back-end Load, if any, in case of Redemption of Units. Current level of Front-end Load and Back-end Load are mentioned in Annexure “**B**” to this Offering Document.

The Unit Holder of the Scheme has option to convert Units from Class “**A**” Units to Class “**B**” Units or vice versa after charging of applicable Back-end Load of each Class but no Front-end Load shall be charged for the conversion among different classes of Units. The Management Company may revise the levels of Front-end Load and Back-end Load at its discretion subject

to prior approval of the Commission. Provided that any change in the Back-end Load subsequent to the publication date of this Offering Document will be applicable on the investments made after the effective date of such change, Back-end Load on investment made prior to such effective date shall be applied as per the slab applicable at the time of investment.

6.3.3 Types of Units

At the time of investment in Units of the Scheme, in addition to the Class of Units the investor shall also select the type(s) of Unit(s) in which the investor wishes to invest in, namely Growth unit, Income unit and/or Cash Dividend unit.

(a) Growth Units:

The Unit value grows in line with the growth in the NAV and the Unit Holders are entitled for cash dividend and/or bonus units at the time of distribution as declared by the Board of Directors of the Management Company.

(b) Income Units:

The Unit Holders, based on their own consent and instructions and with prior intimation to the Management Company, exercise the option of redeeming a certain number of Units less or equivalent to the amount earned on their invested amount at regular intervals (i.e. monthly, quarterly, semi-annually and annually) but no distribution shall be made out by redeeming the principal investment. Such instructions shall be given in writing at the beginning of each regular interval or at the time of purchase of Units.

(c) Cash Dividend Units:

All distribution in this type of Units will be in the form of Cash Dividend only.

The Unit Holders of the Scheme have option to switch from one type of Units to another type of Units at their discretion.

6.4 Procedures for Account Opening and Purchase of Units

- (a) The procedure herein below is designed for paper-based transactions.
- (b) New investor shall submit duly completed Account Opening Form, Know Your Customer Form and Investment Form for purchase of Units along with the payment instrument (as per details mentioned in Clause 6.4(d) below) and copies of the required documents as mentioned in Clause No. 6.4(e) below to any of the Authorized Branches of the Distributors or the Investment Facilitator or directly to the Management Company at its designated offices before the Cut-Off Time on any Subscription Day.

Formats of Account Opening Form, Know Your Customer Form and Investment Form are attached as Annexure “E”, Annexure “F” and Annexure “G” to this Offering Document. The Authorized Branches of the Distributors are mentioned in Annexure ‘C’ to this Offering Document. The Cut-Off Time for receiving applications for issuance of units is mentioned in Annexure “D” to this Offering Document.

- (c) Existing Unit Holder shall submit duly completed Investment Form only along with the payment instrument to the authorized officer of the Distributor or the Investment Facilitator or

directly to the Management Company at its designated offices before the Cut-Off Time on each Subscription.

- (d) Payment instrument for the purchase of Units can be in the form of Cheque, Payment Order (Pay Order), Demand Draft, Bank transfer whether online or otherwise. Payment instrument should be made with full amount of investment in favour of “**CDC – Trustee MCB Islamic Income Fund**” and crossed “**Account Payee only**” where applicable.

In case of Bank transfer the units shall be issued on the basis of the NAV applicable in the day on which the funds are cleared and the investment form is received by the Management Company.

Payment for Units in Cash or through bearer instruments will not be accepted. Investors are advised not to give any cash or bearer instrument to any Distributor or Investment Facilitator on behalf of the Scheme.

- (e) The list of required documents to be submitted along with the application form is provided below. These required documents may be varied in the light of circular/directive issued by the SECP from time to time.

Individual	<input type="checkbox"/> Copy of valid and unexpired CNIC/Passport/NICOP <input type="checkbox"/> Zakat Affidavit – CZ-50 (if applicable) <input type="checkbox"/> Tax Exemption Certificate (if applicable) <input type="checkbox"/> Business / Employment Proof (Employer Certificate, Salary Slip, Service Card etc) <input type="checkbox"/> Copy of valid and unexpired CNIC/Passport/NICOP for Ultimate Beneficiary (if applicable) <input type="checkbox"/> Two attested passport size photographs in case of investor who cannot sign or whose signature is unstable. <input type="checkbox"/> NADRA B-Form in case of Minor (Joint application where Primary Investor is Parent/Guardian only) <input type="checkbox"/> Authorization-cum-Release-cum-Indemnity in case of investor’s signature in Urdu
Sole proprietorship	<input type="checkbox"/> Copy of valid and unexpired CNIC/Passport/NICOP of Sole-Proprietor <input type="checkbox"/> Certified copy of Certificate of Registration / NTN Certificate <input type="checkbox"/> Letter of ownership on sole proprietor’s letter head <input type="checkbox"/> Copies of CNICs of all authorized signatories (if applicable)
Company	<input type="checkbox"/> Certified copy of Certificate of Incorporation <input type="checkbox"/> Memorandum and Articles of Association <input type="checkbox"/> Copies of valid CNICs of all Directors <input type="checkbox"/> Board of Directors’ Resolution for investment authorization in the Fund <input type="checkbox"/> Board of Directors’ Resolution/Power of Attorney in favour of authorized signatories <input type="checkbox"/> Copies of CNICs of all authorized signatories <input type="checkbox"/> Latest audited Financial Statements
Partnership Firm	<input type="checkbox"/> Certified copy of Certificate of Registration <input type="checkbox"/> Certified copy of Partnership Deed <input type="checkbox"/> Copies of valid CNICs of all Partners <input type="checkbox"/> Power of Attorney in favour of authorized signatories <input type="checkbox"/> Copies of valid CNICs of all authorized signatories <input type="checkbox"/> Latest Financial Statements / Accounts
Association of Persons	<input type="checkbox"/> Certified copy of Certificate of Registration <input type="checkbox"/> Certified copy of Constitutive documents <input type="checkbox"/> Governing body’s resolution for Investment authorization in the Fund <input type="checkbox"/> Governing body’s resolution / Power of Attorney in favour of authorized signatories <input type="checkbox"/> Copies of valid CNICs of all authorized signatories <input type="checkbox"/> Latest Financial Statements / Accounts
Trust / Charitable Institution	<input type="checkbox"/> Certified copy of Trust Deed and Trust Rules & Regulations <input type="checkbox"/> Copies of valid CNICs of all Trustees <input type="checkbox"/> Trustees’ Resolution for investment authorization in the Fund

	<input type="checkbox"/> Trustees' Resolution / Power of Attorney in favour of authorized signatories <input type="checkbox"/> Copies of valid CNICs of all authorized signatories <input type="checkbox"/> Latest Financial Statements / Accounts
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- (f) In case of existing Unit Holders, if any of the documents have previously been deposited with the Management Company, fresh submission of documents will not be required, provided that deposited documents are valid and acceptable to the Management Company. The Management Company may require additional details for completion of Know Your Customer (KYC) formalities as required by the regulatory authorities.
- (g) The applicant will receive signed and stamped copies of the Account Opening Form, Know Your Customer Form and Investment Form (hereinafter referred to as the Application Forms) from the authorized officer of the Distributor or the Investment Facilitator or the Transfer Agent as the case may be. The signed and stamped copies of the Application Forms will be provided for record of the applicant and serve as an acknowledgement receipt.
- (h) The Management Company and Transfer Agents shall be entitled to verify the particulars of the applicant given in the Application Forms. If subsequent to receipt of the Application Forms by the Management Company or Transfer Agent, but prior to issue of the Units, the Application Forms are found by the Management Company or Transfer Agent to be incomplete or incorrect in any material manner, the Management Company or Transfer Agent will advise the applicant to remove the discrepancy; in the mean while the application will be held in abeyance for fifteen (15) days. In the event the discrepancy is not removed in the said fifteen (15) days, the amount will be refunded without any surcharge or markup to the said applicant.
- (i) After complete verification of the particulars and documents provided by the applicant, the Transfer Agents shall open an investor account in the name of the applicant and allot a unique Investor Registration Number to the applicant. This Investor Registration Number can be used for all future transactions to facilitate reference and linking.
- (j) Units shall be issued based on the Offer price that is fixed on the basis of NAV applicable on the close of Business Day on which funds are realized into the Scheme's Bank Accounts.
- (k) The Transfer Agent shall send a statement of account to the Unit Holder confirming the issuance of Units by electronic means or ordinary mail to the Unit Holder's address recorded in the Register as instructed by the Unit Holder.
- (l) The payment made for purchase of units will be deemed to be completed on the date the payment instrument is cleared. Units will be issued upon realization of funds by the Management Company. If the payment instrument is returned, no units will be issued. Payment instrument should be received with a condition that it should not be post dated and should be drawn on a bank in local town of the Distributor. Timely deposit of payment instrument shall be the responsibility of Distributor/Investment Facilitator. Provided that post dated instruments may be allowed for Administrative Plans as may be announced by the Management Company with the approval of the Commission.
- (m) In the event Units have been issued and a material discrepancy is discovered subsequent to that, the Management Company or the Transfer Agent will advise the applicant to remove the discrepancy within fifteen (15) days. If the investor, in the opinion of the Transfer Agent, fails to remove the discrepancy without good cause within the stipulated time, 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.

- (n) The Management Company may decline to issue Units to any applicant, if it is of the opinion that it will not be possible to invest inflow of funds efficiently or to effectively meet any regulatory requirements.
- (o) In general, the payment from outside Pakistan will be deemed to be completed on the date the Trustee receives the payment from international investor in the Scheme's Bank Accounts.
- (p) The Management Company may announce special conditions regarding issue of Units in dematerialized form registered with a recognized depository company i.e. CDC.
- (q) The Management Company may make arrangements to accept purchase applications through electronic or other means subject to the prior satisfaction of the Trustee.
- (r) The Management Company may make arrangements to accept electronic forms of payments, such as credit cards and debit cards or in such form (other than through cash or any bearer instruments) as is prescribed by the Management Company, in favour of the Trustee at the Authorized Branch of any Distributor on any Subscription Day subject to prior approval of the Commission. It is reiterated that only Authorized Branches of the Distributors are authorized to collect application and payment for issue of Units for non-electronic applications and payment methods. Any charges payable to the third party on debit cards/credit cards etc shall be payable by the investor.
- (s) The Management Company may announce different timings for the month of Ramadan, with prior intimation of at least three working days to the Commission, which will be communicated to the Unit Holders through its website.

6.5 Joint Application Procedures

- (a) Joint application can be made by up to four related group of applicants only at the time when the account is opened. Such persons shall be deemed to hold Units on joint Holder basis. However, each person must sign the Application Forms and submit a copy of their valid Computerized National Identity Card (CNIC) / National Identity Card for Overseas Pakistani (NICOP) / Passport or other identification document along with the other required documents as mentioned in Clause 6.4 (e) above.
- (b) The first named joint Holder shall receive all notices and correspondence with respect to the account. In the event of death of the first named joint Holder, the person first in the order of survivor(s) as stated in the Application Form shall be the only person recognized by the Management Company to receive all notices and correspondences with regards to the accounts.
- (c) The Transfer Agent shall not register more than four joint Holders for a Unit. In case of the death of any one of the joint Holders, the survivor or survivors shall be the only persons recognized by the Trustee as having any title to or interest in the Units held by the joint Holders. Provided, however, the Transfer Agent or the Trustee may at their discretion request the survivors to provide succession certificates or other such mandate from a court or lawful authority, if they consider necessary.

- (d) Where Units are registered in the name of joint Holders and subsequently additional Units are purchased by the same joint Holders but the application is made in different order, such additional Units shall be registered under a different account.

6.6 Procedures for Redemption of Units

- (a) The procedure herein below is designed for paper-based transactions. The Management Company may introduce electronic/internet based alternatives for the transactions subject to the prior satisfaction of the Trustee.
- (b) All Unit Holders, other than the Holders of Class “CR” Units are eligible to redeem their Units after the close of the Initial Offer Period. Holders of Class “CR” Units will be eligible for redemption after a period of two years; however such units are eligible for transfer subject to the condition that the new transferee of such Units agrees to the same for the balance period, if any. There will be no redemption allowed during the Initial Offer Period.
- (c) The Unit Holder shall submit prescribed Redemption Form along with the relevant Certificate if issued, to any of the Authorized Branches of the Distributors or Investment Facilitator or directly to the Management Company at its designated offices before the Cut-Off Time on any Business Day. In case the Certificate is not issued, the Unit Holder shall only submit the prescribed Redemption Form.

The format of Redemption Form is attached as Annexure “H” to this Offering Document. The Authorized Branches of the Distributors are mentioned in Annexure ‘C’ to this Offering Document. The Cut-Off Time for receiving applications for redemption of units is mentioned in Annexure “D” to this Offering Document.

- (d) Unless the joint Holder(s) of Units have specified otherwise, all joint Holder(s) shall sign the Redemption Form for such Units.
- (e) The Unit Holder will receive signed and stamped copy of the Redemption Form from the authorized officer of the Distributor or the Investment Facilitator or the Transfer Agent as the case may be. The signed and stamped copy of the Redemption Form will be provided for record of the Unit Holder and serve as an acknowledgement receipt.
- (f) Redemption of Units shall be made after verifying the signature(s) and other particulars of the Unit Holder(s) including the holding stated on the Redemption Form. Redemption Form shall be immediately rejected by the Transfer Agent if signature(s) of the Unit Holder(s) does not match with its signature(s) on Account Opening Form. However, in case of any incorrect information or particulars, Redemption Form may be rejected if the Unit Holder does not rectify the discrepancy within two (2) Business Days.
- (g) Units shall be redeemed on the basis of Redemption price that is fixed on the basis of applicable NAV so determined on the Business Day on which duly completed Redemption Form is received before the Cut-Off Time as mentioned in Annexure “D” . The redemption amount to be adjusted downwards or upwards to the nearest whole number depending upon the value of the decimal number(s).
- (h) The amount payable on redemption shall be paid to the Holder or in the case of joint Holders, the first named joint Holder s by crossed cheque, payment order or direct transfer to her/his

designated bank account or any other mode, after receipt of a properly documented request for redemption of the Units, provided that redemption is not suspended.

The receipt of the Holder for any moneys payable in respect of the Units shall be a good discharge to the Trustee and if several persons are registered as joint Holders eligibility to receive the redemption money depends on the initial instructions given by the joint Holders.

- (i) Payment of the redemption proceeds will be made by a crossed cheque, pay order, demand draft, in favor of Unit Holder's registered name or first name joint Holder in the event of joint Holders, and will be sent to registered address of the Unit Holder or first name joint Holder, or if so authorized by all the joint Holders, at the address of the joint Holder who has signed the Redemption Form as provided, within six (6) business days of the receipt of a duly completed Redemption Form before the Cut-Off Time. However, if so authorized by the Unit Holder, payment of redemption proceeds will be made by transfer to the bank account number of the Unit Holder or first- named joint holder in the event of joint Holder.
- (j) The Transfer Agent shall send the payment instrument to the Unit Holder as instructed by the Unit Holder. Statement of account may be sent by electronic means or ordinary mail to the Unit Holder's address recorded in the Register as instructed by the Unit Holder.
- (k) The Management Company may make arrangements to accept redemption requests through electronic or other means subject to the satisfaction of the Trustee.
- (l) In case the Unit Holder has requested encashment of Bonus Units then such Bonus Units will be redeemed at the ex-dividend Net Asset Value after deducting taxes and the Back-end Load if any, as specified in Annexure "B" to this Offering Document.
- (m) Redemption of Units may be suspended or put in queue due to exceptional circumstances. For detailed information, please refer to Clause 6.11 below.
- (n) Partial Redemption of Units covered by a single Certificate is not permitted. However, Unit Holders may apply for a splitting of the Certificate before applying for redemption.
- (o) No netting off transaction (adjustment of the assets of the Scheme against the investment of Unit Holders) is allowed within the Scheme.
- (p) The Management Company shall ensure all redemption requests are paid based on ranking of the request in a queue.
- (q) Back-end Load as disclosed in Annexure "B" to this Offering Document shall be applicable on the redemption of Units other than Class "CR" and Class "CU" Units.
- (r) Subject to applicable taxes and the Back-end Load if any, the Unit Holder has an option to convert Units into another Open-end Scheme managed by the Management Company.
- (s) The Management Company may announce different timings for the month of Ramadan, with prior intimation of at least three working days to the Commission, which will be communicated to the Unit Holders through its website.

6.7 Features of Units

- (a) All Units and fractions thereof (up to four or more decimal places) represent an undivided share in the Scheme and rank pari passu according to the number of Units held by each Unit Holder, including as to the rights of the Unit Holder(s) 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. However Units of different classes shall have different Redemption Prices because of varying Back-end load as specified in Annexure “B”.
- (b) Unit Holders may obtain certificates representing the Units they hold by paying a nominal fee of Rs. 50/- per certificate, subject to revision from time to time by the Management Company. Requests for redemption, transfer or transmission of Units shall be processed only on the production of the certificate(s) if issued earlier. In the event of loss or defacing of certificates, the process shall be carried out subject to appropriate safeguards to the satisfaction of the Management Company/ Trustee / Transfer Agent and the associated cost if any will be borne by the Unit Holder.
- (c) The Transfer Agent may register a pledge/lien on any Units in favor of any third party with the specific authority of the Management Company. However, the pledge/lien shall be valid only if evidenced by a statement or letter issued by the Transfer Agent indicating the Units marked in favor of the Pledgee or Pledge/Lien Holder. The onus for due process having been followed in registering a lien shall lie with the party claiming the lien.

The Management Company may apply for registration of the Scheme’s Units as an eligible security under CDC Regulations. After such registration, any Unit Holder of the Scheme who is also an account holder or a participant or a sub-account holder of the CDC or any other depository company can request the Management Company to issue Units in the form of book-entry security. For this purpose, the Unit Holder will be required to submit prescribed application form to the Management Company providing details about its participant account/sub-account. After issuance of Units in the form of book-entry security, the Unit Holder can place the Units of the Scheme under pledge in favour of any eligible pledgee under intimation to the Management Company.

In this Clause, the terms “account holder”, “participant”, “sub-account holder”, “book-entry security” and “eligible pledgee” have the same meanings as defined in the Section 2 of the Central Depositories Act, 1997

- (d) The Management Company shall formally forward details of all the requests for dealing in Units, duly time and date stamped, to the Trustee within twenty four (24) hours of the receipt of such requests.
- (e) The purchase of Units may be carried out On-line or through other electronic means, with the prior approval of the SECP. However, the redemption and any other dealings in the Units may be carried out On-line or through other electronic means, subject to prior satisfaction of the Trustee.

6.8 Procedures for change in Unit Holder’s Details

- (a) A Unit Holder can change his/her Unit Holder’s details if he/she so desires. Such change in Unit Holder’s details can be requested through Special Request Form. This Form may be obtained from the Authorized Branches of the Distributors or Investment Facilitators or directly from the Management Company or through website www.mcbamc.com.pk. Special Request Form is attached as Annexure “I” to this Offering Document.
- (b) Some of the key information that the Unit Holder can change is as follows:
 - i) Contact details
 - ii) Bank details
 - iii) Authorized signatories details
 - iv) Nomination details
 - v) Joint Holder details
 - vi) Account operating instructions
- (c) The Unit Holder shall submit the Special Request Form to any of the Authorized Branches of the Distributors or the Investment Facilitator or directly to the Management Company at its designated offices before the Cut-Off Time on any Business Day as mentioned in Annexure “D”.
- (d) The Unit Holder will receive signed and stamped copy of the Special Request Form from the authorized officer of the Distributor or the Investment Facilitator or the Transfer Agent as the case may be. The signed and stamped copy of the Special Request Form will be provided for record of the Unit Holder and serve as an acknowledgement receipt.
- (e) The Management Company shall verify the particulars given in the Special Request Form. In case of any incorrect information, the application may be rejected if the applicant does not rectify the discrepancy within two (2) Business Days.
- (f) The Unit Holder shall be liable for any taxes, charges or duties that may be levied on any of the above changes that the Unit Holder may request. These taxes, charges or duties may either be recovered by redemption of Unit Holder’s equivalent Units at the time of request or the Management Company may require separate payment for such taxes, charges and duties.
- (g) Unless the joint Holder(s) of Units have specified otherwise, all the joint Holder(s) shall sign the Special Request Form.
- (h) The Management Company may announce different timings for the month of Ramadan, with prior intimation of at least three working days to the Commission, which will be communicated to the Unit Holders through its website.

6.9 Procedures for Transfer, Transmission and Conversion of Units

- (a) The procedure herein below is designed for paper-based transactions. The Management Company may introduce electronic/Internet based alternatives for the transactions subject to prior satisfaction of the Trustee.
- (b) The Unit Holder can transfer his/her Units in the Scheme to any eligible investor by submitting a duly filled transfer application or any other document as may be prescribed by the Management Company from time to time. The Unit Holder transferring Units is hereinafter

referred to as the Transferor and the investor receiving Units is hereinafter referred to as the Transferee. If not already a Unit Holder, the transferee would be required to fill the Account Opening Form (attached as Annexure “E”) and handover to the Management Company. Condition for minimum investment as specified in Clause 6.2.1 above shall not be applicable for the accounts opened under this Clause.

- (c) The transfer application shall be signed by both the Transferor and the Transferee. The Transferor shall submit the signed transfer application to any of the Authorized Branches of the Distributors or the Investment Facilitator or directly to the Management Company at its designated offices before the Cut-Off Time on any Business Day as mentioned in Annexure “D”.

The format of Transfer Letter/Application is attached as Annexure “J” to this Offering Document.

- (d) The Transferor shall be deemed to remain the Holder of the Units transferred until the name of the Transferee is entered in the Register in respect thereof.
- (e) Any person becoming entitled to hold the Units in consequence of the death, insolvency or winding up of any sole Holder or the survivors of joint Holder shall be registered as the Holder or joint Holder as the case may be subject to providing such evidence as to his/her title as the Trustee shall consider sufficient either be registered as Holder of such Unit upon giving the Trustee/Distributor such notice in writing of his desire or transfer such Unit to some other person.
- (f) The Transferor shall be subject to any other charges not exceeding one percent of the value of Units being transferred at the date of request. Any taxes or duties applicable on the transfer shall however be payable by or recovered from the Transferee.
- (g) A Certificate shall be transferable only in its entirety. Partial transfer of Units covered by a single Certificate is not 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.
- (h) The Unit Holder can convert his/her Units of the Scheme into another Scheme managed by the Management Company or vice versa. For this purpose, the Unit Holder shall submit duly completed Conversion Form to any of the Authorized Branches of the Distributors or the Investment Facilitator or directly to the Management Company at its designated offices before the Cut-Off Time on any Business Day. The format of Conversion Form is attached as Annexure “H” to this Offering Document.
- (i) The Management Company may announce different timings for the month of Ramadan, with prior intimation of at least three working days to the Commission, which will be communicated to the Unit Holders through its website.

6.10 Procedures for Pledge/Lien/Charge of Units

- (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 through the Pledge of Units Form as attached in Annexure “K” to this Offering Document. This Form may be obtained from Distributors or Investment Facilitators or from the Management Company or through its web site.
- (b) Duly completed Pledge of Units Form shall be submitted to the Management Company by the Pledge/Lien/Charger Holder within the Cut-Off Time on any Business Day as mentioned in Annexure “D”. The Management Company shall be entitled to verify the particulars given on the Pledge of Units Form. In case of any incorrect information, the Pledge of Units Form may be rejected if the Unit Holder does not rectify the discrepancy within two (2) Business Days.
- (c) Any Unit Holder or all the joint Holders of a Unit or types of Units may request the Transfer Agent to record pledge or lien on all or any of her/his/their Units in favour of third party legally entitled to invest in such units in its own rights. The Registrar shall register a lien on any Units in favor of third party with the specific authority of the Management Company as security for any debt to any third party. The Transfer agent shall take a note of the pledge/lien/charge in his record, whether the certificate has been issued or not, provided sufficient evidence of pledge/lien to the satisfaction of the Management Company.
- (d) The pledge/lien once registered shall be removed by the authority of the party in whose favour the pledge/lien has been registered or through an order of the competent court. Neither the Trustee nor the Management Company nor the Transfer Agent shall be liable for ensuring the validity of any such pledge/lien/charge. The disbursement of any loan or undertaking of any obligation against the constitution of such pledge/lien/charge by any party shall be at the entire discretion of such party and neither the Trustee nor the Management Company nor the Transfer Agent take any responsibility in this matter.
- (e) Save any legal bar or court order requiring otherwise, any dividends that are declared on the pledged Units shall be made to the order of the Holder. Furthermore, any Units issued on reinvestments or bonus Units that the pledged Units are entitled to automatically be marked to the order of the Holder. In the event the pledged Units are redeemed for any reason, the redemption proceeds of the Units lien/ pledged/charged shall be made to the lien/pledge/charge holder for the account of the Holder.
- (f) The lien on the pledge Units shall continue till such time it is released by the pledge/lien/charge holder in writing.
- (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 instructs otherwise in writing to the Management Company.
- (h) All application for pledge/lien received before the close of that Business Day. The application forms received after that will be considered for the next Business Day.
- (i) The Management Company may announce different timings for the month of Ramadan, with prior intimation of at least three working days to the Commission, which will be communicated to the Unit Holders through its website.

6.11 Suspension and Deferral of Dealing, Queue System and Winding Up

6.11.1 Suspension of fresh issue of Units

- a) The Management Company may at any time under extraordinary circumstances, subject to the Rules and the Regulations as may be modified from time to time, suspend issue of fresh Units. Such suspension may however not affect the issue of Bonus Units as a result of dividend distribution, the option to receive dividends in the form of additional Units. However, no such fresh administrative plan will be offered during the suspension period. The Management Company shall announce the details of exemptions at the time a suspension of fresh issue is announced. The Management Company shall immediately notify the SECP if fresh issue 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.

Provided that the Commission may at any time direct the Management Company to terminate the suspension.

- b) The Management Company may also at any time decline to accept new funds for the fresh issuance of Units if in its opinion the cumulative or any one request for fresh issue of Units is so large that investing the funds would take some time and be contrary to the interests of the present Unit Holders.

6.11.2 Suspension of redemption of Units

- (a) The Management Company may announce a suspension of redemption and such a measure shall be taken to protect the interest of the Unit Holder(s) in the event redemption requests accumulate in excess of ten (10) percent of the Units in issue. In the event of a large number of redemption requests accumulating, the requests may be processed in a Queue System and under extreme circumstances the Management Company may decide to wind up the Fund. Details of the procedure are given in Clause 6.11.4 herein below.
- (b) In the event of extra-ordinary circumstances, the Management Company may suspend Redemption of Units. In case of suspension of redemption of units of the Scheme due to extraordinary circumstances, the issuance of fresh units shall also be kept suspended until and unless redemption of units is resumed. The circumstances under which the Management Company may suspend redemption shall be the event of war (declared), natural disasters, a major break down in law and order, breakdown of the communication system, closure of the capital markets and/or the banking system or strikes or other events that render the Management Company or the Distributors unable to function.
- (c) Such suspension or queue system shall end on the day following the first Business Day on which the conditions giving rise to the suspension or queue system shall in the opinion of the Management Company have ceased to exist and no other condition under which suspension or queue system is authorized under the Trust Deed exists. In case of suspension and invoking of a queue system and end of suspension and queue system the Management Company shall immediately notify the SECP and publish the same in at least two daily newspapers, one in English and one in Urdu, in which the Fund's prices are normally published.
- (d) Suspension of redemption shall be provided in exceptional circumstances, having regard to the interests of the Unit Holders and such a decision shall be made with the prior approval of the Board of Directors of the Management Company. The Management Company shall immediately suspend issuance of fresh units and inform the Commission and the Trustee if

redemption in units ceases or is suspended and the fact that the redemption is suspended shall be published immediately in the newspaper in which the Scheme's prices are usually published.

- (e) The Commission may at any time direct the Management Company to terminate the suspension.

6.11.3 Queue System

In the event redemption requests on any day exceed ten (10) percent of the number of Units outstanding, the Management Company may invoke a queue system whereby requests for redemption shall be processed on a first come first served basis for upto ten (10) percent 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 the Unit Holder(s) and shall determine the redemption price to be applied to the redemption requests based on such action. The requests in excess of the ten (10) percent shall be treated as redemption requests qualifying for being processed on the next Business 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 Business Day still exceed ten (10) percent of the Units in issue or ten (10) percent of Fund's Net Assets, 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 (10) percent of the Units then in issue.

6.11.4 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 shall result in the Fund being run down to an unmanageable level or it is of the view that the sell-off of assets is likely to result in a significant loss in value for the Unit Holder(s) 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 Holder(s) shall be paid after selling the assets and determining the final Redemption (Repurchase) Price.

6.12 Valuation of Property and Pricing

6.12.1 The mechanism on valuation of the Fund Property and pricing, as prescribed under the Regulations shall apply to:

- (a) the method of determining the value of the assets and liabilities of the Fund Property of the Scheme and the Net Asset Value accordingly;
- (b) the method of calculating the Offer and Redemption Prices; and
- (c) the method of pricing and the circumstances under which it can change.

6.12.2 Valuation of Assets and Liabilities

- (a) A security listed on a Stock Exchange, local or foreign as the case may be, shall be valued at its last sale price on such exchange on the date on which it is valued or if such exchange is not open on such date, then at its last sale price on the next preceding date on which such Exchange was open and if no sale is reported for such date the security shall be valued at an amount neither higher than the closing asked price nor lower than the closing bid price.

- (b) An unlisted Debt security and a debt security listed but not traded regularly on a stock exchange shall be valued in the manner specified by the Commission.
- (c) An investment purchased and awaiting payment against delivery shall be included for valuation purposes.
- (d) An investment sold but not delivered pending receipt of proceeds shall be valued at the net sale price.
- (e) The value of any dividends, bonus shares or rights which may have been declared on securities in the portfolio but not received by the Scheme as of the close of business on the valuation date shall be included as assets of the Scheme if the security upon which such dividends, bonus shares or rights were declared is included in the assets and is valued ex-dividend, ex-profit, ex-income, ex-interest, etc. as the case may be.
- (f) Mark-up accrued on any mark-up-bearing security in the portfolio shall be included as an asset of the Scheme if such accrued mark-up is not otherwise included in the valuation of the security.
- (g) Any other income accrued upto the date on which computation was made shall also be included in the assets.
- (h) All liabilities, expenses and other charges due or accrued up to the date of computation which are chargeable under the Regulations and taxes shall be deducted from the value of the assets.
- (i) The remuneration and fees accrued up to the date of computation payable to the Management Company, the Trustee, the Commission, and the Auditors of the Fund and for providing the services shall be included as an expense.
- (j) A security not listed or quoted on a Stock Exchange, other than a Government Securities or debt security shall be valued at investment price or its break up value as per last audited accounts, whichever is lower.
- (k) Government Securities not listed on a Stock Exchange and traded in the interbank market shall be valued at the average rate quoted on a widely used electronic quotation system and such average rate shall be based on the remaining tenor of the security.
- (l) In respect of investments held in foreign currencies, the same will be translated in Pakistan Rupees using the closing buying spot rates declared by the State Bank of Pakistan at each balance sheet date.
- (m) Any such method of valuation of assets and liabilities as may be specified or modified by the Commission from time to time; For any asset class, where no specific method or valuation is prescribed in the Regulations, specific approval from the Commission shall be obtained and valuation shall be done accordingly. Pending the Commission's approval on valuation of any asset class, the Management Company shall value that asset class either at cost or on the method as may think expedient by the Management Company.

6.12.3 Determination of Offer Price

- (a) During the Initial Period, the Units will be offered at an Initial Price mentioned in Clause 3.10 above. After the Initial Period, the Offer Price shall be calculated and announced by the Management Company on each Business Day in accordance with the Regulations.
- (b) The method of determining the value of assets and liabilities of the Fund Property and the NAV shall be in compliance with the Regulations.
- (c) The 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;
 - iii) such amount as the Management Company may consider being an appropriate provision for government taxes, Duties and Charges;
 - iv) such sum to be rounded off to the nearest four decimal places.
- (d) In the event that the amount paid as provision for payment of Duties and Charges pursuant to sub-clause 6.12.3(c)(iii) above is insufficient to pay in full such Duties and Charges, the Management Company shall be liable for the payment in full of the amount of such Duties and Charges in excess of such provisions (including such excess arises from any Duties and Charges levied with retrospective effect after the date of payment).
- (e) In the event that the amount paid as provision for payment of Duties and Charges pursuant to sub-clause 6.12.3(c)(iii) exceeds the relevant amount of Duties and Charges, the Registrar shall issue additional Units or fractions thereof to the Unit Holder(s) based on the price applicable to the Units issued against the relevant application.
- (f) The Offer Price determined by the Management Company shall be made available to the public at the office of the Management Company, at the Authorized Branches of the Distributors, and at the discretion of the Management Company may also be published in at least two daily newspapers, one in English language and one in Urdu language, widely circulated in Pakistan and be made available at its website (www.mcbamc.com.pk).
- (g) NAV of the Scheme shall be announced on each Business Day at the Management Company and MUFAP websites latest by 6:30 PM or any other time announced by the SECP from time to time.

6.12.4 Determination of Redemption Price

- (a) During the Initial Period, the Units shall not be redeemed.
- (b) After the Initial Period the Redemption Price shall be equal to the sum of:
 - i) The Net Asset Value as of the close of the Business Day on which duly completed application for redemption is received before the Cut-off time less:

- ii) any Back-end load; and
 - iii) such amount as the Management Company may consider an appropriate provision for government taxes, Duties and Charges;
 - iv) Such amount to be rounded off to the nearest four decimal places.
- (c) In the event that the amount paid as provision for payment of Duties and Charges pursuant to sub-clause 6.12.4(b)(iii) above is insufficient to pay in full such Duties and Charges, the Management Company shall be liable for the payment in full of the amount of such Duties and Charges in excess of such provisions (including such excess arises from any Duties and Charges levied with retrospective effect after the date of payment).
- (d) In the event that the amount paid as provision for payment of Duties and Charges pursuant to sub-clause 6.12.4(b)(iii) above exceeds the relevant amount of Duties and Charges, the Trustee shall refund such excess amount to the relevant Holders or otherwise deposit the same as part of the Fund Property.
- (e) The Redemption Price determined by the Management Company shall be made available to the public at the office of the Management Company, at the Authorized Branches of the Distributor and at the discretion of the Management Company may also be published in at least one daily newspaper widely circulated in Pakistan and be made available at its website(www.mcbamc.com.pk).
- (f) The Management Company shall ensure all redemption requests are paid based on ranking of the request in a queue.
- (g) NAV of the Scheme shall be announced on each Business Day at the Management Company and MUFAP websites latest by 6:30 PM or any other time announced by the SECP from time to time.

6.13 Payment to Distributors/Investment Facilitators

- (a) The Distributor or Investment Facilitator employed by the Management Company will be entitled to a remuneration payable by the Management Company (out of its own resources) in accordance with the terms to be agreed between the Management Company and the
- (b) Distributor/Investment Facilitator.
- (c) Distributors located outside Pakistan may if so authorized by the Trustee and the Management Company will be entitled to remuneration, to be paid by the Management Company's from its own resources, in accordance with the terms to be agreed between the Management Company and the Distributor located outside Pakistan, subject to the law for the time being in force.

6.14 Issue of Units outside Pakistan

- (a) Subject to foreign exchange control and other applicable laws, rules and regulations, in the event of arrangements being made by the Management Company for the issuance of Units to person(s) not resident in Pakistan or for delivery in any country outside Pakistan the price at which such Units may be issued, may at the discretion of the Management Company include

in addition to the Offer Price as herein before provided, a further amount sufficient to cover any currency exchange fluctuation, transaction costs, bank charges, any additional stamp duty or taxation whether national, municipal or otherwise leviable in that country in respect of such issue or of the delivery or issue of Certificates in connection therewith or the remittance of money to Pakistan.

- (b) In the event that the Redemption Price for Units is paid in any country outside Pakistan, the price at which such Units may be redeemed may, at the discretion of the Management Company, include as a deduction to the Redemption Price as herein before provided a further amount sufficient to cover any currency exchange fluctuation, bank charges, additional transaction costs and any additional stamp duty or taxation whether national, municipal or otherwise leviable in that country in respect of such payment or redemption.
- (c) The currency of transaction of the Scheme is the Pakistani Rupee and the Management Company, Trustee or any Distributor are not obliged to transact the issuance 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 there from..
- (d) Neither the Trustee, nor the Management Company shall be responsible for arranging remittances of funds from the offshore countries to Pakistan and from Pakistan to offshore countries or for payment of any bank charges and other levies, if any in relation to issue and redemption of Units outside Pakistan.

6.15 Cut-Off Timings

The Cut-Off Time of the Fund before which Units based transactions shall be effectuated in the Fund including receiving applications for issuance, redemption, conversion and transfer of Units is mentioned in Annexure “D” to this Offering Document. The Cut-Off Timings for the month of Ramadan shall be specified on the website of the Management Company and these shall be communicated to the Unit Holders, the Trustee and the SECP accordingly.

Any change in the Cut-Off Time shall be specified on the website of the Management Company. The Management Company may change the Cut-Off Time with the prior approval of the SECP and after notifying the Unit Holders. The revised Cut-Off Time shall be displayed prominently on the website of the Management Company.

7. DISTRIBUTION POLICY

7.1.1 Minimum Distribution Policy

The Management Company shall distribute by way of dividend to the Unit Holders of the Scheme not less than ninety percent (90%) of its income received or derived from sources other than unrealized capital gains as reduced by such expenses as are chargeable to the Scheme under the Regulations.

7.1.2 Declaration of Distribution

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 distribution at the end of Accounting Period, and shall advise the Trustee of the rate of such distribution per Unit. In case the Board of Directors of the

Management Company declares distribution in the form of Bonus Units on the outstanding Units of Class “B” then the Unit Holders of Class “B” Units will be given Units of Class “A” as Bonus Units.

7.1.3 Determination of Distributable Profits

- (a) The amount available for distribution in respect of any Accounting Period shall be determined by the Management Company after consulting the Auditors and shall be the sum total of:
- i) the total income earned on the Fund Property during such Accounting Period including all amounts received in respect of dividend, mark-up, profit, interest and fee;
 - ii) whole or part of the net realized appreciation, at the option of the Management Company; and
 - iii) from the above amounts shall be deducted expenses and such other adjustment as the Management Company may determine in consultation with the Auditors.

Provided that consultation with Auditors will not be required in case of distribution at the end of first, second or third quarter of the Accounting Period. In such case the Trustee may require the Management Company to provide detailed working for such distribution.

- (b) The proceeds of sale of rights and all other receipts deemed by the Management Company, after consulting the Auditors, to be in the nature of capital accruing from Investments, shall not be regarded as available for distribution in terms of this clause but shall be retained as part of the Fund Property, provided that such amounts out of the sale proceeds of the Investments and out of the sale proceeds of rights, bonus shares and all other receipts as deemed by the Management Company to be in the nature of the net realised appreciation, may be distributable income to the Unit Holders by the Trustee and shall thereafter, cease to form part of the Fund Property once transferred to the Distribution Account.
- (c) The amount qualifying for purposes of determining distributable income in respect of the relevant period shall be ascertained by deducting expenses as are admissible under the Regulations and the Trust Deed.
- (d) The amount qualifying for purposes of determining distributable income in respect of the relevant period shall be adjusted as under:
- i) deduction of a sum by way of adjustment to allow for effect of purchase of shares or any of the investment/dividend, interest, profit or mark-up;
 - ii) addition of a sum representing amounts included in the price of Units for income accrued prior to the date of issue and deduction of a sum representing all participation in income distributed upon Redemption of Units upon a reduction of the Trust during the relevant period;
 - iii) adjustment considered necessary by the Management Company to reflect the diminution in the value of Fund Property.
- (e) Out of the amount determined for the purpose of distributable income in respect of each Holder withholding tax, zakat or other statutory levies, as may be applicable to the relevant Holder shall be deducted out of the distributable income for the relevant Holder.
- (f) The Management Company may decide to distribute in the interest of the Holders, wholly or in part the distributable profits in the form of Bonus Units. 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.

7.1.4 Distribution of Profits

- (a) On each Accounting Date or interim distribution date, the Management Company shall instruct the Trustee to transfer to the Distribution Account such amount of cash as required to effect cash distribution of income to the Unit Holders. The amount standing to the credit of the Distribution Account shall not for any purposes of the Trust Deed be treated as part of the Fund Property but shall be held by the Trustee upon trust to distribute the same as herein provided.
- (b) After fixation of the rate of distribution per Unit, distribution payments shall be made by direct bank transfer or cheque or warrant crossed “Account Payee only” by the Trustee and sent through the registered post or reliable courier service to the registered address of such Holder, or in the case of joint Holders to the registered address of the joint Holder, first named on the Register. When an authority in that behalf shall have been received in such form as the Management Company shall consider sufficient, it shall transfer to the Holders’ designated bank account or in case of joint Holder, to designated bank account of the joint Holder, first named in the Register. The receipt of funds by such designated bankers shall be a good discharge therefor.
- (c) The Management Company may offer the Holder the option to receive Bonus Units instead of cash dividend payment, as per the terms and condition and the procedure laid down in the Offering Document.
- (d) The Management Company may offer the Unit Holder the option to encash Bonus Units as may be entitled against distribution in form of Bonus Units at ex-dividend Net Asset Value. The Unit Holders shall be entitled to change such option under the signature of the Unit Holder and in case of joint Holders, under the signatures of all the joint Holders.
- (e) In case of encashment, the Bonus Units will be redeemed on the first Business Day after distribution at the NAV of the effective date of distribution after appropriation of the distribution.
- (f) Before making any payment in respect of a Unit, the Trustee or the Management Company may make such adjustments as may be required by law in respect of any Zakat, income or other taxes, charges or assessments whatsoever and issue to the Holder the certificate in respect of which deduction in the prescribed form or in a form approved or acquired by the concerned authorities.

7.1.5 Reinvestment of Dividend

- (a) Dividends shall be automatically reinvested in additional Units, except for Cash Dividend Units, however the Unit Holder may instruct the Management Company in writing by completing the prescribed Form not to re-invest the future dividends to which he/she will be entitled. In such an event future dividends shall be paid by way of transfer to his/her designated Bank Account. Unit Holders may opt to receive the amount equivalent to their share of the annual cash distribution in the form of additional units. In such an event, the Management Company shall at the end of the financial year (or the relevant period in the event of an interim distribution) cause to issue such number of Units to the Unit Holder that approximately equates the value of the cash dividend for the period. The issue price shall be determined on the basis of the NAV of June 30 or relevant date after appropriation of income

of that year/ relevant period, but without any charge of the Front-end Load normally deducted from the Offer Price. The issuance of the Bonus Units shall be made, net of any taxes, charges and duties that the Management Company or the Trustee is obliged to recover from the Unit Holder.

- (b) A Unit Holder may in writing at the time of purchase of Units or at a later date instruct the Management Company to reinvest the future dividends to which he/she will be entitled into Scheme Units.
- (c) Subject to Clause 6.11 above, the Offer Price for the Units to be issued under Clause 7.1.5(a) above will be the NAV at the Distribution Date after the adjustment of the announced dividend.

7.1.6 Bonus Units

The Management Company may decide to distribute, wholly or in part the distributable income in the form of a stock dividend on Units other than Cash Dividend Units, if it is in the interest of Unit Holder, which would comprise of the Bonus Units of the Scheme. The Bonus Units would rank *pari passu* as to their rights in the net assets, earnings and the 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 (15) days of the issue of Bonus Units. Subject to Clause 6.11 above, the Unit Holder(s) have the option to encash the Bonus Units at ex-dividend Net Asset Value of the effective date of distribution after appropriation of the distribution.

7.1.7 Payment of Dividend

All payments for dividend shall be made by transfer of funds to the Unit Holder(s) designated bank account or through any other mode(s) of payment and such payment shall be subject to the Regulations.

7.1.8 Dispatch of Dividend Warrants/Advice and Account Statement

Dividend warrants/advice and/or Account Statement as the case may be shall be dispatched to the Unit Holder's or the charge-holder's registered address as per the instructions of the Unit Holder within thirty (30) days after the date of declaration of dividend.

7.1.9 Units Placed under Pledge/lien

Where Units are placed under pledge/lien, the payment of 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 made as per the instructions of the Unit Holder.

7.1.10 Closure of Register

The Management Company may close the Register by giving at least twenty one (21) days prior notice to the Unit Holders and for period not exceeding forty five (45) days in a calendar year not exceeding six (6) working days at a time. During the period, the Register is closed, the sale and redemption of Units, including transfer applications, will be suspended.

8. FEE AND CHARGES

8.1 Remuneration of the Management Company

- (a) The Management Company shall be entitled to be paid monthly in arrears, accrued remuneration duly verified by the Trustee, of an amount not exceeding three (3) percent per annum of the average annual Net Assets during the first five years of the Scheme and two (2) percent per annum of the average daily Net Assets thereafter, and provided that the remuneration so calculated shall not exceed the maximum remuneration allowed under the Regulations. The detail of current level of the Management Fee is outlined in Annexure “B” to this Offering Document.
- (b) The remuneration shall begin to accrue from the close of the Initial Offer period. In respect of any period other than an 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 accrued in the Accounting Period concerned.
- (c) The remuneration due to the Management Company shall be paid within seven (7) Business Days after the close of each calendar month and on receipt of invoice by the Trustee.
- (d) In consideration of the foregoing and save as aforesaid the Management Company shall be responsible for the payment of all expenses incurred by the Management Company from time to time in connection with its responsibilities as Management Company of the Trust. The Management Company shall not make any charge against the Unit Holder(s) or against the Trust Property or against the Distribution Account for its services or for its expenses, except such expenses as are expressly authorized under the provisions of the Rules and the Trust Deed to be payable out of Fund Property.
- (e) The Management Company shall bear all expenditures in respect of its secretarial and office space and professional management, including all accounting and administrative services provided in accordance with the provisions of the Trust Deed.
- (f) The Management Company shall however not make any further material charge against the Unit Holder(s) nor against the Fund Property nor against the Distribution Account for its services nor for expenses, except such expenses or fees as are expressly authorized under the provisions of the Rules, the Regulations and the Trust Deed.
- (g) The fees payable on offshore investments to an international fund manager/advisor as per Clause 5.5.2(o) above, appointed by the Management Company, if any, shall be paid directly to such international fund manager/advisor by the Management Company which shall be the responsibility of the Management Company and shall not be charged to the Fund.

8.2 Remuneration of Trustee

- (a) The Trustee shall be entitled to a monthly remuneration out of the Fund Property determined in accordance with Annexure “A” to this Offering Document. The remuneration shall begin to accrue following the expiry of the Initial Period. For any period other than a full calendar month such remuneration will be pro-rated 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 calendar month concerned.

- (b) Such remuneration shall be paid to the Trustee within seven (7) Business Days after the end of each calendar month and on receipt of invoice by the Management Company from the Trustee.
- (c) In consideration of the foregoing and save as aforesaid and the Trustee shall be responsible for the payment of all expenses incurred by the Trustee from time to time in connection with their duties as Trustee of the Scheme. The Trustee shall not make any charge against the Holders or against the Fund Property or against the Distribution/ Redemption Account for their services or for their expenses, except such expenses as are expressly authorized to be paid out of the Fund Property under the provisions of the Regulations and the Constitutive Documents.
- (d) The Trustee shall bear all expenditures in respect of their secretarial and office space and professional management, including all accounting and administrative services provided in accordance with the provisions of the Trust Deed and the Regulations.
- (e) Any increase in the remuneration of the Trustee agreed to by the Management Company shall require the prior approval of the SECP.
- (f) The Trustee shall however not make any further material charge against the Unit Holder(s) nor against the Fund Property nor against the Distribution Account for its services nor for expenses, except such expenses or fees as are expressly authorized under the provisions of the Regulations and the Trust.

8.3 Formation Costs

- (a) Formation Cost shall be charged to the Fund and shall not exceed one per cent (1%) of amount received during Pre-IPO or Five Million rupees, whichever is lower subject to the audit of expenses and shall be reimbursable to the Management Company.
- (b) Formation Cost shall be amortized by the Scheme over a period of not less than five years.

8.4 Other costs and expenses to be charged to and borne by the Scheme

- (a) listing fee payable to the Stock Exchange including renewals;
- (b) charges and levies of Stock Exchange, national clearing and settlement company and central depository company;
- (c) rating fee of the Scheme payable to approved rating agency;
- (d) auditors' fees and out of pocket expenses as billed by them;
- (e) fees payable to the Commission;
- (f) brokerage and transaction costs related to investing and disinvesting of the assets of the Scheme;
- (g) expenses incurred by the Trustee in affecting registration of all registerable assets in the name of the Trustee;
- (h) legal and related costs incurred in protecting the interests of the Unit Holders of the Scheme;
- (i) bank charges and borrowing and financial costs;
- (j) hedging costs including forward cover, forward purchase or option purchase costs;
- (k) printing costs and related expenses for issuing the Scheme's quarterly, half-yearly and annual reports, etc;
- (l) taxes, fees, cess, duties and other charges applicable to the Scheme on its income or its properties, including taxes, fees, duties and other charges levied by foreign jurisdiction on investments outside Pakistan; and
- (m) any other expense or charge as may be permitted by the Commission.

8.5 Any cost associated with sales, marketing and advertisement of the Scheme shall not be charged to the Scheme.

8.6 Expenses of the Management Company and the Trustee

The Management Company and Trustee shall bear all expenditures in respect of their respective secretarial and office space and professional management including all accounting and administrative services provided in accordance with the provisions of the Trust Deed and the Regulations. Neither the Management Company nor the Trustee shall make any charge against the Unit Holders nor against the Fund Property nor against the Distribution Account for their services nor for expenses, except such expenses or fees as are expressly authorized under the provisions of the Regulations and the Constitutive Documents to be payable out of Fund Property.

9. TAXATION

The following is a brief description of the Income Tax Law (Income Tax Ordinance, 2001) applicable in respect of the Scheme:

9.1.1 Liability for Income Tax

Under the Income Tax Law in Pakistan, the definition of a public company includes a Unit Trust whose units are widely available to the public and any other Trust as defined in the Trusts Act, 1882 II of 1882). The Scheme will be regarded as a public company liable to a tax rate applicable to a public company.

The income of the Scheme will accordingly be taxed at the following rates currently. Any change in the tax law from time to time will apply.

- Dividend income received from a company shall be taxed at an income tax rate of 10%.
- Tax on Capital gain arising on sale of securities listed on any Stock Exchange(s) in Pakistan.
- Returns from all other sources/instruments are taxable at the rate of 35% as applicable to a public company.

9.1.2 Liability for Income Tax if 90% of the Income is distributed

Notwithstanding the tax rates and withholding tax stated under Clause 9.1.1 above, the income of the Fund will be exempt from tax, if not less than ninety per cent (90%) of the accounting income of the Scheme for the year as reduced by capital gain whether realized or unrealized, is distributed amongst the Unit Holders as dividend (cash or stock or both). Here, accounting income means income calculated under the generally accepted Accounting Principles and verified by the Auditors.

In terms of the Regulations, the Management Company, on behalf of the Fund, for every annual Accounting Period, is required to distribute by way of dividend to Unit Holders not less than ninety per cent (90%) of the accounting income of the Fund earned from sources other than unrealized capital gains as reduced by such expenses as are permitted to be charged to the Fund. For the purpose of the Regulations the expression “accounting income” means income calculated under the International Accounting Standards and verified by the Auditors.

9.1.3 Exemption from Withholding Tax

Under the provisions of Clause 47(B) of Part (IV) of the Second Schedule to the Income Tax Ordinance, 2001, the Scheme’s income from dividend, profit on debt, brokerage and commission is exempt from withholding tax under relevant provision of Income Tax Ordinance, 2001.

9.1.4 Zakat

The Scheme is Sahib-e-Nisab under Zakat and Ushr Ordinance, 1980.

9.1.5 Taxation of Unit Holders and Liability to Zakat

(a) Disclaimer:

The information set forth below is included for general information purposes only. In view of the individual nature of tax consequences, each investor is advised to consult with his or her tax advisor with respect to the specific tax consequences to him/her of investing in the Scheme.

(b) **Withholding Tax:**

Unless exempted from such taxation or at reduced rate under any law or avoidance of Double Taxation Agreement, cash dividend paid to the Unit holders of the Scheme will be subject to withholding tax at the rate of ten per cent (10%) according to the present rates, which may change in future:

In terms of the provisions of the Income Tax Ordinance, 2001, the withholding tax shall be deemed to be full and final liability in respect of such distribution for individuals and other persons excluding companies.

(c) **Capital Gains:**

Capital Gains on disposition of the Units of the Scheme will be subject to capital gains tax under Section 37(A) of the Income Tax Ordinance, 2001 at the following present rates which may change in future:

Period of Holding	Tax Year	Rate of Tax
Where holding period of Units is less than six months	2011	10.00%
	2012	10.00%
	2013	12.50%
	2014	15.00%
	2015	17.50%
Where holding period of Units is more than six months but less than twelve months	2011	7.50%
	2012	8.00%
	2013	8.50%
	2014	9.00%
	2015	9.50%
	2016	10.00%
Where holding period of Units is more than one year	—	0.00%

The Management Company of the Scheme may deduct capital gain tax on redemption, conversion and transfer of Units in accordance with the requirements of Income Tax Ordinance, 2001 and directives issued by Federal Board of Revenue (FBR) from time to time.

(d) **Tax Credit:**

Subject to obtaining the listing on any stock exchange in Pakistan, a Person other than Company as defined in the Income Tax Ordinance, 2001, shall be entitled to a tax credit under section 62(1) and 62(2) of the Income Tax Ordinance 2001 on purchase of new Units. The amount on which tax credit will be allowed shall be lower of (a) amount invested, (b) ten per cent (10%) of the taxable income of the Unit Holder, and (c) Rs. 300,000/- (Rupees Three Hundred Thousand), and will be calculated by applying the average rate of tax of the Unit Holder for the tax year. If the Units so acquired are disposed by the Unit Holder within twelve (12) months, the amount of tax payable by the Unit Holder for the tax year shall be increased by the amount of the tax credit allowed to the Unit Holder.

(e) **Zakat:**

Units held by resident Pakistani Unit Holders shall be subject to Zakat at 2.5% of the Par Value or Redemption Price of Units, whichever is lower at the time of determining Zakat under Zakat

and Ushr Ordinance, 1980, (XVII of 1980), except those exempted under the said Ordinance. Zakat will be deducted at source from the dividend amount or from the redemption payment, if Units are redeemed during the Zakat year before payment of dividend.

9.1.6 Disclaimer:

The tax and Zakat information given above is based on the Management Company's interpretation of the law, which to the best of the Management Company's understanding is correct but investors are expected to seek independent advice so as to determine the taxability arising from their investment in the Units of the Scheme. 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.

All information contained in Part 9 is based on current taxation status. The exemptions and rates of taxation are subject to change from time to time, as may be announced by the Government.

10. REPORTS AND ACCOUNTS

10.1 Financial Year

The Accounting Period of the Scheme will commence from the date of registration of the Scheme for the first year to June 30 and from July 01 to June 30 for all the following years. Provided however, the Management Company may, with the prior approval of the SECP and intimation to the Trustee, change such date to any other date.

10.2 Financial Reporting

The following reports, together with any other information required by the Regulations, will be sent to the Unit Holders physically (or through electronic means or on the web subject to SECP approval):

- (a) Audited annual financial statements, together with the auditors' report, the report by the Management Company (Director's Report) and the report by the Trustee within four (4) months of the close of each Accounting Period.
- (b) Unaudited half yearly financial statements (subject to limited scope review by auditors), together with the report by the Management Company and by the Trustee within two months of the close of the second (2nd) quarter of the Accounting Period, as per the Regulations.
- (c) Un-audited quarterly financial statements, together with the report by the Management Company within one month of the close of the first and third quarter of each Accounting Period or such period as prescribed by SECP or the Regulations.
- (d) The Trustee shall issue a report to the Unit Holders to be included in the annual report and the second quarter, or at such times as directed by the SECP, in accordance with the applicable laws, whether in its opinion, the Management Company has in all material respects managed the Fund Property in accordance with the provisions of the Regulations and the Trust Deed 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. The regularity of reporting may change if so required by the SECP or under the Regulations and the Ordinance.

- (e) The Management Company may transmit the unaudited quarterly financial statements to the Unit Holders by placing them on its website subject to the approval and conditions prescribed by the SECP. However, the Management Company shall make available the printed copy of the unaudited quarterly financial statements to any Unit Holder, free of cost, within seven (7) days of receiving such requests.
- (f) The regularity, content and format of reporting will be according to the Rules and the Regulations and the Ordinance and may change if so required by the SECP or under the Regulations and the Ordinance.

11. SPECIAL CONSIDERATIONS FOR THE INVESTORS

- 11.1 The Management Company has not authorized any person to give information or make any representations, either oral or written, not stated in this Offering Document in connection with issue of Units under the Scheme. Prospective Investors are advised not to rely upon any information or representation not incorporated in this Offering Document as the same have not been authorized by the Management Company. Any investment made by any person on the basis of statements or representations which are not contained in this Offering Document or which are inconsistent with the information contained herein shall be solely at the risk of the Investor.
- 11.2 The Management Company is committed to complying with all applicable anti-money laundering laws, rules and regulations in all of its operations. The Management Company recognizes the value and importance of creating a business environment that strongly discourages money launderers from using the Management Company.
- 11.3 The Management Company may seek information or obtain and retain documentation used to establish identity. It may re-verify identity and obtain any missing or additional information for this purpose.
- 11.4 The Management Company shall have absolute discretion to reject any application or prevent further transaction by an Investor, if after due diligence, the person making the payment on behalf of the Investor does not fulfill the requirements of the “Know Your Customer” or the Management Company believes that the transaction is suspicious in nature as regards money laundering. In this behalf the Management Company reserves the right to reject any application and affect a mandatory Redemption of Units allotted at any time prior to the expiry of fifteen (15) Business Days from the date of the application. If the contribution is made by a third party (e.g. a Power of Attorney Investor, a relative etc.) the Investor may be required to give details of such transaction so as to satisfy the Management Company of the source and/or consideration underlying the transaction.

12. SERVICE TO UNIT HOLDERS

12.1 Availability of Forms, Trust Deed and Offering Document

All application forms mentioned in this Offering Document, the Trust Deed and the Offering Document will be available at the Authorized Branches of all Distributors and offices of the Management Company. The Management Company will also make arrangement to provide web-based access to all application forms mentioned in this Offering Document, the Trust Deed and the Offering Document.

12.2 Register of Unit Holders

- (a) A Register of Unit Holders shall be maintained by the Management Company at its Head Office. If, in the future, the Management Company appoints any other independent Transfer Agent (with the approval of the Trustee and the SECP), the roles and responsibilities will be assigned under a Transfer Agency Agreement and the Register of Unit Holders will then be maintained by that independent Transfer Agent.
- (b) Every Unit Holder will have a separate Investor Registration Number. The Management Company shall use such Investor Registration Number for recording Units held by the Unit Holder. Unit Holder's account identified by the Investor Registration Number will reflect all the transactions in that account held by such Unit Holder.
- (c) The Holder will be entitled to ask for copies of his/her account statement thereof on any Business Day within business hours by applying to the Transfer Agent in writing and providing such fee that the Management Company may notify from time to time.
- (d) The Register shall be conclusive evidence as to the Units held by each Unit Holder.
- (e) The Register may be closed in consultation with the Trustee for such period as the Management Company may from time to time determine and after giving at least twenty one (21) calendar days notice to Holders, provided that it is not closed for more than forty-five (45) days in any calendar year, not exceeding six (6) days at a time for any single purpose.

12.3 Information in the Register

The Register will normally contain the following major information:

12.3.1 About Unit Holders

- (a) Full Name of Unit Holder/joint Holders;
- (b) Address of Unit Holder/first named joint Holder;
- (c) Computerized National Identity Card (CNIC) Number(s)/National Identity Card for Overseas Pakistanis (NICOP) Number(s)/Passport Number(s) of Unit Holder/joint Holders/authorized signatories;
- (d) Father's or Husband's name of Unit Holder in case of individual;
- (e) Legal status and details of group companies in case of institution;
- (f) Residential status in case of individual;
- (g) Name and address of employer in case of salaried individual;
- (h) Name of directors/partners in case of institution
- (i) Occupation and sources of funds of the Unit Holder;
- (j) Tax status of the Unit Holder;
- (k) Bank details;
- (l) Zakat status of the Unit Holder(s);
- (m) Record of signature of Unit Holder/joint Holders;
- (n) Particulars of nominee(s); and
- (o) Details of ultimate beneficiary if different from investor, in case of individual.

12.3.2 About Units

- (a) Type and Class;
- (b) Certificate number, if applicable;

- (c) Dates of purchase/redemption/transfer/conversion;
- (d) Number of Units held by the Unit Holder;
- (e) Information about lien/pledge/charge on Units; and
- (f) Such other information as is required under the Rules or the Regulations or determined by the Management Company.

12.3.3 Instructions

- (a) Redemption and dividend payment instructions, as offered by the Management Company, that will include the mode of payment (crediting the Holder's bank account or by payment to the Holder's registered address) and the relevant details;
- (b) Instruction about re-investment of dividend in Units or the encashment of Bonus Units;
- (c) Instructions if redemption application is to be signed by first-named joint Holder only;
- (d) Information and instruction about pledge/lien/charge of Units; and
- (e) Information and instruction about nominee(s) in case of death of Unit Holder

12.4 Request for change in Unit Holder details

All existing Unit Holders are eligible to change their Unit Holder details if they so desire. Such change in particulars request can be made through Special Request Form, as attached in Annexure "I" to this Offering Document. This Form may be obtained from Distributors or Investment Facilitators or from the Management Company or through the web site (www.mcbamc.com.pk). The Transfer Agent, who on being satisfied therewith and on compliance with such formalities (including in the case of a change of name the surrender of any Certificate previously issued to such Holder and the payment of the fee) shall alter the Register or cause it to be altered accordingly and in the case of a change of name shall issue a new Certificate if required to such Holder.

12.5 Account Statement

- (a) Units shall be issued in registered, un-certificated form and shall be confirmed to the investors by means of Account Statement issued by the Management Company or the Transfer Agent in electronic or such other form and for such period as may be determined by the Management Company from time to time and selected by the Unit Holder; provided that where the Unit Holder does not have access to electronic means the same shall be sent in physical form.
- (b) Upon confirmation that the Offer Price for each Unit has been received in full from the applicant, the Transfer Agent shall record the same in accordance with Clause 12.5(c) below and the Account Statement issued in accordance with Clause 12.5(d) shall constitute evidence of the number of Units registered in the name of the Unit Holder.
- (c) Each time any of the following transaction occurs in the account of the Unit Holder, the Transfer Agent will record directly for each Unit Holder and may issue a non-transferable Account Statement as per Clause 12.5(e), i.e.
 - i) any Unit is issued or subscribed;
 - ii) any Unit is Redeemed;
 - iii) any Unit is transferred in favor of third person;
 - iv) any Unit is transferred from third person in favor of the Unit Holder;
 - v) any Units is consolidated or split;
 - vi) any Unit is converted;
 - vii) any additional Units are issued against re-investment of dividend;
 - viii) date of maturity of any Units;

- ix) any Bonus Units are issued; and
 - x) any other information that is required under the Rules or the Regulations or determined by the Management Company to be noted in the Account Statement.
- (d) The Management Company shall send an Account Statement containing the information mentioned in Clause 12.5(c) above, to the Unit Holders:
- i) by post at their registered address within fifteen (15) days after the close of each Accounting Period; and
 - ii) by electronic mail (e mail) at their designated e mail addresses or at their designated postal addresses if they do not have e-mail address or access to the internet whenever any transaction mentioned in Clause 12.5(c) occurs;

Provided that the Unit holders may obtain more frequent account statements in physical form by paying a nominal fee representing the costs involved. The first of such requested account statements would be free of charge.

- (e) The Unit Holder at any time, by giving an application or instructions in writing or through other electronic means, shall be entitled to receive proof of any transaction relating to his/her account. The Management Company may prescribe reasonable Duties and Charges for servicing any additional requests.
- (f) For the Unit Holders of the Fund through administrative plans which allows automatic conversion, the account statement shall be sent on the e mail or at postal address at any such regular intervals as requested by the Unit Holder but at least monthly. However, the frequency of account statements may vary under different administrative plans governed by the respective Supplementary Offering Documents.

12.6 Certificates

- (a) Certificates shall be issued only if so requested by the Holder at the time of application or at any later stage and upon payment of a fee not exceeding Rs. 50/- (Rupees Fifty only) per Certificate of any denomination, subject to revision of fee from time to time by the Management Company. The proceeds of such fee will accrue to the Management Company.
- (b) Certificates shall only be issued for Units that have been fully paid, in such denomination as may be required by the Holder. Separate Certificates shall be issued for each class of Units.
- (c) Certificates, where requested, shall be issued as herein provided not later than twenty-one (21) Business Days after the date of such request. The Certificate may be sent to the Holder or his duly authorized nominee at his own risk by registered post, by courier service or may be collected by the Holder from the Distributor.
- (d) In the case of Units held jointly, the Transfer Agent shall not issue more than one Certificate for the Units held by such joint Holders and delivery of such Certificate to the Holders named first therein shall constitute sufficient delivery to all joint Holders.
- (e) Certificates shall be issued in such form as may from time to time be agreed between the Management Company and the Trustee. A Certificate shall be dated, shall bear the name and address of the Management Company and the Trustee, shall bear a distinctive and serial number and shall specify the number of Units represented thereby and the name and address of the Holder as appearing in the Register.

- (f) Certificates may be engraved or lithographed or printed as the Management Company may determine from time to time with the approval of the Trustee and shall be signed on behalf of the Trustee by a duly authorised officer of the Trustee and on behalf of the Management Company by a duly authorised officer of the Management Company and by a duly authorized officer of the Transfer Agent/Registrar. Every such signature shall be autographic unless there shall be for the time being in force an arrangement authorised by the Trustee adopting some lithographic or other mechanical method of signature in which event all or any of such signatures may be effected by the method so adopted. The Certificates shall also bear the signature of the authorised representative of the Transfer Agent, which shall always be autographic. No Certificate shall be of any force or effect until signed as herein above mentioned. Certificate so signed shall be valid and binding notwithstanding that before the date of delivery thereof the Trustee or the Management Company or the Transfer Agent or any person whose signature appears thereon as a duly authorised signatory may have ceased to be the Trustee, the Management Company, Transfer Agent or any authorised signatory.
- (g) Where the Units are in form of book entry securities registered with the Central Depository Register of the Central Depository Company of Pakistan Limited, induction and withdrawal of the same shall be in accordance with the procedures laid down by the Central Depository Company of Pakistan Limited Regulations.

12.7 Replacement of Certificates

- (a) Subject to the provisions of the Trust Deed and in particular to the limitations of the denominations of Certificates, as may be fixed by the Management Company, and subject to any regulations from time to time made by the Trustee with the approval of the Management Company, every Holder shall be entitled to exchange upon surrender of the existing Certificate any or all of his Certificates for one or more Certificates of such denominations as he may require representing the same aggregate number of Units.
- (b) In case any Certificate shall be lost, mutilated, defaced or destroyed, the Transfer Agent with the approval of the Management Company may issue to the person entitled a new certificate in lieu thereof. No such new Certificate shall be issued unless the applicant shall previously have: (i) returned the mutilated or defaced Certificate or furnished to the Distributor/Transfer Agent evidence satisfactory to the Management Company of the loss, theft or destruction of the original Certificate; (ii) paid as expenses incurred in connection with the investigation of the facts; (iii) in the case of joint Holders obtained the written consent of the joint Holders for issuance of such new certificates; and (iv) furnished such indemnity as the Management Company and the Trustee may reasonably require. Neither the Management Company, nor the Trustee nor the Distributor/ Transfer Agent shall incur any liability for any action that they may take in good faith under the provisions of this sub-clause. Provided further the Trustee and/or the Management Company may also require issuance of public notices in newspapers at the cost of the pertinent Unit Holders before issuing any duplicate certificates.
- (c) Before the issuing of any Certificate under the provisions of this sub-clause, the Distributor/Transfer Agent may require from the applicant for the Certificate the payment to it of a fee of Rs. 50/- (Rupees Fifty only) for each Certificate, subject to revision of fee from time to time by the Management Company together with a sum sufficient in the opinion of the Management Company to cover any Duties and Charges payable in connection with the issue of such Certificate.

12.8 Nomination

- (a) Subject to any Personal Laws that may be applicable to a Unit Holder, a single Unit Holder can nominate a successor to receive the Units upon his/her death by filling in the relevant portion of the Account Opening Form (or may request a nomination or change in nomination through the Special Request Form).
- (b) Nominee(s) can be nominated only by single Unit Holder when there are no joint Holders.
- (c) A Unit Holder shall be required to nominate only those relatives as mentioned in Section 80(3) of the Companies Ordinance, 1984 i.e. a spouse, father, mother, brother, sister, son or daughter, including a step or adopted child.
- (d) The maximum number of Nominee(s) can be two (02) in number with their respective shares mentioned in percentage against their respective names.
- (e) Such nomination shall however not restrict the Management Company or the Trustee or the Transfer Agent from demanding succession certificate from appropriate court of law and they shall not be liable in any manner in case of any disputes among the legal heirs of the deceased.

12.9 Voting Rights on Fund Property

- (a) All rights of voting attached to any Fund Property shall be exercisable by the Management Company on behalf of the Trustee and it shall be entitled to exercise the said rights in what it may consider to be in the best interest of the Holders and may refrain at its own discretion from the exercise of any voting rights and the Trustee or the Holders shall not have any right to interfere or complain.
- (b) The Trustee shall upon written request by the Management Company and on account of the Fund Property, from time to time execute and deliver or cause to be executed or delivered to the Management Company or their nominees powers of attorneys or proxies authorizing such attorneys and proxies to vote, consent or otherwise act in respect of any investment in such form and in favour of such persons as the Management Company may require in writing.
- (c) The phrase “rights of voting” or the word “vote” used in this sub-clause shall be deemed to include not only a vote at a meeting but the right to elect or appoint directors, any consent to or approval of any arrangement scheme or resolution or any alteration in or abandonment of any rights attaching to any Investment and the right to requisition or join in a requisition to convene any meeting or to give notice of any resolution or to circulate any statement.
- (d) The Management Company shall keep records stating reasons for casting vote in favor or against any resolution for a period of ten (10) years.
- (e) Not later than one (1) Business Day of receipt, the Trustee shall forward to the Management Company all notice of meetings and all reports and circulars received by the Trustee as the holder of any investment.

13. FINANCIAL INFORMATION
13.1 Auditors Certificate on Core Investors' Investment in the Units of the Scheme

A.F.FERGUSON & CO.

A member firm of

PRICEWATERHOUSECOOPERS 

A.F.Ferguson & Co
 Chartered Accountants
 State Life Building No. 1-C
 I.I.Chundrigar Road, P.O.Box 4716
 Karachi-74000, Pakistan
 Telephone: (021) 32426682-6 / 32426711-5
 Facsimile: (021) 32415007 / 32427938

May 31, 2011

The Board of Directors
 MCB Asset Management Company Limited
 (Management Company of MCB Islamic Income Fund)
 8th floor, Techno City Corporate Tower
 Hasrat Mohani Road
 Karachi

C 0672

Dear Sirs

**AUDITORS' CERTIFICATE FOR THE RECEIPT OF SUBSCRIPTION TOWARDS SEED CAPITAL -
 MCB ISLAMIC INCOME FUND (THE FUND)**

As requested by you we have verified from the books and records of the Fund managed by MCB Asset Management Company Limited (MCB AMC) that a sum of Rs 100,000,000 (Rupees One hundred million only) has been received upto May 31, 2011 in the Fund's bank account maintained with MCB Bank Limited (Shahrah-e-Faisal Branch) towards subscription of seed capital of the Fund.

The seed capital has been received as follows:

Core Investor	Number of Units	Amount in Rupees
MCB Asset Management Company Limited	1,000,000	100,000,000

The board of directors of the management company, through a resolution by circulation dated April 20, 2011 has resolved that out of the aggregate amount of Rs 100,000,000 subscribed by MCB AMC, Rs 50,000,000 shall remain invested in the Fund for at least two years or life of the Fund whichever is lesser as per regulation 44(3)e of the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

This Certificate is being issued only for submission as part of MCB Islamic Income Fund 'Offering Document'.

Yours truly



13.2 Auditors Certificate on the Net Asset Value of the Scheme

A.F.FERGUSON & CO.

A member firm of



A.F.Ferguson & Co
Chartered Accountants
State Life Building No. 1-C
11, Chundrigar Road, P.O.Box 4716
Karachi-74000, Pakistan
Telephone: (021) 32426682-6 / 32426711-5
Facsimile: (021) 32415007 / 32427938

The Board of Directors
MCB Asset Management Company Limited
(Management Company of MCB Islamic Income Fund)
8th floor, Techno City Corporate Tower
Hasrat Mohani Road
Karachi

May 31, 2011

C 0673

Dear Sirs

NET ASSET VALUE (UNAUDITED) OF EACH UNIT OF MCB ISLAMIC INCOME FUND (THE FUND)

As requested by you we confirm that on the basis of the unaudited books and records of the Fund and the details provided to us by the Management Company of the Fund, the Net Assets of the Fund as on May 31, 2011 are as follows:

Particulars	(Rupees)
Total assets of the Fund	101,043,565
Less: Total liabilities of the Fund	1,043,565
Net assets of the Fund	100,000,000
Number of units proposed to be issued	1,000,000
Net Asset Value per unit	100.00

This certificate is being issued only for submission as part of MCB Islamic Income Fund 'Offering Document'.

Yours truly

14. TRANSACTION WITH CONNECTED PERSONS

- (a) 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 from, or sell any securities to any Connected Person or employee of the Management Company. This shall not apply to the issue, sale or redemption of Units issued by the Scheme.
- (b) All transactions with Connected Persons carried out by the Management Company on behalf of the Scheme shall be made as provided in the Trust Deed and this Offering Document and shall be disclosed in the Scheme’s annual report as prescribed in the Rules and the Regulations.

15. ARBITRATION

In the event of any disputes arising out of the Trust Deed or the Offering Document between the Management Company on the one part and the Trustee on the other part, including as to the respective rights and obligations of the parties hereto, as well as those relating to the interpretation of the terms and conditions of the Trust Deed and the Offering Document relating to Unit Trusts, the same shall be referred to arbitration by two arbitrators, one to be appointed by the Management Company and the other to be appointed by the Trustee.

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 commencement of the reference. The unanimous decision of both the arbitrators, or the decision of the umpire, as the case may be, shall be final and binding upon both the parties hereto. The arbitrators and the umpire shall be selected from amongst, senior partners of renowned firms of chartered accountants, or senior partners of renowned law firms, or senior bankers or senior members of the Karachi Stock Exchange (Guarantee) Limited. The venue of the arbitration shall be Karachi. The arbitration shall be conducted in accordance with the Arbitration Act, 1940.

Subject to Arbitration Clause above applicable between the Management Company and the Trustee inter se, each party, including the Unit Holders, irrevocably submit to the exclusive jurisdiction of the courts at Karachi.

16. REVOCAION OF THE SCHEME

16.1 Life of the Scheme

The life of the Scheme is perpetual. However, the SECP may terminate the Scheme or the Management Company may have the registration of the Scheme cancelled in accordance with the Regulations.

16.2 By the Management Company

If the Management Company intends to have the registration of the Scheme cancelled, it shall, after the prior written approval of the Commission, give at least three (3) months notice to the Unit Holders and the Trustee of its intention to cancel the registration of the Scheme. At the end of the

notice period given above, the Commission may by an order in writing cancel the registration of the Scheme.

16.3 By the Securities and Exchange Commission of Pakistan

Upon representation to the Commission, by three fourth (3/4th) in value of the total Unit Holders of the Scheme, or if in the opinion of the Commission further continuation of the registration of the Scheme will be detrimental to the interest of the Unit Holders or the market generally, the Commission may cancel the registration of the Scheme.

Provided that the registration of the Scheme shall not be cancelled without providing an opportunity of being heard to the Management Company and the Trustee.

16.4 In case of cancellation of registration, the Management Company shall revoke the Scheme and refund the proceeds to the Unit Holders in such manner and within such time as may be specified by the Commission.

16.5 Notwithstanding anything contained in any other provision, where in the opinion of the Commission or the Management Company any delay in the revocation of the Scheme is detrimental to the interest of the Unit Holders, or the market generally, the Commission may direct the immediate revocation of the Scheme without first canceling the registration or providing an opportunity of being heard to the Management Company in such manner and within such time as may be specified by the Commission.

16.6 Where the Commission grants approval in Clause 16.2 above or cancels the registration of the Scheme or orders the revocation of the Scheme, all issuance and redemption of Units of the Scheme shall stand suspended immediately.

16.7 Upon revocation of the Scheme, all Unit Holders shall be treated *pari passu*.

16.8 Distribution on Revocation of the Scheme

16.8.1 Upon the Scheme being terminated the Management Company shall suspend the Sale and Redemption of Units forthwith and proceed to sell all Investments then remaining in the hands of the Trustee as part of the Fund Property and shall repay any borrowing effected by the Scheme together with any mark-up remaining unpaid. . In case of any shortfall, neither the Trustee, nor the Management Company shall be liable for the same.

16.8.2 The Trustee on the recommendation of the Management Company shall from time to time distribute to the Unit Holder(s) pro rata to the number of Units held by them respectively all net cash proceeds derived from the realisation of the Fund Property after making payment as mentioned in Clause 16.8.1 above and retaining such sum as considered or apprehended by the Management Company for all costs, charges, expenses, claims and demands. In case there is any deficit, the Management Company or the Trustee or the Unit Holder(s) shall not be liable there for and in case there is any surplus remaining in the hands of the Trustee, the same shall be distributed amongst the Unit Holders pro rata to the number of Units held by them.

- 16.8.3 In case the Scheme is terminated by the Commission on the grounds given in the Regulations, the Commission may appoint a liquidator in consultation with the Trustee or proceed as it may deem fit.

17. GENERAL INFORMATION

17.1 Offering Document

The provisions of the Trust Deed, Supplemental Trust Deed(s), the Rules and the Regulations govern this Offering Document. This Offering Document sets out the arrangements covering the basis of the Scheme's Units. It sets forth information about the Scheme that a prospective investor should know before investing in any Unit of the Scheme. Prospective investors should consult one or more from amongst their legal advisor, stockbroker, bank manager, or other financial advisor before making any investment.

17.2 Inspection of the Constitutive Documents

The copies of the Constitutive Documents, that is Trust Deed and Offering Document, can be inspected free of charge at the addresses given below:

MCB Asset Management Company Limited

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

Central Depository Company of Pakistan Limited

CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shahrah-e-Faisal,
Karachi, Pakistan.

17.3 Date of Publication of Offering Document

The Offering Document has been published on June 10, 2011. The Management Company accepts responsibility for the information contained in the Offering Document as being accurate at the date of publication.

18. DEFINITIONS

Unless the context requires otherwise the following words or expressions shall have the meaning respectively assigned to them:

- 18.1 “**Account Statement**” means a statement of transactions in Units in the account of a Unit Holder.
- 18.2 “**Accounting Date**” means the 30th day of June in each year, provided that the Management Company, with the written consent of the Trustee and after obtaining the approval of the Commissioner of Income Tax and approval of SECP may change such date to any other date.
- 18.3 “**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 Fund Property is first paid or transferred to the Trustee and in any other case from the end of the preceding Accounting Period.

- 18.4 **“Administrative Plan(s)”** means any investment plan/arrangement offered by the Management Company from time to time, subject to prior approval of SECP that allows investors a focused investment strategy in any one or a combination of Open-end Scheme(s) managed by the Management Company that have a common Trustee.
- 18.5 **“Asset Management Company”** means an asset management company as defined in the Regulations.
- 18.6 **“Auditor”** means a firm of chartered accountants that is appointed by the Management Company, with the consent of Trustee, as the auditor for the Scheme, who shall be independent of the auditor of the Management Company and the auditor of the Trustee, as provided under the Rules & the Regulations;.”
- 18.7 **“Authorised Branch and Branches”** means those branches of the Distributors authorised by the Management Company to perform the Distribution Function.
- 18.8 **“Authorised Investment”** MCB Islamic Income Fund is a Shariah Compliant Income Scheme. Its authorized investments shall according to the Regulations and guidelines of Shariah Advisor of the Fund. These includes:
- i) Certificates of Deposit based on Shariah Compliant structures with a minimum credit rating of A+ (A Plus);
 - ii) Bank Deposits in licensed Islamic Banks and licensed Islamic Banking windows of conventional Banks with a minimum credit rating of A+ (A Plus);
 - iii) Placement of funds under Mudarabah, Murabaha, Musharakahs, Istisna’a and Ijarah arrangements with banks, NBFCs, Mudarabahs and DFIs having minimum credit rating of A+ (A Plus).;
 - iv) Spread Transactions as approved by the Shariah Advisor in eligible securities as declared by the Stock Exchanges and the SECP;
 - v) Secured and Unsecured (listed and/or privately placed) Shariah Compliant fixed income securities including Sukuks issued by Federal Government, Provincial Government or local government, government agencies, statutory bodies, private and/or public sector entities and/or Financial Institutions; The rating of such Shariah Compliant fixed income securities shall not be lower than A+ (A Plus).
 - vi) Any other Shariah Compliant instrument/securities that may be allowed by the Commission from time to time and is in accordance with the guidelines of Shariah Advisor of the Scheme.
 - vii) Authorized Investments in overseas markets to the extent of 30% of the Net Assets of the Scheme, subject to a cap of USD 15 million or such cap as may be defined in the Regulations from time to time. Overseas investments would be subject to prior approvals / guidelines of SECP and SBP.
- 18.9 **“Back-end Load”** means the charge (excluding Duties and Charge) not exceeding 5% of the Net Asset Value, deducted from the Net Asset Value in determining the Redemption Price. Back-end load shall form part of the trust property.

- 18.10 “**Bai Mu'ajjal**” means a contract in which the seller earns a profit margin on his purchase price and allows the buyer to pay the price at a future date in lump sum or in installments.
- 18.11 “**Bai' Salam**” means a contract in which advance payment is made for certain defined goods (other than gold, silver and currencies) to be delivered later on a fixed date.
- 18.12 “**Bank**” means an Islamic Bank or Islamic window of a commercial bank licensed under the Banking Companies Ordinance, 1962 or any other regulation for the time being in force and shall include an Islamic bank incorporated outside Pakistan and carrying on banking business in Pakistan as a scheduled bank.
- 18.13 “**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).
- 18.14 “**Bonus Unit**” means the Units issued instead of cash dividend on distribution of the distributable income.
- 18.15 “**Broker**” means any person licensed by the SECP and engaged in the business of effecting transactions in securities for the account of others.
- 18.16 “**Business Day**” means a day on which Local Banks are open for business.
- 18.17 “**Certificate**” means the definitive certificate acknowledging the number of Units registered in the name of the Holder issued at the request of the Unit Holder pursuant to the provisions of the Trust Deed.
- 18.18 “**Charity**” means amount paid by the Management Company out of the income of the Trust to a charitable/welfare organization, in consultation with Shariah Advisor, representing income, which is Haram.
- 18.19 “**Commission**”/”**SECP**” means the Securities and Exchange Commission of Pakistan set up under Securities and Exchange Commission of Pakistan Act, 1997
- 18.20 “**Connected Person**” shall have the same meaning as in the Regulations.
- 18.21 “**Constitutive Documents**” means the trust deed that is the principal document governing the formation, management or operation of the trust, the offering document and all material agreements in relation to the trust.
- 18.22 “**Core Units**” means such Units of the Scheme that are issued to Core Investors at Par Value with the condition that these are not redeemable for a period of two years from the date of close of Initial Period. However, such restricted Units are transferable with this condition and shall rank pari passu with all other Units save for this restriction. Any transfer of these Core Units, during the first two years of the close of Initial Period, shall be affected only on the receipt by the Registrar/Transfer Agent of a written acceptance of this condition by the transferee. Particulars of the Core Units shall be included in the Offering Document that shall be issued for this Trust.
- 18.23 “**Core Investors**” means any investor, who subscribes to and holds Core Units. Particulars of the Core Investors shall be included in the Offering Document..

- 18.24 **“Custodian”** means: (a) Bank(s), the Central Depository Company of Pakistan Limited, or any other Depository for the time being which may be appointed by the Trustee with the approval of the Management Company to hold and protect the Trust Property or any part thereof as custodian on behalf of the Trustee; and/ or (b) the Trustee, if performing custodian functions with the approval of the Management Company.
- 18.25 **“Cut-off Time”** is the time till which application for the issuance, redemption, conversion, transfer and pledge of units shall be received as specified in Annexure D to this offering document.
- 18.26 **“Distribution Account”** means the account titled **CDC – Trustee MCB Islamic Income Fund** (which may be a current or saving 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).
- 18.27 **“Distributor / Distribution Company”**, **“Distribution Companies** means a Company or companies or firm or a Bank or any other financial institution appointed by the Management Company in consultation with the Trustee for performing any or all of the Distribution Functions and shall also include the Management Company itself, if it performs the Distribution Function.
- 18.28 **“Distribution Date”** means the date on which the Management Company decides to distribute the profits (if any).
- 18.29 **“Distribution Function”** mean 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 Trustee for all: (i) moneys received from the applicants for issuance of Units; (ii) payments made 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.
- 18.30 **“Duties and Charges”** means in relation to any particular transaction or dealing all stamp and other duties, taxes, zakat, Government charges, brokerage, 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.
- 18.31 **“Exposure”** shall have the same meaning as in the Regulations

- 18.32 **“Federal Government”** means the Federal Government of Islamic Republic of Pakistan.
- 18.33 **“Financial Institution”** shall have the same meaning as in the Companies Ordinance, 1984
- 18.34 **“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 and which occurs after the execution of this Agreement and makes the performance of the Agreement 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.
- 18.35 **“Formation Cost”** means all expenses incurred in connection with the establishment and registration of the Fund, including execution and registration of the Constitutive Documents, issue, legal costs, printing, circulation and publication of the Offering Document, announcements describing the Fund and expenses incurred during the Initial Offering Period.
- 18.36 **“Front-end Load”** means the sales and processing charge (excluding Duties and Charges) not exceeding 5 % of the Net Asset Value which may be included in the Offer Price of the Units.
- 18.37 **“Fund Property”** means the Trust Property.
- 18.38 **“Government Securities”** means the same as defined in the Regulations.
- 18.39 **“Halal”** means anything permitted by the Shariah as advised by the Shariah Advisor.
- 18.40 **“Haram”** means anything prohibited by the Shariah as advised by the Shariah Advisor
- 18.41 **“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.
- 18.42 **“Initial Period” or “Initial Offer Period” or “Initial Offering Period”** means a period determined by the Management Company not exceeding ninety (90) days during which Units will be offered at the Initial Price in terms of the Offering Document, inclusive of the offering to the Core Investors.
- 18.43 **“Initial Price”** means the price per Unit charged during the Initial Period.
- 18.44 **“Investment”** means any Authorized Investment forming part of the Trust Property.
- 18.45 **“Investment Facilitators/Advisors/Sales Agents”** 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 Management Company shall compensate the Investment Facilitators/Sales Agents out of its own resources.

- 18.46 **“Istisna”** means a contractual agreement for manufacturing goods and commodities, allowing cash payment in advance and future delivery or a future payment and future delivery.
- 18.47 **“Ijarah”** means the usufructs of assets and properties or to transfer the usufruct of a particular property to another person in exchange for a rent claimed from the person.
- 18.48 **“Management Company”** is defined in the preamble hereto.
- 18.49 **“MCB Islamic Income Fund” or “MCB IIF” or “Trust” or “Unit Trust” or “Fund” or “Scheme”** means the Unit Trust constituted by the Trust Deed for continuous offers for sale of Units.
- 18.50 **“Mudarabah”** means a form of partnership where one partner provides funds, while other provides expertise and management.
- 18.51 **“Murabaha”** means a sale on mutually agreed profit. Technically it is a contract of sale in which the seller declares his cost and profit. As a financing technique, it involves a request by the client to the financier to purchase certain item for him, which is then sold to the client at a mutually agreed price.
- 18.52 **“Musharaka”** means a relationship established under a contract by the mutual consent of the parties for sharing of profits and losses arising from a joint enterprise or venture. All providers of capital are entitled to participate in management, but not necessarily required to do so. The profit is distributed among the partners in pre-agreed ratios, while the loss is borne by each partner strictly in proportion to respective capital contributions.
- 18.53 **“Net Assets”** means the excess of assets over liabilities of the Fund, such excess being computed in the manner specified in the Regulations
- 18.54 **“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.
- 18.55 **“Offer Price”** means the sum to be paid to the Trustee for the benefit of the Trust for issuance of one Unit, such price to be determined pursuant to Clause 14.2 of the Trust Deed.
- 18.56 **“Offering Document”** means the prospectus, advertisement or other document (approved by the SECP) 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 or the Regulations and is circulated to invite offers by the public to invest in the Scheme.
- 18.57 **“On-line”** means transactions through electronic data-interchange whether real time transactions or otherwise, which may be through the internet, intranet networks and the like.
- 18.58 **“Ordinance”** means the Companies Ordinance, 1984.
- 18.59 **“Par Value”** means the face value of Rs. 100 per Unit as defined in the Offering Document.
- 18.60 **“Personal Law”** means the law of inheritance and succession as applicable to the Individual Unit Holder(s).
- 18.61 **“Pre IPO”** means the period during which Units shall be subscribed by investors before the Initial Period.

- 18.62 **“Pre-IPO Investor(s)”** mean(s) the investors who make investments in the Scheme before the Initial Period.
- 18.63 **“Pre-IPO Units”** means Units, other than the Core Units, issued to the Pre-IPO Investors.
- 18.64 **“Redemption Account”** means the account(s) titled **CDC – Trustee MCB Islamic Income Fund** (which may be a current, saving account(s)) maintained by the Trustee with any Bank having prescribed rating and approved by the Management Company in which the amount required for redemption of Units to the Holders may be transferred.
- 18.65 **“Redemption Price”** means the amount to be paid to the relevant Unit Holder(s) upon redemption of Unit, such amount to be determined pursuant to Clause 14.4 of the Trust Deed.
- 18.66 **“Register”** means the Register of the Unit Holder(s) kept pursuant to the Regulations and the Trust Deed.
- 18.67 **“Registrar Functions”** means the functions with regard to:
- a) maintaining the Register, including keeping a record of change of addresses/ other particulars of the Unit Holder(s);
 - b) issuing Account Statements to the Unit Holder(s);
 - c) issuing Certificate, including Certificates in lieu of undistributed income to Unit Holder(s);
 - d) canceling 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 Unit Holder(s);
 - 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.
 - j) keeping record of change of addresses/other particulars of the Holders.
- 18.68 **“Rules”** means The Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (as amended and replaced).
- 18.69 **“Regulations”** means The Non-Banking Finance Companies and Notifies Entities Regulations, 2008 (as amended and replaced).

- 18.70 **“Shariah”** or **“Islamic Shariah”** means divine guidance as given by the Holy Qur’an and the Sunnah of Prophet Muhammad (P.B.U.H) and embodies all aspects of the Islamic faith including beliefs, practices, rules and principles.
- 18.71 **“Shariah Advisor”** means an expert in Islamic Shariah appointed by the Management Company either in an individual capacity or as a member of the Shariah Advisory Board of the Fund.
- 18.72 **“Shariah Advisory Board”** means a board of Shariah Advisors acting collectively on all matters pertaining to the Scheme.
- 18.73 **“Shariah Compliant”** means any activity that is in accordance with the Islamic Shariah.
- 18.74 **“Stock Exchange”** means Stock Exchanges registered under the Securities & Exchange Ordinance, 1969.
- 18.75 **“Subscription Day”** means every Business Day 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 the two (2) widely circulated English & Urdu newspapers declare any particular Business Day or days not to be a Subscription Day.
- 18.76 **“Sukuk”** means a type of Islamic bond that is backed by assets of the issuer that earn profit or rent.
- 18.77 **“Supplementary Offering Document(s)”** means a document supplemental to the Offering Document issued by the Management Company with the approval of the Commission and the Trustee.
- 18.78 **“Transfer Agent/Registrar”** means a company including a Bank that the Management Company shall appoint for performing the Registrar Functions. The Management Company may delegate the Registrar Function.
- 18.79 **“Trust Deed”** means the trust deed executed between the Management Company and the Trustee along with all the exhibits appended hereto. It is the principal Document governing the formation, management and operation of MCB Islamic Income Fund.
- 18.80 **“Trust Property”** means the aggregate proceeds of all Units issued from time to time after deducting applicable Front-end Load as charged by the Management Company and after adding thereto transaction costs and Back-end Load.

All Investments made by the Trustee in terms of this Deed and all income, profit (including accrued profits) and other benefits arising there from and all cash and other assets including moveable or immovable and property of every description (including present and future actionable claims) for the time being held or deemed to be held upon trust by the Trustee for the benefit of the Holders pursuant to this Deed; and

Amounts standing to the credit of the accounts maintained by the Scheme, including profits accruing therein, until, from time to time, such amounts (or part thereof) are actually paid to Holders upon receipt of a request by such Holders to redeem their Units in accordance with the provisions of this Deed but shall not include any amount standing to the credit of the Distribution Account and the income earned on the investments of the Core Investors (seed capital) and Private Placement Investors upto the date of the close of the Initial Period which shall not form part of the Trust Property

- 18.81 “**Trustee**” is defined in the preamble hereto.
- 18.82 “**Unit**” means one undivided share in the Trust, and where the context so indicates, a fraction thereof.
- 18.83 “**Zakat**” has the same meaning as in the Zakat and Ushr Ordinance, 1980.

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

19. SIGNATORIES TO THE OFFERING DOCUMENT

Name	Designation	Signatures
Mian Mohammad Mansha	Chairman / Director	Sd
Mr. Ismail Arif Raff	Director	Sd
Mr. Ali Munir	Director	Sd
Mr. Muhammad Usman Ali Usmani	Director	Sd
Mr. Ahmed Jahangir	Director	Sd
Syed Waliullah Shah	Director	Sd
Mr. Samir Saigol	Director	Sd
Mr. Haroun Rashid	Director	Sd
Mr. Yasir Qadri	CEO	Sd

Place: Karachi, Pakistan

1. Witness

Name M. Faisal Malik

Address 8th Floor, Techno City
Corporate Tower Hasrat Mohani
Road, Karachi
CNIC 42201-5549579-7

2. Witness

Name M. Saqib Saleem

Address 8th Floor, Techno City
Corporate Tower Hasrat
Mohani Road, Karachi
CNIC 42201-041536701

ANNEXURE A - TARIFF STRUCTURE FOR OPEN-END SCHEME UNDER CDC'S TRUSTEESHIP

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

Net Assets	Tariff
On amount up to Rs. 1,000 million	0.17% p.a. of net assets subject to a minimum of Rs. 0.6 million p.a
On amount exceeding Rs. 1,000 million upto Rs.5,000 million	Rs. 1.7 million plus 0.085% p.a. of net assets exceeding Rs. 1 billion
Over Rs.5,000 million	Rs. 5.1 million plus 0.07 % p.a. of net assets exceeding Rs. 5 billion

ANNEXURE B - CURRENT LEVEL OF FRONT-END, BACK-END LOAD AND MANAGEMENT FEE

Current Level of Front-end and Back-end Loads

Effective from the Initial Offering Period, the Front-end Load and Back-end Load shall be charged at the following rates:

Front-end Load for Class “A” Units	1.5 %
Front-end Load for Class “B” Units	0.0 %
Back-end Load for Class “A” Units	0.0 %
Back-end Load for Class “B” Units	– 1.5 % on redemption in the first (1st) year from the date of investment – 1.0 % on redemption in the second (2nd) year from the date of investment – 0.0 % on redemption after completion of two (2) years from the date of investment <i>For this purpose, Year comprises of three hundred and sixty five (365) days. 1st year means 1 to 365 days and 2nd year means 366 to 730 days</i>

Management Fees

Current level of management remuneration will be calculated as follows. Any change in the Front-end Load, Back-end Load and Management Fee structure shall be notified through addendum.

The Management Company shall charge a fee at the rate of 10% of the gross earnings of the Scheme, calculated on a daily basis not exceeding the maximum rate of remuneration permitted under the Rules and the Regulations. The fee is subject to a minimum of 0.25% of the average daily net assets of the Scheme subject to the guidelines as may be issued by the Commission from time to time.

Gross earnings of the Scheme would be calculated by adding up the following:

- 9.3.1 Realized and unrealized gains on Shariah Compliant government securities including amortization of discounts (excluding amortization of premiums) on these securities;
- 9.3.2 Income from Mudarabah, Murabaha, Musharakahs, Istisna’a and Ijarah arrangements with banks, NBFCs, Mudarabahs and DFIs transactions;
- 9.3.3 Income from Islamic bank deposits; and
- 9.3.4 any other income earned by the Scheme

While calculating Gross earnings of the Scheme, no deduction would be made whatsoever on account of management fee, tax, formation cost or any other expense chargeable to the Scheme.

The remuneration due to the Management Company shall be calculated and accrued on a daily basis but paid monthly.

In consideration of the foregoing, and save as aforesaid, the Management Company shall be responsible for the payment of all expenses incurred by the Management Company from time to time in connection with its responsibilities as Management Company of the Fund. The Management Company shall not make any charge against the Unit Holders or against the Fund Property or against the Distribution Account for its services or for its expenses, except such expenses as are expressly authorized under the provisions of the Regulations and this Offering Document.

ANNEXURE C - MANAGEMENT COMPANY AND DISTRIBUTORS

Management Company

Management Company of the Scheme is MCB Asset Management Company Limited. Forms and other information of the Scheme can be collected from the following address of the Management Company or from the authorised offices/branches of the Distributors:

MCB Asset Management Company Limited
8th Floor, Techno City, Corporate Tower
Hasrat Mohani Road,
Karachi

UAN: (92-21)111-622-262 (111-MCB-AMC)

Toll Free: 0800-62626

Office: (92-21) 32276900-07

Fax: (92-21) 32276908

Email: info@mcbamc.com.pk

Website: www.mcbamc.com.pk

Distributors

Below-mentioned authorized branches/offices of the Distributors will be facilitating the issuance, redemption, conversion and transfer of the Scheme’s Units. The Management Company may, at its discretion, from time to time appoint additional Distributors or change any existing Distributor. Updated list of Distributors shall be shared with the Unit Holders of the Scheme through website of the Management Company.

Karachi			
Branch name	Branch address	Phone	Fax
MAIN BRANCH	Main (I.I.C.R) Karachi Ground Floor, Adamjee House, I.I. Chundrigar Road, Karachi	021- 32424518 32416337 111-000-111 (UAN) 32417061	021- 32419568 32417367
NEW CHALLI	New Challi Rehmani Chamber, Altaf Hussain Hali Road, Karachi	021- 32624264 32217039 32620172 32210235 32620103-5	021- 32620048
TARIQ ROAD	Tariq Road 124/B Block-2, P.E.C.H.S., Karachi.	021- 34548916 34548917 34313194	021- 34556150
ABDULLAH HAROON ROAD	Abdullah Haroon Road Illaco House, Saddar, Karachi	021- 35662046 35670955 35661597	021- 35675333

MARRIOT ROAD	M.R. 3/26, Marriot Road, Near Bukhari Masjid, Karachi	021- 32437739 32442644 32434796	021- 32442696
AL-HILAL SOCIETY, UNIV. ROAD	Shop No.1-9, SC-13, A, B, C & D, Main University Road, Al-Hilal Society, KDA Scheme No.7, Chandni Chowk, Karachi.	021- 34923719 34122044 34941574	021- 34935936
NURSERY	Fortune Centre, Nursery, Shahrah-e-Faisal, Karachi.	021- 34548661-664 34392586	021- 34548665
KARIMABAD	Shop No.1 & 2, Federal Mansion, Karachi.	021- 36323232	021- 36812834
BARKAT-E-HYDERY	SE-10, Mustufa Market, Block G, Barkat-e-Hydery, Karachi.	021- 36678873	021- 36629241
TIPU SULTAN ROAD	Tipu Sultan Road Shop No. 1 & 2 Sub Plot No.111, 112 Z, Shabbirabad, Karachi	021- 34529180	021- 34300990
NORTH NAZIMABAD	North Plaza-SD-11, Off. Jinnah College, Block 'A' North Nazimabad, Karachi.	021- 36625607 36636363 36722518 36635863	021- 36624718
DEFENCE HOUSING AUTHORITY	19-D, Commercial Area - A, Phase-II, D.H.A., Karachi.	35393085 35477907 35899009	021- 35383309
WATER PUMP	Water Pump ST-1, Block 16, Nawaz Court F.B. Area, Karachi.	021- 36316443 36333093	021- 36321096
CLIFTON	BC-1, Block No.5, KDA Scheme No.5, Clifton, Kehkashan, Karachi.	021- 35823891-93	021- 35823897 35300458
HASSAN SQUARE	Hassan Square Karachi.	021- 4822068	021- 34986231

BINNORI TOWN	Plot No.JM-823 Rose Apartment Block-A Jamshed Quarters Karachi	021- 34860839	021- 34924515
SHEIKH SULTAN TRUST	Sheikh Sultan Trust Bldg., Beamount Road, Civil Lines, Karachi.	021- 35651891 35681260 35683114 35210481 35657580 35210386	021- 35680734
SHAHRAH-E-FAISAL	A-35, Block 7 & 8, Kawish Court, Main Shahrah-e-Faisal, Karachi.	021- 34530806 34538632 34539683 34316459 34320652	021- 34524129
P.I.D.C. HOUSE	P.I.D.C. House Moulvi Tameezuddin Khan Road, Karachi	021- 35633837 35219866 35216045 35200136	021- 35681962
HOTEL MEHRAN	Hotel Mehran Building, Shahrah-e-Faisal, Karachi	021- 35651426 35659015	021- 35651427
GULBERG	BS-3, Block 17, F.B. Area Gulberg, Karachi.	021- 36803659 36801935	021- 36801936
BAHADURABAD	Asif Arcade, Bahadurabad, Karachi-74800	021- 34944510 34852844 34858662	021- 34852843
UNI TOWERS	Uni Towers Hasrat Mohani Road, Karachi	021- 32433024 32433846 32418688 32418526	021- 32413146
MAISAM PLAZA	FL/2, Block-3, Maisam Plaza, Gulshan-e-Iqbal, Karachi.	021- 34818279 34809093	021- 34986368

P.E.C.H.S.	Avanti Terrace, Allama Iqbal Road, Block 2, PECHS, Karachi.	021-4532011	021- 34530435
GULSHAN-E-IQBAL	Block 13-C, University Road, Gulshan-e-Iqbal, Karachi.	021- 34960678	021- 34983780
SIDCO CENTRE	Sidco Centre 21/25 R.A. Line, Stratchen Road, Karachi.	021- 35674256-257 35216826 35674258	021- 35218592
SAIRA CENTRE	Saira Centre 9th Commercial Street, D.H.A Phase IV, Karachi.	021- 35804194 35349083 35800253	021- 35894233
MARYAM CENTRE	Maryam Centre C-13, 12th Commercial Street, D.H.A., Karachi.	021- 35390719 35885756 35800116 35892446	021- 35893054
GULISTAN-E-JAUHAR	Alliance Arcade, Block-15, Gulistan-e-Jauhar, Karachi.	021- 34617818	021- 34617819
MEHDI TOWERS KARACHI	115/A, S.M.C.H.S. Mehdi Tower, Shahrah-e-Faisal, Karachi.	021- 34535308 34553315 34535305-306	021- 34535309
DEFENCE STADIUM	22C, Stadium Lane 3, Phase V, D.H.A., Karachi.	021- 35844918 35851193	021- 35848318
GULSHAN CHOWRANGI	SB-9, Block-2, Gulshan-e-Iqbal, Karachi	021- 34988536 34988537 34970072	021- 34992879
JOURNALIST SOCIETY	Abul Hasan Isphani Road, Gulshan-e-Iqbal, Karachi.	021-4988457	021- 34988460

GIZRI	D-65, Block-9, KDA Scheme-5, Kehkashan, Clifton, Karachi.	021-35820742 35836194 35861450	0021-35820743
ZAMZAMA MAIN BOULEVARD	15-C Main Zamzama, Karachi.	021-35360217 35836149 35360216 35822364 35865590	021-35822364
KHAYABAN-E-SAADI	Khayaban-e-Saadi Marine Corner Apartment, Ground Floor, Block-2, Clifton, Karachi.	021-35836953 35820320 35820396	021-35869048
BATH ISLAND	Clifton Broadway Building, Frere Town Quarters, 13-FT-4, Main Clifton, Karachi.	021-35837231 35837232	021-35837235
BADAR COMMERCIAL STREET # 1	9-C Badar Commercial Street # 1, Survey # 26, Phase V Extension, Defence Housing Authority, Karachi	021-35344982 35844477 35844104	021-35856020
SAFOORA GOTH,	SB No.27, Block-7, Gulistan-e-Johar, Main University Road, Karachi.	021-34029962	021-34029959
KDA SCHEME NO.1,	KDA Scheme No.1 Shop No.19-20, Royal Apartments, PNS Karsaz Road, Karachi.	021-34301209 34301212	021-34301211
SUNSET BOULEVARD,	Sunset Boulevard 2-D Gizri Boulevard, DHA Phase-IV, Karachi.	021-37632455 37725074	021-35310320
GULSHAN-E-JAMAL	Shops No.1, 2 & 3 FL 22B Block-B Pakistan Railways Employees Cooperative Housing Society Karachi	021-35680589 34573706	021-34680578

SAMAMA	GA-1, BG-1 & 3 Crystal View Apartments Near Samama Shopping Arcade Plot No. SB-34, Block-1 Gulistan-e-Johar University Road Karachi		021- 34029463
KHAYABAN-E-RAHAT	24-C Khayaban-e-Rahat Lane-3 Phase-VI Defence Housing Authority Karachi.	021- 35852859 35852820	021- 35852471
BUKHARI COMMERCIAL	Plot No.12-C, Lane-3, Bukhari Commercial Area, Phase VI, DHA, Karachi.	021-5242761	021- 35242763
KARACHI PRIVILEGE CENTER	Plot No.11-C, Shahbaz Lane No.1, DHA Phase-VI, Karachi.	021- 35240391 35240393	021- 35240392
WEST WHARF ROAD	T-1 Hakim Sons Building, 19 West Wharf Road, Karachi.	021- 32311121 32202385	021- 32202963

Hyderabad			
Branch name	Branch address	Phone	Fax
THANDI SARAQ	Thandi Sarak, River View Apartments, Hyderabad.	022- 2787434 2782307	022- 2780802
LATIFABAD NO.7	Latifabad No.7 Anarkali Plaza, Latifabad, Hyderabad.	022- 3866483 3815798 3869439 3861327	022- 3866483
CANTONMENT AREA	Cantonment Area Hyderabad Gymkhana, Hyderabad.	022- 2784120 2720655	022- 2783478
QASIMABAD	Main Road Qasimabad, Hyderabad.	022- 2650108	022- 2652438

RISALA ROAD	Risala Road Hyderabad Opposite Panorama Centre Distt. Hyderabad	022- 2780996 2784562 2783762	022- 2780175
CHAKRA BAZAR NAWABSHAH	Chakra Bazar Nawabshah.	0244- 360006 370421 366880	0244- 362335

Rawalpindi			
Branch name	Branch address	Phone	Fax
MURREE ROAD	Murree Road Opp. Naz Cinema, Rawalpindi.	051- 5533055 5555879 5770114	051- 5539008
COMM AREA, CHAKLALA SCHEME-III	Commercial Area Chaklala Scheme-III, 61-E, Usman Plaza, Rawalpindi.	051- 5766027 5766028	051- 5766029
RAWALPINDI CITY BANK SQUARE	Rawalpindi City Bank Square Rawalpindi.	051- 5530284 5530285 5770547 5554730	051- 5552276
DHOKE MANGTAL	Dhoke Mangtal Railway Carriage, Factory Road, Rawalpindi.	051- 5481781 5463655	051- 5468337
SATELLITE TOWN	Satellite Town Ground Floor, Al-Gilan Building, Murree Road, Rawalpindi.	051- 4571265 (PBA)	051- 4422216
C.M.H.	C.M.H. Rawalpindi Rawalpindi Cantt.	051- 5798019 5562251 5520943	051- 5520563
NASEERABAD	Plot No.504, Hayat Plaza, Opp. Kohinoor Textile Mills Naseerabad, Peshawar Road, Rawalpindi.	051- 5480960 5461999	051- 5462999

RAWAT	Khasra No.5701/3686/5700/3686, Khewat No.833, G.T. Road Rawat, Teh. & Distt. Islamabad.	051- 4610236 4610031 4612134	051- 4610070
AL-SHIFA EYE HOSPITAL	EFU House Ground Floor EFU House Building, 6-D Jail Road, Main Gulberg, Lahore.	042- 35715656- 658 35715349 35715711 35715706	042- 35715705 35715655
JINNAH ROAD	Jinnah Road Rawalpindi	051- 5533429 5772821	051- 5778004
LAL KURTI	Lal Kurti Rawalpindi Tariqabad Lalkurti, Rawalpindi.	051- 5111265 5121534	051- 5121498
RAWALPINDI CANTT	32-Saddar Road, Feroze Sons Building, Rawalpindi Cantt.	051- 5525730 5525731 5514718 / 5565779	051- 5564592

Islamabad			
BRANCH NAME	BRANCH ADDRESS	PHONE	FAX
F/7 JINNAH SUPER MARKET	F-7 Jinnah Super Market King Arcade, F-7 Markaz Islamabad.	051- 2651049 2651051 2654096 2653899 2654889 2653989	051- 2651047
F-11 MARKAZ	F-11 Markaz Islamabad Shop No.2 to 6, Plot No.9, Hassan Arcade, Islamabad	051- 2228350 2224333 2224335	051- 2224336
STOCK EXCHANGE	Office No.II, Ground Floor, Islamabad Stock Exchange Tower, 55-B Jinnah Avenue, Blue Area, Islamabad.	051- 2894037-44	051- 2894045

SECTOR I/9 INDUSTRIAL AREA	Sector I/9 Industrial Area, Islamabad.	051-4433037, 4433266 4858390, 4445750 9257305, 4446423	051-4431785
C.D.A. SECRETARIAT	C.D.A. Secretariat, Islamabad.	051-2276891	051-2824036
LALA RUKH	Lala Rukh P.O. Lala Rukh Wah Cantt.	051-4511812	051-4539690
AABPARA MARKET	Aabpara Market, Hameed Chambers, Main Double Road, Sector G-6, Islamabad.	051-2270290 2827010	051-2270273
MAIN CIVIC CENTRE	Main Civic Centre, G-6, Islamabad.	051-2828225, 2826870 2822173, 2823088 2825042, 2828322 2272452, 2603316	051-2828770
ISLAMABAD PRIVILEGE CENTER	Block No.1, United Bakery, School Road, F-6 Super Market, Islamabad.	051-2601781-5	051-2601780
F-10 MARKAZ	F-10 Markaz Islamabad	051-2294237 2104476 2104477 2219054	051-2294572
F-8 MARKAZ	F-8 Markaz Islamabad	051-2287325-27	051-2287324
G-11 MARKAZ	G-11 Markaz Plot No.18 Islamabad Arcade Islamabad	051-2830100 2830101	051-2830102

F BLOCK BLUE AREA	F-Block, Blue Area Shop No.5-7, 85 East, Kamran Centre, Islamabad	051- 2802316 2802317 2802318 2802319 2802320 2802321 2802322	051- 2802324
SUPER MARKET F-6	Plot No.10-B, 10-C, F-6 Markaz, Behind Caltex Petrol Station, Super Market Islamabad.	051- 2827011 2601716	051- 2880054
SECTOR I-8 MARKAZ	Sector I/8 Markaz Laraib Centre, Plot No.6, Islamabad.	051- 4861312-15	051- 4861311

Lahore			
Branch name	Branch address	Phone	Fax
SABZAZAR LAHORE	Sabzazar 15-A Lasani Center, Multan Road, Lahore.	042- 37848939 37440222 37497966	042- 35410027
GULAB DEVI HOSPITAL LAHORE	Gulab Devi Hospital, Ferozepur Road, Lahore.	042- 35918022 (Exchange) 35918023 (Exchange)	042- 35918010
SADDAR BAZAR LAHORE	Saddar Bazar 57-4 Lahore Road, Lahore Cantt.	042- 36669938 36600015	042- 36672702
REWAZ GARDEN LAHORE	5-A Riwarz Garden , Lahore.	042- 37325172 37115215 37324601	042- 37115179
KOT LAKHPAT LAHORE	Qanchi Amer Sidhu, Ferozepur Road, Lahore.	042- 35806300 35823046 35824654	042- 35823047

GULBERG-III LAHORE (FIRDOUS MKT)	Gulberg-III (Firdours Market) Sultan Arcade, Gulberg-III Lahore.	042- 35944608 35944746 35944765	042- 35944747
MAIN MARKET GULBERG LAHORE	Main Market Gulberg Lahore	042- 35712039 35759238 35711344 35714616 35710950	042- 35756749
LIBERTY MARKET LAHORE	Liberty Market 46-E-3 Commercial Zone, Chenab Center, Gulberg-III, Lahore.	042- 35756829 35759730 35761026 35750248 35871110	042- 35711857
PREMIER LAHORE	Premier Gulberg 31-Q, Industrial Area, Gulberg, Lahore.	042- 35755572 35762167 35877786 35877787 35754712 35751375 35757384	042- 35755276
SAMANABAD LAHORE	1-L Ghazali Road Samanabad, Lahore.	042- 37574471 PBA 37591104 Exchange 37522596 Exchange	042- 37593577
WAHDAT ROAD LAHORE	Main Wahdat Road, Lahore.	042- 35865149 35869882 37594671 37585919	042- 35862364
KARIM BLOCK (A.I.TOWN) LAHORE	Karim Block (A.I. Town) Allama Iqbal Town, Lahore.	042- 35435267-268 35410227	042- 35410227
THOKAR NIAZ BAIG	Thokar Niaz Baig 12-Raiwind Road, Lahore.	042- 37498137-139 37515713 37515718	042- 37515716

McLEOD ROAD LAHORE	McLeod Road Luxami Chowk, McLeod Road, Lahore.	042- 36364697 36361504 36364875 36304429	042- 36362556
NILA GUMBAD LAHORE	Nila Gumbad Bank Square, Lahore.	042- 37310552 37320335 37243566 37231534 37231164 37231420 37360007	042- 37355862 37355922
FATIMA JINNAH ROAD LAHORE	14-A, Shahrah-e- Fatima Jinnah, Lahore.	042- 36310661 36271139 36372535	042- 36271098
THE MALL LAHORE	The Mall 57 Diyal Singh Mansion Lahore.	042- 37243890 37227707-709 37221150 37120672	042- 37355051
WAPDA HOUSE LAHORE	WAPDA House Shahrah-e-Quaid-e- Azam, Lahore.	042- 36311695 36305032 36309750	042- 36364701
BAGHBANPURA LAHORE	G.T. Road Baghbanpura, Lahore.	042- 36813033 36815559 36855144 36858811	042- 36852124
TIMBER MARKET LAHORE	Timber Market Ravi Road, Lahore.	042- 37727456 37720054	042- 37727455
KSB BUILDING, LAHORE	KSB Building, Lahore Ground Floor, 16/2 Sir Agha Khan Road, (Davis Road), Lahore.	042- 36311097 36313209 36313577 36313209	042- 36362263
VANDALA ROAD LAHORE	Vandala Road 109 G.T. Road, Lahore.	042- 37910384 37931066	042- 37925894

GARHI SHAHU LAHORE	77-A, Allama Iqbal Road, Garhi Shahu, Lahore.	042- 36365675 36369480	042- 36314139
HARBANSPURA, LHR	Property No.SEXXXII-13.S-127/B-5, Aladin Centre, Opposite Mian Aziz Puli, Canal Bank Scheme, Harbanspura, Lahore.	042- 36520153	042- 36554577
MISRI SHAH LAHORE	Misri Shah 32-Aziz Road, Misri Shah, Lahore.	042- 37282190 37612442 37282554	042- 37282403
MUGHALPURA LAHORE	Mughalpura 161-Shalimar Link Road, Mughalpura, Lahore.	042- 36135807 36828020 36842352	042- 36810559
DAROGHAWALA LAHORE	G.T. Road Daroghawala, Lahore.	042- 36541957 36544054 36547319	042- 36547783
NEW GARDEN TOWN LAHORE	3-1/14, Awami Complex, New Garden Town, Lahore.	042- 35889019 35830241 35853768 35853182	042- 35837190
DISTRICT COURTS LAHORE	District Courts Lahore.	042- 37312961	042- 37320736
LAHORE PRIVILEGE CENTER	MCB House Lahore MCB 15-Main Gulberg, Jail Road, Lahore.	042- 36041802 36041810	042- 35776669
UPPER MALL LAHORE	Upper Mall 252-b, Wazir Ali Road Upper Mall, Lahore	042- 35761957 35751048	042- 35756677
FORTRESS STADIUM LAHORE	Fortress Stadium Lahore Cantt.	042- 36623091 (front desk) 36617440-36617460 (Exchange)	042- 36675531

TOWNSHIP LAHORE	46/10 B-1 Akbar Chowk, Township, Lahore.	042-35151014 35120132	042-35118171
T-BLOCK, DHA, LAHORE	T-Block DHA T-64, Phase-II, Commercial Area, DHA, Lahore	042-35707591 35707592 35707593	042-35707594
MAIN BOULEVARD DEFENCE LAHORE	Waheed Plaza, Main Bulevard Defence, Lahore Cantt.	042-36600012 36603219 36688699	042-36674953
DEFENCE HOUSING AUTHORITY LHR	317-Z, Phase III, D.H.A., Lahore Cantt.	042-35693088-89 35693091-96	042-35734895
CAVALRY GROUND LAHORE CANTT	46-Cavalry Ground Extension, Lahore Cantt.	042-36610436-438 36610541	042-36610439
PIA SOCIETY LAHORE	PIA Society 13-G Main Road, PIA Employees Co-operative Housing Society, Lahore.	042-35182250 35945753-754	042-35180628
M.A. JOHAR TOWN, LAHORE	435-G/1, M.A. Johar Town, Lahore.	042-35313583-584	042-35313585
SHADMAN COLONY LAHORE	122-A Shadman Colony, Lahore.	042-37568118 37581558 37552184	042-37599038
ALLAMA IQBAL TOWN LAHORE	Moon Market, Allama Iqbal Town, Lahore.	042-37832228 37441060 35427511	042-35413543
FAISAL TOWN LAHORE	942-B, Faisal Town, M. Shaukat Ali Road, Lahore.	042-35176279 35201353 35170004	042-35200036

MODEL TOWN LAHORE	S-10 Model Town, Bank Square "C" Block, Lahore.	042- 35855483 35854158 35886282 35886960	042- 35861360
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Multan			
BRANCH NAME	BRANCH ADDRESS	PHONE	FAX
MULTAN PRIVILEGE CENTER	Privilege Center Multan MCB Regional Office Building, 59-A, Abdali Road, Multan	061- 4580182-183 4580156-159	
KHANEWAL ROAD,	Khanewal Road Multan Mauza Taraf Jumma Khaisa, Distt. Mutaln	061- 6784400 6780033	061- 6783300
MUMTAZABAD	Mumtazabad Multan.	061- 6525818 6525753	061- 4233818
NISHTER CHOWK	Nishter Chowk Multan.	061- 4513854 4542677	061- 6526656
VEHARI CHOWK,	Vehari Chowk Near General Bus Stand, Multan.	061- 4234422 4234322 4234402	061- 6526656
MULTAN CANTT.	Multan Cantt. Mall Plaza, Multan Cantt.	061- 4573286 (BM) 4518107 (OM)	061- 4544363
GULGASHT COLONY	Gulgasht Colony Multan.	061- 6221759 (BM) 6524740 (OM)	061- 6522446

Other Distributors

Distributor	Contact Person	Contact Details	Address	Phone Contact
Rabia Fida	Ms. Rabia Fida	rabiafida@gmail.com	65A Main Gulberg Lahore	
Atlas Capital Market	Ms. Gul Naz Ghausi	gulnaz.ghausi@atlascapital.com.pk	B-209, 2nd Floor, Park Towers Abdullah Shah Ghazi Road Clifton Karachi	021-5824991 021-111-226-100; Ext 106
IGI Investment Bank	Ms. Aisha Kirmani	aisha.kirmani@igi.com.pk	floor 7 The Forum Khayaban-e-Jami Clifton Karachi	021 5368943 ; 111 234 234
Pyramid Consultant Pvt Ltd.	Mr. Ali Hasan	pyramidf@pyramidfc.com	518 progressive plaza, beamount road, Karachi	021-35638266
Metro Securities	Mr. Zubair Suriya	zubair_suriya@hotmail.com		021-34530702 to 34530704
BMA FS	Mr. Safdar Ali	ammar.valika@bmafs.com	Level B, Unitower I.I chundrigar Rd, Karachi	021-111-262-111
Alfalah securities	Hikmat Ullah, Manager Operations	hikmat@alfalahsec.com	12 th Floor, Tower A, Saima Trade Towers, I.I. Chundrigar Road, Karachi	021- 9217953
Al-Habib Capital Market	Mr. Mukhtar Hussain	mukhtar.hussain@ahcml.com	GF Techno City Corporate Tower	021-2270808-13
Foundation Securities	Awais Iqbal, Analyst - Investment Banking	awais.iqbal@fs.com.pk	Foundation Securities (Pvt.) Limited (A Fauji Foundation Company) 2nd Floor, block 11 F6 Markaz, School road, Islamabad, Pakistan	092-51-2879473
JS Global Capital Ltd	Salman Khan	salman.khan@js.com	7th Floor, Faysal House, Shakra-e- Faisal, Karachi	021-111-574-111
Allied AMC	Mr. Anis ur Rehman		11-B Lalazar, M.T. Khan Road Karachi	
Elixir Security	CEO	s.abdullah@elixirsec.com	Corporate Head Office Address: 8th Floor. The Dawood Center, M.T. Khan Road, Karachi 75530, Pakistan.	021-111-354-947
Reliance Financial Products	Mr. Mehfooz Zuberi		Head Office: 215, Clifton Centre, Block-5,	021-111-215-215 021-5837775

			Clifton , Karachi-75600, Pakistan	
			Suite 704, KSE Building Stock Exchange Road Karachi. C3C, 12th Lane, Ittehad Commercial Phase-II Ext, DHA, Karachi. Email : info@investcapital.com	021-3244 6334-5 021-111 111 097
Invest Capital and Securities				

ANNEXURE D - CUT-OFF TIMINGS


Cut-off timings for receiving the following applications shall be as follow:

Application for issuance of units	From Monday to Friday	4:30 PM
	Saturday	1:00 PM
Application for redemption of units	From Monday to Friday	4:30 PM
	Saturday	1:00 PM
Application for transfer, pledge and conversion of units	From Monday to Friday	4:30 PM
	Saturday	1:00 PM

The Management Company may announce different timings for the month of Ramadan, with prior intimation of at least three working days to the Commission, which will be communicated to the Unit Holders through its website.

ANNEXURE E(a) – ACCOUNT OPENING FORM – INDIVIDUALS

Serial # A1-AA-



Account Opening Form "A1" (For Individuals Only)
 MCB Asset Management Company Limited
 Toll Free : 0800-62626, (021) 111-622-262(MCB-AMC) Fax: 021-32276908

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

Date : _____ Please write in block letters using black ink

1) Personal Information														
Principal Applicant's Name														
Father's / Husband's Name														
CNIC/ PP No. (for Foreigners only)						NICOP (for NRP only)								
Date of Birth			Nationality											
Employer's Name														
Gender: M <input type="checkbox"/> F <input type="checkbox"/> Zakat Exempt: N <input type="checkbox"/> Y <input type="checkbox"/> (If yes, please provide Zakat Affidavit)														
Name of Guardian (for MINOR applicant)						Relationship with Minor								
2) Contact Details														
Residential Address														
Work Address														
Telephone No.			Res.			Off.			Ext.			Mobile		
Email Address						Fax No.								
Correspondence Nature		Email <input type="checkbox"/>		Post <input type="checkbox"/>		Residential Address <input type="checkbox"/>		Work Address <input type="checkbox"/>		No Correspondence <input type="checkbox"/>				
Correspondence Frequency		Monthly <input type="checkbox"/>		Quarterly <input type="checkbox"/>		Semiannually <input type="checkbox"/>		Annually <input type="checkbox"/>						
3) Bank Details														
Notes: (a) Bank Account Title should be in the name of Principal Applicant. (b) Applicant who can not 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.														
Account Title						Bank Account No.								
Bank Name						Branch Name								
Branch Address														
4) Account Operating Instructions (Please tick <input checked="" type="checkbox"/> the appropriate box)														
Principal Applicant Only <input type="checkbox"/>			Jointly (Any TWO) <input type="checkbox"/>			All Joint Holders <input type="checkbox"/>			Either or Survivor <input type="checkbox"/>			Others (Please Specify) <input type="checkbox"/>		
5) Payment Instructions / Mode of Payment (Please tick <input checked="" type="checkbox"/> the appropriate box)														
Cheque <input type="checkbox"/>			Pay Order <input type="checkbox"/>			Demand Draft <input type="checkbox"/>			Bank Transfer <input type="checkbox"/> (as per No. 3)					
6) Dividend Distribution (Please tick <input checked="" type="checkbox"/> the appropriate box) Default : Dividends REINVEST														
<input type="checkbox"/> In case of cash dividend, do NOT REINVEST dividend and pay as instructed above in No.5														
<input type="checkbox"/> In case of bonus units, encash and pay as instructed above in No.5														
7) Nomination Details														
Name														
Relationship with Nominee						CNIC								
Correspondence Address														
Name														
Relationship with Nominee						CNIC								
Correspondence Address														
8) Declaration														
I/We, the undersigned, hereby declare that: a. All documents and attachments provided with this Account Opening Form are complete and valid in all respects; b. I/We understand that investment in fund will be subject to zakat deduction if duly executed Zakat Affidavit (CZ-50) is not submitted along with this Account Opening Form; and c. I/We also understand that this Account Opening Form may not be processed if all empty fields in the form are not duly filled, slashed (/) or crossed (X).														
											Principal Applicant's Signature			
9) Joint Holder(s) Name(s) and Signature(s)														
1. Mr./Mrs./Ms.									Signature					
CNIC														
2. Mr./Mrs./Ms.									Signature					
CNIC														
3. Mr./Mrs./Ms.									Signature					
CNIC														
10) Investment Facilitator/ Distributor/ Registrar Details (For Official Use Only)														
Form received on (date & time)			Forms received and verified by:			Name and Signature								
Data Input by:						Name and Signature								

ANNEXURE E (b) – ACCOUNT OPENING FORM – INSTITUTIONS

Serial # A2-AA-



Account Opening Form "A2" (For Institutions Only)

MCB Asset Management Company Limited
Toll Free : 0800-62626, (021) 111-622-262(MCB-AMC) Fax: 021-2276908

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

Date : _____

Please write in block letters using black ink

1) Institutional Investors Details							
Name				Contact Person and Designation			
Registration No.	NTN						
Status	Company	<input type="checkbox"/>	Trust/Charitable Institution		<input type="checkbox"/>		
	Partnership Firm	<input type="checkbox"/>	Association of persons		<input type="checkbox"/>		
	Government Body	<input type="checkbox"/>	Others (please specify)		<input type="checkbox"/>		
Nature of Business							
Tax Exemption	No <input type="checkbox"/>	Yes <input type="checkbox"/> (Please provide necessary document for tax exemption)					
2) Contact Details							
Address							
Telephone No.	Res.	Off.	Ext.	Mobile			
Email Address				Fax No.			
Correspondence Nature	Email <input type="checkbox"/>	Post <input type="checkbox"/>		No Correspondence <input type="checkbox"/>			
Correspondence Frequency	Monthly <input type="checkbox"/>	Quarterly <input type="checkbox"/>	Semiannually <input type="checkbox"/>		Annually <input type="checkbox"/>		
3) Bank Details							
Account Title			Bank Account No.				
Bank Name			Branch Name				
Branch Address							
4) Account Operating Instructions (Please tick (✓) the appropriate box)							
Principal Applicant Only	<input type="checkbox"/>	Jointly (Any TWO)	<input type="checkbox"/>	All Authorised Signatories	<input type="checkbox"/>	Others (Please Specify)	<input type="checkbox"/>
5) Payment Instructions / Mode of Payment (Please tick (✓) the appropriate box)							
Cheque	<input type="checkbox"/>	Pay Order	<input type="checkbox"/>	Demand Draft	<input type="checkbox"/>	Bank Transfer	<input type="checkbox"/> (₹ per No. 3)
6) Dividend Distribution (Please tick (✓) the appropriate box)				Default : Dividends REINVEST			
<input type="checkbox"/>	In case of cash dividend, do NOT REINVEST dividend and pay as instructed above in No.5						
<input type="checkbox"/>	In case of bonus units, encash and pay as instructed above in No.5						
7) Declaration							
I/We, the undersigned, hereby declare that:			Principal Applicant's Signature with Company Stamp				
a. All documents and attachments provided with this Account Opening Form are complete and valid in all respects; b. I/We also understand that this Account Opening Form may not be processed if all empty fields in the form are not duly filled, slashed (/) or crossed (X).							
8) Authorized Signatories Names and Signatures							
1. Mr./Mrs./Ms.				Signature			
CNIC							
2. Mr./Mrs./Ms.				Signature			
CNIC							
3. Mr./Mrs./Ms.				Signature			
CNIC							
4. Mr./Mrs./Ms.				Signature			
CNIC							
9) Investment Facilitator/ Distributor/ Registrar Details (For Official Use Only)							
Form received on (date & time)	Forms received and verified by:	Name and Signatures					
dd-mm-yyyy	Data Input by:	Name and Signatures					

Affix date & time stamp on each page



ANNEXURE F – KNOW YOUR CUSTOMER FORM



**Know Your Customer /
Customer Due Diligence Form "K"**

Serial # K-AA-

MCB ASSET MANAGEMENT COMPANY LIMITED
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

PART A – FOR INDIVIDUALS ONLY	
Name of the Investor	
Investor Registration No.	
CNIC/NICOP/Passport No.	Expiry Date
Residential Status (Please tick (✓) the appropriate box)	Resident <input type="checkbox"/> Non-Resident <input type="checkbox"/> Non-Resident <input type="checkbox"/> Country of Citizenship _____ Country of Residence _____
Public / Political Figure	No <input type="checkbox"/> Yes <input type="checkbox"/> (If yes, please provide details _____)
Sources of Funds (multiple options can be selected)	Salary <input type="checkbox"/> Business Income <input type="checkbox"/> Stock / Investment Income <input type="checkbox"/> Home Remittance <input type="checkbox"/> Property Income <input type="checkbox"/> Inheritance / Gifts <input type="checkbox"/> Other (please specify) _____
Education (Please tick (✓) the appropriate box)	Under Graduate <input type="checkbox"/> Graduate <input type="checkbox"/> Post Graduate <input type="checkbox"/> Professional <input type="checkbox"/> Other (please specify) _____
Occupation (Please tick (✓) the appropriate box)	Public Sector Service <input type="checkbox"/> Private Sector Service <input type="checkbox"/> Business <input type="checkbox"/> Professional <input type="checkbox"/> Agriculturist <input type="checkbox"/> Retired <input type="checkbox"/> Housewife <input type="checkbox"/> Student <input type="checkbox"/> Other (please specify) _____
Approximate Annual Income (Please tick (✓) the appropriate box)	Upto Rs. 500,000 <input type="checkbox"/> Rs. 500,000 to Rs. 1,000,000 <input type="checkbox"/> Rs. 1,000,000 to Rs. 2,500,000 <input type="checkbox"/> Rs. 2,500,000 to Rs. 5,000,000 <input type="checkbox"/> Rs. 5,000,000 to Rs. 10,000,000 <input type="checkbox"/> Above Rs. 10,000,000 <input type="checkbox"/>
Name and Address of Employer in case of Salaried class	Name: _____ Address: _____
Ultimate Beneficiary of the Investments (if different from investor)	Name of Ultimate Beneficiary _____ Relationship of Ultimate Beneficiary with Investor _____ CNIC/NICOP/Passport No. of the Ultimate Beneficiary _____
Documents to be attached (if not already provided)	Copy of valid and unexpired CNIC / Passport / NICOP <input type="checkbox"/> Business / Employment Proof (Employer Certificate, Salary Slip, Business Card etc) <input type="checkbox"/> Zakat Exemption Affidavit (CZ-50) / Tax Exemption Certificate (if applicable) <input type="checkbox"/> Copy of valid and unexpired CNIC / Passport / NICOP of Ultimate Beneficiary (if applicable) <input type="checkbox"/>
PART B – FOR INSTITUTIONS ONLY	
Name of the Institution	
Investor Registration No.	
Nature of Business	
Name of Directors / Partners	
Details of Other Group Companies (if any)	
Sources of Funds (multiple options can be selected)	Income from Operations <input type="checkbox"/> Investment Income <input type="checkbox"/> Charity / Donations <input type="checkbox"/> Property Income <input type="checkbox"/> Export proceeds <input type="checkbox"/> Other (please specify) _____
PART C – DECLARATION AND SIGNATURE(S)	
I/We, the undersigned, hereby declare that the above-mentioned information is true and correct to the best of my/our knowledge/belief and I/We shall immediately update the MCB Asset Management Company Limited if there is any change in such information.	Principal Applicant's Signature / Company's Stamp
Joint Holder(s) / Authorised Signatories Name	
1) Mr./Mrs./Ms.	
2) Mr./Mrs./Ms.	
3) Mr./Mrs./Ms.	
4) Mr./Mrs./Ms.	
PART D – INVESTMENT FACILITATOR / DISTRIBUTOR / TRANSFER AGENT DETAILS	
Date And Time Stamping	Form Received By _____ Name and Signature
	Form and Documents Verified By _____ Name and Signature
	Data Entered By _____ Name and Signature

ANNEXURE G – INVESTMENT FORM



INVESTMENT FORM "B1"

Serial # B1-AB-

MCB ASSET MANAGEMENT COMPANY LIMITED
Toll Free: 0800-62626, Phone: (021)111-622-262 (111-MCB-AMC) Fax: 021-32276908/32276898

"WE DO NOT ACCEPT CASH"

Date: _____

Please write in block letters using black ink

1) INVESTOR DETAILS

Title of Investor Account																						
Investor Account Number												CNIC/NICOP/PASSPORT NO. (For Individuals Only)										

2) INVESTMENT DETAILS

Name of the Fund Refer Instructions below												
Type of Units Please tick (✓) the appropriate box	Growth/Type A <input type="checkbox"/> Income <input type="checkbox"/> Cash Dividend <input type="checkbox"/>											
Mode of Payment Please tick (✓) the appropriate box	Cheque <input type="checkbox"/> Payment order <input type="checkbox"/> Demand Draft <input type="checkbox"/> Bank Transfer <input type="checkbox"/> Online Transfer <input type="checkbox"/>											
Drawn on (Bank and Branch Name)								Instrument No.				
Total Amount in words								Total Amount in Figures (Rs)				
Sources of Funds (multiple option can be selected)	For Individual Investor Salary <input type="checkbox"/> Property Income <input type="checkbox"/> Business Income <input type="checkbox"/> Stock/Investment Income <input type="checkbox"/> Home Remittance <input type="checkbox"/> Inheritance / Gifts <input type="checkbox"/> Others (please specify) _____ For Institutional Investor Income from operations <input type="checkbox"/> Investment Income <input type="checkbox"/> Property Income <input type="checkbox"/> Charity/Donations <input type="checkbox"/> Export proceeds <input type="checkbox"/> Others (please specify) _____											
Payment Frequency - In case of Income Units Only Please tick (✓) the appropriate box	Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> Semiannually <input type="checkbox"/> Annually <input type="checkbox"/>											

INSTRUCTIONS:
 a) Please select and write the full name of the Fund in which you wish to invest in, from the following list:
 (a) **MCB Dynamic Cash Fund** (b) **MCB Dynamic Stock Fund**
 (c) **MCB Dynamic Allocation Fund** (d) **MCB Cash Management Optimizer**
 b) Please make your investment Cheque/Payment Order/Demand Draft favoring "CDC - Trustee Name of the Fund".

3) DECLARATION AND SIGNATURES

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;
 b. I/We understand that investment in mutual funds is subject to market risk and the price of the mutual fund units may go down resulting in loss of principal investment;
 c. I/We understand that the offer price of the mutual fund units may include front-end load and could be higher than NAV price of the units;
 d. I/We understand that once the investment request has been received by the Investment Facilitator/Distributor, it cannot be cancelled;
 e. I/We understand that the Company has the sole discretion to allocate/not to allocate units of the Fund; and
 f. I/We also understand that this Investment Form may not be processed if all empty fields in the Form are not duly filled, slashed (/) or crossed (X).

Principal Applicant's Signature / Company Stamp (in case of Institutions)											
Authorized Signatories/ Joint Holder(s) Name	Signature(s)										
1. Mr./Mrs./Ms.											
2. Mr./Mrs./Ms.											
3. Mr./Mrs./Ms.											
4. Mr./Mrs./Ms.											

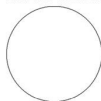
4) INVESTMENT FACILITATOR / DISTRIBUTOR DETAILS (FOR OFFICIAL USE ONLY)

Distributor/ Facilitator Name:					Code					Distributor's Stamp with date and time
Branch Name:					City:					

5) REGISTRAR DETAILS (FOR OFFICIAL USE ONLY)

Date And Time Stamping	Date, Form and Attachments verified By	Name and Signature									
	Data Entered By	Name and Signature									

Affix date & time stamp on each page



ANNEXURE H – REDEMPTION / CONVERSION FORM

Serial # C1-AA-

Redemption / Encashment / Conversion Form "C1"

MCB Asset Management Company Limited
Toll Free : 0800-62626, (021) 111-622-262(MCB-AMC) Fax: 021-2276908

Date: _____ Please write in block letters using black ink

1) Principal Applicant's Details

Title of Account										
Account Number	CNIC/ Passport No./ NICOP (for Individuals Only)									

2) Redemption / Encashment Details

Name of Fund (Refer Instruction below)	Type of Units	Amount in Rupees	OR	No. of Units
	Growth/Type A Units <input type="checkbox"/>		OR	All
	Income Units <input type="checkbox"/>			
	Cash Dividend Units <input type="checkbox"/>			or _____
Total Amount in Words				

3) Conversion Details

Convert from the Fund (Refer Instruction below)	Amount in Rupees	OR	No. of Units	Convert to the Fund (Refer Instruction below)
		OR		Growth/Type A Units <input type="checkbox"/>
				Income Units <input type="checkbox"/>
				Cash Dividend Units <input type="checkbox"/>
Total Amount in Words				
Payment Frequency - Incase of Income Units Only (Please tick (✓) the appropriate box)		Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> Semiannually <input type="checkbox"/> Annually <input type="checkbox"/>		

INSTRUCTION:
Please select and write the full name of the Fund from the following:

(a) MCB Dynamic Cash Fund (b) MCB Dynamic Stock Fund (c) MCB Dynamic Allocation Fund
(d) MCB Cash Management Optimezer Fund (e) MCB Sarmaya Mehfooz Fund 1 (f) Others _____

4) Declaration and Signatures

I/We, the undersigned, hereby declare that:

- I/We understand that the redemption/encashment/conversion would be made in accordance with the terms and conditions as mentioned in the relevant Trust Deed and Offering Document that govern this transaction.
- I/We understand that investment in mutual funds is subject to market risk which could result in loss of principal investment and I/We confirm to have understood the terms & conditions and risk factors associated with the above-mentioned Fund (s);
- I/We understand that the Purchase/Redemption/Conversion prices will differ due to the Front End Load/Back End Load where applicable. These Loads are applicable at the time of investment/redemption/conversion.
- I/We understand that once the redemption/conversion request has been received by the Investment Facilitator, it cannot be cancelled.
- I/We also understand that this Form may not be processed if all empty fields in the form. are not duly filled, slashed (/) or crossed (X),

Principal Applicant,s Signature & Company Stamp (in case of Institutions)		INSTRUCTION: This Form will be REJECTED if the Applicant's signature in this form is not matched with the signature provided in Account Opening Form/ Initial Application Form
Authorized Signatories/ Joint Holder(s) Name	Signature	
1. Mr./Mrs./Ms.		
2. Mr./Mrs./Ms.		
3. Mr./Mrs./Ms.		
4. Mr./Mrs./Ms.		

5) Distribution Details (For Official Use Only)


Distributor/ Facilitator Name:	CODE: _____	
Branch Name:	City: _____	Distributor's Stamp and Time

6) Registrar Details (For Official Use Only)

Form received on (date & time)	Date, from and attachments verified by:	Name and Signature
dd/mm/yy	Data input by:	Name and Signature
Remarks:		

Affix date & time stamp on each page

ANNEXURE I – SPECIAL REQUEST FORM



SPECIAL REQUEST FORM "R"
 MCB ASSET MANAGEMENT COMPANY LIMITED
 Toll Free : 0800-62626, (021) 111-622-262(MCB-AMC) Fax: 021-32276908

Serial # R-AA-

Date : _____ Please write in block letters using black ink

1) Unit Holder's Details

Title of Account	
Registration No.	CNIC/ Passport No./ NICOP (for Individuals only)

2) Change in Bank Details

Please change my bank account details to:

Bank Account Title	Bank Name
Bank Account No.	Branch Name & Address

3) Change in Account Operating Details (Please tick (✓) the appropriate box)

Please change my operating instructions to:

Principal Applicant Only Jointly (Any two) Either or Survivor All Joint holders/Authorized signatories Others (Please specify) _____

4) Change in Profit Payment Frequency - In case Of Income Units Only (Please tick (✓) the appropriate box)

Please change my profit payment frequency to:

Monthly Quarterly Semiannually Annually

5) Change in Contact Details and Correspondence

New Address	
Contact Number	Residence Office Mobile
Email Address	Fax Number
Correspondence (Please tick (✓) the appropriate box)	<input type="checkbox"/> Nature <input type="checkbox"/> Email <input type="checkbox"/> Post <input type="checkbox"/> Residence <input type="checkbox"/> Business <input type="checkbox"/> No Correspondence <input type="checkbox"/> Frequency <input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> Semiannually <input type="checkbox"/> Annual

6) Change in Nomination Details (For Individuals Only)

Please add / remove the following Nominee(s) in / from your record:

Name	Tick the appropriate box	Relationship with Investor	CNIC/Passport No./NICOP	Correspondence Address	Signature
1)	<input type="checkbox"/> Add <input type="checkbox"/> Remove				
2)	<input type="checkbox"/> Add <input type="checkbox"/> Remove				
3)	<input type="checkbox"/> Add <input type="checkbox"/> Remove				

7) Change in Authorized Signatories (For Institutions Only)

Please add / remove the following authorized signatories in / from your record:

Name	Tick the appropriate box	CNIC/Passport No./NICOP	Signature
1)	<input type="checkbox"/> Add <input type="checkbox"/> Remove		
2)	<input type="checkbox"/> Add <input type="checkbox"/> Remove		
3)	<input type="checkbox"/> Add <input type="checkbox"/> Remove		

8) Payment Instructions (Please tick (✓) the appropriate box)

Please change my payment instructions to: Cheque Payment order Demand Draft Bank Transfer Online Transfer

9) Dividend Distribution (Please tick (✓) the appropriate box)

Please update my dividend instruction as follows:

In case of cash dividend, do not reinvest dividend and pay as instructed
 In case of bonus units, encash and pay as instructed
 Reinvest Dividends

10) Change in Zakat Status (Please tick (✓) the appropriate box)

Zakat Exemption Yes No (if yes, please provide duly executed Zakat Affidavit CZ-50)

11) Issuance of Unit Certificate(s) (Please tick (✓) the appropriate box)

Please issue _____ number of Unit Certificate(s) as per the following detail:

Name of the Fund	No. of Units	Type of Units	Growth
Name of the Fund	No. of Units	Type of Units	Growth
Name of the Fund	No. of Units	Type of Units	Growth

- Unit Certificate(s) will be issued only if requested and on payment of Rs. 50/- per certificate.
 - If the Unit Holder wants to have Unit Certificates of specific denomination then he/she should inform the Transfer Agent about the denomination details through duly signed letter.
 - Unless indicated by the Unit Holder, minimum number of certificates will be issued.
 - Unit Certificate(s) and Account Statement will be dispatched at the registered postal address of the Unit Holder within such time as mentioned in the Offering Document(s) of the respective Fund(s).

12) Declaration and Signature

I/We, the undersigned, hereby declare that:

a. I/We have read and understood the relevant Trust Deed(s) and Offering Document(s) that govern this transaction;
 b. All the information provided in this Form is complete, true and correct to the best of my knowledge and belief; and
 c. I/We also understand that this Form may not be processed if I/We have not slashed (/) or crossed (X) all empty fields in the Form.

Principal Applicant Signature/ Company Stamp (in case of Institutions)	Signature(s)	Instruction: This Form will be rejected if the Applicant's signature on this Form is not matched with the signature provided on Account Opening Form
Authorized Signatories/ Joint Holder(s) Name(s)		
1. Mr./Mrs./Ms.		
2. Mr./Mrs./Ms.		
3. Mr./Mrs./Ms.		
4. Mr./Mrs./Ms.		

13) Distribution Details (For Official Use Only)


Distributor/ Facilitator Name:	Code	Distributor's Stamp with date and time
Branch Name:	City:	

14) Registrar Details (For Official Use Only)

Date and Time	Date, form and attachments verified by:	Name and Signature
Stamping	Data input by:	Name and signature
Remarks:		

1) Registrar copy

ANNEXURE J – TRANSFER LETTER

		APPLICATION FOR TRANSFER OF UNITS	
		MCB ASSET MANAGEMENT COMPANY LIMITED 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) TRANSFEROR DETAILS			
Name of Transferor		_____	
Investor Registration No.		_____	
2) TRANSFEREE DETAILS (TRANSFEREE MUST HAVE AN ACCOUNT WITH MCB AMC)			
Name of Transferee		_____	
Investor Registration No.		_____	CNIC/NTN No. _____
Postal Address		_____	
Telephone (Residence)		_____	
Mobile Number		_____	Telephone (Office) _____
		Email Address _____	
3) DETAILS OF UNITS TO BE TRANSFERRED			
Name of the Fund / Scheme		Type of Units	Amount in Rupees
		Growth units	_____
		Income units	_____
		Cash dividend units	_____
Total amount of Units in words		_____	
Total number of Units in words		_____	
Please lodge original certificates (if any)			
Certificate No(s): _____		No. of Units: _____	
4) TRANSFEROR DECLARATION AND SIGNATURE(S)			
I/We, the undersigned, are the registered holder(s) of the above-mentioned Units and would like to transfer such Units to the person (Transferee) mentioned in Section 2 above as per the details mentioned in Section 3. I/We have read and understood the Trust Deed(s) and Offering Document(s) of the above-mentioned Fund and understand that the transfer of Units would be made under the terms, conditions, rules and regulations as mentioned in these constitutive documents.			
Transferor's Signature (Company Stamp in case of Institution)		_____	
Joint Transferor(s) Name(s)		Signature(s)	
1. Mr./Mrs./Ms.		_____	
2. Mr./Mrs./Ms.		_____	
3. Mr./Mrs./Ms.		_____	
4. Mr./Mrs./Ms.		_____	
5) TRANSFEREE DECLARATION AND SIGNATURE(S)			
I/We, the undersigned, have read and understood the Trust Deed(s) and Offering Document(s) of the above-mentioned Fund and understand that the transfer of Units would be made under the terms, conditions, rules and regulations as mentioned in these constitutive documents. I/We shall be responsible to pay all applicable duties and taxes (if any) incurred in relation to such transfer of Units.			
Transferee's Signature (Company Stamp in case of Institution)		_____	
Joint Transferee(s) Name(s)		Signature(s)	
1. Mr./Mrs./Ms.		_____	
2. Mr./Mrs./Ms.		_____	
3. Mr./Mrs./Ms.		_____	
4. Mr./Mrs./Ms.		_____	
6) WITNESSES (Witnesses should be two (2) adult male persons)			
Name	_____	Name	_____
CNIC No.	_____	CNIC No.	_____
Signature	_____	Signature	_____
6) INVESTMENT FACILITATOR / DISTRIBUTOR DETAILS (FOR OFFICIAL USE ONLY)			
Distributor/ Facilitator Name:		Code	_____
Branch Name:		City	_____
			Distributor's Stamp with date and time
7) REGISTRAR DETAILS (FOR OFFICIAL USE ONLY)			
Date and Time Stamping	Date, Form and Attachments verified by		Name and Signature
	Data entered by		Name and Signature

ANNEXURE K – PLEDGE FORM



Pledge Form "F1"

MCB Asset Management Company Limited
UAN: 111-000-622 Tel: 021-2276900 Fax: 021-2276908

Date: _____

1) Principal Applicant / Pledger Details (To be filled for all requests)

Registration Number:	CNIC (For individuals ONLY)																					
Name:																						

Dear Sirs,
I/We own the Units hereunder held in the above mentioned account and request you to pledge Units as per the details given below. I/We (the Pledger(s)) recognize and undertake that:
- The registration of this pledge/lien places a responsibility on the Trustee to ensure that for any reason whatsoever, if the Units are encashed, save any legal bar or court requiring otherwise, the proceeds occurring on such Units (hereinafter called the Pledged Units) shall be paid to the order of the Pledge/Lien-holder according to the provisions of the Trust Deed(s) and the Offering Document(s);
- 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, the redemption proceeds of Pledged Units shall be made to the Pledge/Lien-holder for the account of the Pledger(s).
- The Trustee, however, does 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.
- The pledge/lien on the Pledged Units shall continue till such time that the same as released by the Pledge/Lien-holder in writing.

2) Unitholding Details (Details of units to be pledged)

Name of Fund/Scheme	Certificate No.	Certificate Issue Date	No. of Units to be placed under Lien

3) Joint Applicant / Joint Pledger Details

Yours Faithfully,

Unit Holder/Joint Unit Holders' Name	Signature(s)
1	
2	
3	

Date : _____
Principal Applicants Signature and Corporate Stamp(For Institutions)

4) Pledge Holder's Details

Name of Pledge Holder:	NTN/CNIC:
Tel:	Fax:
Postal Address:	

Disclaimer: I/We have read and understood the details given above and have read and understood the Trust Deed and Offering Document of the respective Fund(s) and understand that the marking of pledge/lien would be made under the terms, conditions, rules and regulations as mentioned in these documents.

Joint Pledge Holders / Authorised Signatories (In case of Institutions):	Designation/Title	Signature(s)
1		
2		
3		

Date : _____
Corporate Stamp

5) Distribution Details (For Official Use Only)

Distributor/Facilitator Name:	CODE:	Distributor's Stamp and Time
Branch Name:	City:	

6) Registrar Details (For Office Use Only)

Form received on (date)	dd/mm/yy	Date and attachments verified by:
Date input by		Authorised signature:
Remarks:		