

## **RE-STATED OFFERING DOCUMENT**

### **IGI AGGRESSIVE INCOME FUND** (Formerly *POBOP ADVANTAGE PLUS FUND*)

Category  
**Aggressive Fixed Income Scheme**

Benchmark  
**Six month KIBOR**

Managed by  
**IGI Funds Limited**

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

(Previously managed by Pak Oman Asset Management Company Limited)

Date of Publication of the Initial Offering Document: 14 October 2007

Initial Offering Period: 23 October 2007 & 24 October 2007 (both days inclusive)

**Date of publication of this Re-stated Offering Document: August 03, 2011**

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IGI Aggressive Income Fund("the Fund") was established through a registered Trust Deed dated July 16, 2007 entered into between Pak Oman Asset Management Company Limited ("POAMCL"), the initial management company and Central Depository Company of Pakistan Limited, the Trustee and was authorized under the Non-Banking Finance Companies (Establishment and Regulation Rules), 2003 ("Rules").

The Trust Deed was amended by a First Supplemental Trust Deed of IGI Aggressive Income Fund (formerly POBOP Advantage Plus Fund) dated May 26, 2008 executed between POAMCL and the Trustee.

Vide a registered Second Supplemental Trust Deed of IGI Aggressive Income Fund (formerly POBOP Advantage Plus Fund) dated August 6, 2010 ("Second Supplemental") executed among IGI Funds Limited, a public limited company incorporated under the Companies Ordinance, 1984 ("IGIFL"), POAMCL and the Trustee, POAMCL retired as the management company of the Fund and IGIFL has been appointed as the Management Company of the Fund on the terms and conditions contained in the Second Supplemental and the name of the Fund was also changed from "*POBOP Advantage Plus Fund*" to "*IGI Aggressive Income Fund*" (hereinafter called "Fund", "Trust", "Unit Trust", "Scheme", or "IGIAIF").

Due to the change of Management Company, change of the name of the Scheme and the alterations of the Trust Deed, it has become necessary to issue this Re-stated Offering Document in replacement of the Initial Offering Document first published on October 14, 2007.

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## **Regulatory Approval and Consent**

### **Approval of the Securities and Exchange Commission of Pakistan**

The Securities and Exchange Commission of Pakistan (hereinafter referred to as "SECP" or the "Commission") had authorized the offer of Units of the IGI Aggressive Income Fund under the Non-Banking Finance Companies (Establishment and Regulation Rules), 2003 ("the Rules"). The Commission had approved the Initial Offering Document under the Rules.

The Commission has also approved this Re-stated Offering Document under Regulation 54 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 ("the Regulations").

**It must be clearly understood that in giving this approval, the SECP does not take any responsibility for the financial soundness of IGIAIF nor for the accuracy of any statement made or any opinion expressed in this Re-stated Offering Document.**

**If you have any doubts about the contents of this Re-stated Offering Document, you should consult one or more from amongst your legal advisers, stock brokers, bank managers or other financial/tax advisers. Investors must recognize that all investments involve varying levels of risks. The portfolio of IGIAIF consists of market based investments and is subject to market fluctuations and risks inherent in all such investments. The value of Units in IGIAIF may appreciate as well as depreciate, and consequently the level of dividend declared by IGIAIF may vary. Investors are requested to read the Risk Disclosures and Disclaimer statements contained in Clauses - 2.9 and 2.10 respectively and warning contained in Clause 10 of this Offering Document.**

### **Filing of the Offering Document**

POAMCL, as the then Management Company had filed a copy of the Initial Offering Document signed by its Chief Executive Officer along with the Trust Deed with the Commission. IGIFL as the new Management Company of the Fund has also filed the Second Supplemental and this Re-stated Offering Document signed by its Chief Executive Officer with the Commission. Certified copies of the documents mentioned below can be inspected at the Head Office of the Management Company or the Trustee:

1. The Commission's letter No. NBFC-II/37/POAMCL-AMC-II/2006 dated 14 December 2006 granting license to POAMCL for the purposes of carrying out asset management services together with a copy of the license;
2. Letter no. A 0098 dated 30 August 2007 from A. F. Fergusons & Co., Chartered Accountants, Auditors of the Fund (then known as "*POBOP Advantage Plus Fund*"), consenting to the issue of the statements and reports;
3. The Commission's letter No. NBFC/MF-RS/AD-ZRK/POBOPAPF/505/2007 dated 12 July, 2007, approving the appointment of Central Depository Company of Pakistan Limited as the Trustee of the Fund;
4. Trust Deed of IGI Aggressive Income Fund dated 16 July 2007 executed between POAMCL, as the then management company and the Central Depository Company of Pakistan Limited, as the Trustee;

5. The Commission's letter No. NBFC/MF-RS/AD-ZRK/PAPF/548/2007 dated 27 July 2007 authorizing the Fund;
6. The Commission's letter No. NBFC/MF-RS/AD-ZRK/PAPF/718/2007 dated 28 September 2007 approving the Initial Offering Document.
7. First Supplemental Trust Deed dated May 26, 2008 executed between POAMCL and the Trustee;
8. The Commission's letter No. NBFC-II/POAMCL/463/2010 dated June 1, 2010, approving the retirement of POAMCL and the appointment of IGIFL in its place as the Management Company of IGIAIF (formerly known as "*POBOPAPF*");
9. The Commission's letter No. NBFC-II/JE-ZI/IGIFL/608/2010 dated August 3, 2010 approving the amendments to the Trust Deed and renaming of the Scheme as IGI Aggressive Income Fund;
10. Second Supplemental Trust Deed of IGI Aggressive Income Fund (*formerly POBOP Advantage Plus Fund*) dated August 6, 2010 executed among IGIFL, POAMCL and the Trustee.
11. Commission's letter No. SCD/AMCW/IGIAIF/321/2011 dated July 07, 2011 approving this Re-stated Offering Document.

## **1. CONSTITUTION OF THE SCHEME**

### **1.1 Constitution**

IGI Aggressive Income Fund is an open ended scheme that has been constituted by a Trust Deed entered into at Karachi on 16 July 2007, under the Trusts Act, 1882, as amended by First Supplemental Trust Deed dated May 26, 2008 executed between **Pak Oman Asset Management Company Limited (POAMCL)**, an unlisted public company incorporated under the Companies Ordinance, 1984 with its registered office at 1st Floor, Tower A, FTC Building, Shakra-e-Faisal, Karachi, as the then management company of the one part; and **Central Depository Company of Pakistan Limited**, an unlisted public limited company incorporated under the Companies Ordinance, 1984 and registered with the Securities & Exchange Commission of Pakistan (the "SECP") as a central depository company, having its registered office at CDC House, 99-B, Block "B", S.M.C.H.S. Main Shakra-e-Faisal, Karachi, as the Trustee of the other part.

**IGI Funds Limited (IGIFL)**, an unlisted public limited company incorporated under the Companies Ordinance 1984, having its registered office at 5 F.C.C, Syed Maratib Ali Road, Gulberg, Lahore, became the Management Company upon the retirement of POAMCL vide the Second Supplemental Trust Deed dated August 6, 2010 executed among IGIFL (as the new Management Company), POAMCL (as the outgoing management company) and CDC (as the Trustee), pursuant to which the name of the Fund has also been changed from "*POBOP Advantage Plus Fund*" to "*IGI Aggressive Income Fund*".

### **1.2 Trust Deed**

- 1.2.1 The Trust Deed shall be subject to and be governed by the laws of Pakistan, including the Ordinance, the Rules, the Regulations and all applicable laws and regulations, and it shall be deemed for all purposes whatsoever that all the provisions required to be contained in a trust deed of a unit trust scheme by the Regulations are incorporated in the Trust Deed as a part and parcel thereof, and in the event of any conflict between the Trust Deed and the Regulations, the latter shall supersede and prevail over the provisions contained in the Trust Deed unless waivers have been obtained from the Commission.
- 1.2.2 Subject to the Arbitration Clause 33 of the Trust Deed, 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.

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

- 1.3.1 The Trustee and the Management Company, acting together and with the prior approval of the Commission, shall be entitled by the supplemental deed(s) to modify, alter, or add to the provisions of the Trust Deed on any of the following grounds:
- (a) to such extent as may be required to ensure compliance with any applicable laws and regulations or any amendments of such laws and regulations;

- (b) to enable the provisions of the Trust Deed to be more conveniently and efficiently implemented;
- (c) to enable the Units to be listed on a stock exchange or any other exchange; or
- (d) otherwise to the benefit of the Unit Holders.

Provided that in the case of (b), (c), and (d) above, the Trustee as well as the Management Company shall give in writing that such alteration or addition shall not prejudice the interest of the Unit Holders; and that in any event, it shall not release the Trustee or the Management Company of their responsibilities.

- 1.3.2 Where the Trust Deed has been altered or supplemented the Management Company shall notify the Unit Holder(s) immediately at their respective registered addresses and the dispatch of such notices to the Unit Holders shall be announced in two (2) daily newspapers having their primary circulation in Pakistan.
- 1.3.3 If the Commission modifies the Regulations, 2008 or allows any relaxations or exemptions, in respect thereof, these shall deem to have been included in the Trust Deed without requiring any modification as such except where directed otherwise by the Commission.
- 1.3.4 If at any time, any Clause of the Trust Deed becomes in whole or in part, illegal, invalid or unenforceable under the laws of any applicable jurisdiction, the legality, validity and enforceability of the remaining Clauses of the Trust Deed hereof, shall not in any way be affected or impaired thereby.

#### **1.4 Duration**

The Duration of the Scheme is perpetual. However, the Commission or the Management Company may, on the occurrence of certain events, wind it up as stated in Clause 12 of this Re-stated Offering Document under the heading "**Termination and Liquidation of Trust**".

#### **1.5 Units**

The Scheme is divided into Units having an Initial Price of Rs.50 (Rupees Fifty) each. This price was applicable to such Units that were issued before close of the Initial Period. Thereafter, the Units are being and shall continue to be issued on the basis of the Net Asset Value (NAV) of the Fund, which shall form the base for determining the Offer Price and the Redemption Price. Units shall be of different Classes mentioned in Clause 4.2.

All Units and fractions thereof represent an undivided share in the Scheme and rank pari passu as to their rights in the Net Assets, earnings, and the receipt of the dividends and distributions. Each Unit Holder has a beneficial interest in the Scheme proportionate to the Units held by such Unit Holder. The Units issued with differing arrangements may have differing applicable quantum of the Front-end Load added to

the NAV for determining the Offer Price thereof and differing applicable quantum of Back-end Load deducted from the NAV for determining the Redemption Price.

## **1.6 Open – Ended Scheme**

The Scheme shall offer and redeem Units on a continuing basis subject to the terms contained herein and the Regulations. The Management Company may impose, from time to time, certain amount of minimum monetary investment limits to facilitate economical and efficient management of investor accounts. Fractional Units shall be issued to enhance economical and efficient handling. Units are also transferable and shall be issued in registered, un-certificated form and shall be confirmed to investors by means of an account statement issued by the Transfer Agent. However investors have an option to request their Units Certificates subject to the conditions stated in Clause 8.10 of this Re-stated Offering Document.

## **1.7 Initial Offer**

The Initial Offer had been made during the Initial Period, which was for two (2) Business Days and had commenced at the start of banking hours on 23 October 2007 and had ended on the close of banking hours on 24 October 2007. During the Initial Period, Units were offered at the Initial Price of Rs. 50/- (Rupees Fifty) per Unit and the Management Company had issue Units with Sales Loads at its discretion. During the Initial Period, Units were not redeemable.

## **1.8 Transactions in Units after Initial Period**

Subsequent to the Initial Offering Period, the public sale of Units at the Initial Price shall be discontinued. The Units shall thereafter be offered at the applicable Offer price and redeemed at the applicable Redemption Price. The Management Company shall determine the Offer Price and Redemption Price on the basis of the Net Asset Value (NAV). The Offer and Redemption Prices shall be calculated and Units shall be available for purchase and redemption on each business Day. Please see Clause 4 for details.

The Management Company may, at some future time, register the Units with a depository organization, such as the Central Depository Company of Pakistan Limited. Any issue, redemption, transfer or transmittal of de-Materialized Units registered with the Depository shall take place according to the Rules and Regulations of the depository organization and the Management Company may frame its own rules and regulations to deal with such situations.

The Issue and Redemption of Units may be suspended or deferred by the Management Company under certain circumstances as detailed in Clauses 4.19 and 4.20.

## **2. INVESTMENT OBJECTIVE, INVESTMENT POLICY, RESTRICTIONS, RISK DISCLOSURE AND DISCLAIMER**

### **2.1 Investment Objective**

The investment objective of the Scheme is to provide an investment medium whereby investors can participate in a portfolio that will seek to generate competitive income.

### **2.2 Investment Policy**

The Scheme shall construct a diversified portfolio of income securities from the Authorized Investments, comprising the following:-

- (a) Investment avenues – government securities, cash in bank accounts, money market placements, deposits, certificate of deposits (COD), certificate of musharakas (COM), term deposit receipts (TDRs), commercial papers, reverse repo, instruments of redeemable capital (including TFC, and Sukuk), CFS, spread transactions and any other instruments or transactions that may be allowed by the Commission for the purpose of aggressive income schemes;
- (b) At least 10% of the net assets shall be invested in cash and/or near cash instruments which include cash in bank account (excluding TDRs), and treasury bills not exceeding 90 days maturity;
- (c) Both rated and unrated securities shall be eligible for investment, below investment grade rated securities shall also be eligible for investment; and
- (d) There shall be no restriction regarding time to maturity of any single security in the portfolio provided the Weighted average time to maturity of the net assets shall not exceed 5 years and this condition shall not apply to securities issued by the Federal Government.

### **2.3 Benchmark**

The benchmark for the return on investments shall be six (6) months KIBOR.

### **2.4 Investment Exposure Limits**

Investments of the Scheme shall follow the following exposure limits expressed as percentage of Net Assets:

Sr.	Description	Entity Rating	Instrument Rating	Maximum Exposure
1.	Deposits with Commercial banks or financial institutions (excluding Term Deposit Receipts)	BBB	BBB	100%
2.	Term Deposits with Commercial banks or financial institutions	BBB	BBB	90%

3.	Certificates of investment, musharakas, modaraba and deposit issued by Financial Institutions	BBB	BBB	90%
4.	Money market placements with Banks and Financial Institutions including clean placements, letter of placements (LOP)	BBB	BBB	90%
5.	Government Securities: Treasury Bills and other short term Government Securities	-	-	100%
6.	Reverse Repo against Govt. Securities or other debt securities stated as authorized investments in the Offering Document	-	-	90%
7.	Commercial papers: secured and unsecured	BBB+	BBB+	75%
8.	Secured, unsecured, privately placed, listed and unlisted debt instruments including Term Finance Certificates (TFCs)/ Sukuks issued by corporate and financial institutions and redeemable Preference Shares.	BBB	BBB	90%
9.	Continuous Funding System (CFS) (or its replacements thereof) and Spread transactions	-	-	40%
10.	Money market and Debt instruments issued, listed and traded outside Pakistan subject to regulatory approvals from the Commission and the State Bank of Pakistan	BBB	BBB	15%

## 2.5 Principal Risk Factors and Risk Controls in the Investment Process

- (i) The return of the Scheme is subject to fluctuations in interest rates. As a result, there is a risk that a decline in short term interest rates may lower the Scheme's returns and consequently affect the overall return on investment.
- (ii) Factors affecting the health of financial services companies may have a significant impact on the overall performance of the Scheme.

- (iii) Although the Scheme intends to protect the value of your investment, it is possible to lose money by investing in the Scheme.
- (iv) As with any money market/income fund, there is a risk that the issuers or guarantors of securities owned by the Scheme, including securities owned by Government Agencies not backed by the full faith and credit of the Government of Pakistan, may default on the payment of the principal or profit/interest or the obligation to repurchase securities from the Scheme.

The Management Company shall incorporate adequate safeguards for controlling the risks in the portfolio construction process. The risk control process would include reducing risks through portfolio diversification and altering the various types of investments depending on market conditions. In order to counter the judgment risk, the Management Company has employed qualified personnel with professional experience in the investments department.

## **2.6 Investments in Securities Listed or Traded Outside Pakistan**

The Management Company may, with the prior written regulatory permission from the Commission and State Bank of Pakistan, invest in instruments as defined in sub-clause 2.2 and 2.4 above.

## **2.7 Investment and Borrowing Restrictions**

### **2.7.1 Investment of the Trust Property**

2.7.1.1 During and prior to the commencement of the Initial Period, the Trustee shall hold the Trust Property in cash in a separate account with a Bank or a financial institution having at least, an investment grade rating (in case of investment in financial institutions they must have a minimum investment grade rating of 'A' by a SECP approved credit rating agency) and approved by the Management Company. After the Initial Period all cash, except in so far as such cash may in the opinion of the Management Company be required for transfer to the Distribution Account, shall be invested by the Trustee from time to time in line with the objective of the Scheme, in such Authorized Investments as may (subject always to the provisions of the Trust Deed, the Rules and the Regulations) be directed by the Management Company.

2.7.1.2 Any Investment may at any time be realized at the discretion of the Management Company either in order to invest the proceeds of sale in other Authorized Investments or to provide cash required for the purpose of any provision of the Trust Deed or in order to retain the proceeds of sale in cash or on deposit as aforesaid or partly one and partly another. Any Investment which ceases to be an Authorized Investment shall be realized and the net proceeds of realization shall be applied in accordance with this clause. Provided that the Trust may postpone the realization of such Investment for such period as the Management Company and the Trustee may determine to be in the interest of the Unit Holders.

2.7.1.3 The purchase or sale of any Investment in listed securities for the account of the Trust will be made on a Stock Exchange through a Broker who must be a member of such

Stock Exchange, unless the Management Company is satisfied that it is possible and permissible under the Rules to make such purchase or sale more advantageously in some other manner. The Broker (s) shall be appointed, from time to time, by the Management Company under intimation to the Trustee. The Management Company on behalf of the Scheme shall not enter into transactions with any single Broker that exceed thirty per cent of the commission paid by the Scheme in any one Accounting Year; The Management Company shall not nominate, except as may be permissible under the Regulations, directly or indirectly, as a broker any of its directors, officers or employees or their family members. For the purpose of this Clause, the term “family members” shall include their respective spouses, parents, children, brothers and sisters.

2.7.1.4 All transactions carried out by or on behalf of the Scheme shall be made as provided in the Constitutive Documents, the Rules and the Regulations and shall be disclosed in the Scheme’s annual report.

## 2.7.2 **Investment Restrictions**

2.7.2.1 The Trust Property shall be subject to such exposure limits as are provided in the Rules and the Regulations (subject to any exemptions or relaxations that may be specifically given to the Fund by the SECP in writing). Provided that it will not be necessary for the Trustee to sell any Investment merely because owing to appreciation or depreciation of any Investment or disposal of any Investments or redemption of Units such limit may be exceeded. The Management Company shall have three (3) months or under any unfavorable conditions the Management Company may seek an extension in the period from SECP, to comply with the exposure limits in case such limits are exceeded.

2.7.2.2 If and so long as the value of the holding in a particular company or sector shall exceed the limit imposed by the Rules and the Regulations, the Trustee shall not purchase any further Investments in such company or sector. However this restriction on purchase shall not apply to any offer of right or bonus shares or any other offering, if the Management Company is satisfied that accepting such offer is in the interest of the Trust. The Management Company shall have three (3) months or under any unfavorable conditions the Management Company may seek an extension in the period from SECP, to comply with the exposure limits in case such limits are exceeded.

2.7.2.3 The exposure of the Scheme to any single entity shall not exceed an amount equal to ten percent (10%) of the total Net Assets Value of the Scheme provided exposure to any debt issue of a company shall not exceed ten percent (10%) of that issue.

Provided that where exposure of the Scheme exceeds the limits so specified due to the market price increase or decrease in Net Assets, due to the redemptions, the excess exposure shall be regularized within three (3) months of the breach of limits unless the period of three months is extended by the Commission on an application by the Management Company.

2.7.2.4 The Scheme shall not invest more than twenty five per cent (25%) of its Net Assets in securities of any one sector as per classification of the Stock Exchange(s).

2.7.2.5 The Management Company shall not acquire twenty five percent (25%) or more of the voting rights or control of a company on behalf of its Collective Investment Schemes.

2.7.2.6 The Scheme shall not take exposure of more than thirty five percent (35%) of the Net Asset of the Scheme in any single group. For the purpose of this Clause, the terms "exposure" and "group" shall have the same meanings as assigned in Regulation 55(10) of the Regulations.

2.7.2.7 The Scheme shall not take exposure in excess of ten percent (10%) of Net Assets of the Scheme at the time of taking exposure in listed group companies of the Management Company and such exposure shall be made only through the secondary market.

2.7.2.8 The Trust Property shall not be invested in any security of a company, if any director or officer of the Management Company owns more than 5% of the total nominal value of the securities issued or collectively the directors and officers of the Management Company own 10% of those securities.

2.7.2.9 The Management Company on behalf of the Scheme shall not at any time roll over the investments, if in the opinion of the Trustee, the Scheme would not be able to issue payment instrument(s) for redemption money to the Unit Holder(s) within time period stipulated in the Regulations.

2.7.2.10 The Management Company shall not make any further investment or rollover of any investment of the Scheme in case borrowing limit has already been exhausted or redemption requests are pending for more than six (6) days.

2.7.2.11 The Management Company on behalf of the Scheme shall not at any time net off any investment of the Scheme against the investment(s) of the Unit Holder(s) in the Fund.

2.7.2.12 The Trust shall not at any time:

2.7.2.12.1 Purchase or sell:

- (i) Bearer securities
- (ii) Securities on margin
- (iii) Securities which result in assumption of unlimited liability (actual or contingent)
- (iv) Anything other than Authorized Investments as defined in this Trust Deed

(v) Commodities and Commodities Contract

(vi) Real estate

2.7.2.12.2 Participate in a joint account with others in any transaction;

2.7.2.12.3 Make short sales of any security or maintain a short position in securities.

2.7.2.12.4 Purchase any security in a forward contract;

2.7.2.12.5 Issue at any time a senior security without the prior approval of the Commission;

2.7.2.12.6 Invest in securities of the Management Company;

2.7.2.12.7 apply for delisting from any stock exchange unless it has obtained a prior approval of the Commission in writing to the Scheme of De-listing;

2.7.2.12.8 Lend, assume, guarantee, endorse or otherwise become directly or contingently liable for or in connection with any obligation or indebtedness of any other person provided that such prohibition shall not apply to reverse repo transactions involving Government securities or other debt securities under an agreement and spread transaction through ready buy and future sale or Continuous Funding System (CFS) or replacement thereof which are protected by the clearing company and stock exchanges;

2.7.2.12.9 Borrow, except with the consent of the Trustee for meeting redemption request as permissible under the Regulations;

2.7.2.12.10 Investments of the Scheme shall follow the exposure limits expressed as percentage of Net Assets, prescribed by the Commission under its Circular No. 07 of 2009, as may be substituted or modified from time to time.

### **2.7.3 Borrowing**

2.7.3.1 Subject to any statutory requirements for the time being in force and the terms and conditions herein contained, with the Management Company may arrange borrowing for account of the Scheme, with the approval of the Trustee, from Banks or other financial institutions provided that borrowing shall not be resorted to, except for meeting redemption requests, provided that the charges payable to such Bank or financial institution are not higher than the normal prevailing market rates. Provided further that the maximum borrowing for the account of the Trust shall not exceed the limit provided in the Rules and the Regulations but if subsequent to such borrowing, the Net Assets have reduced as a result of depreciation in the market value of the Trust Property or redemption of Units, the Management Company or the Trustee shall not be under any obligation to reduce such borrowing. The maximum borrowing for the account of the Trust shall not exceed fifteen per cent of the total Net Asset Value of the Scheme for a period of 90 Days or such other limit as may be provided in the Rules and the Regulations.

2.7.3.2 For the purpose of securing any such borrowing, the Trustee may on the instructions of the Management Company; mortgage, charge or pledge in any manner all or any part of the Trust Property, provided that the aggregate amount borrowed by such mortgage, charge or pledge shall not exceed the limit provided under the Rules and the Regulations and/or any other law for the time being enforced.

2.7.3.3 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 on account of the Trust from Banks and financial institutions. The Trustee or the Management Company shall not in any manner be liable in their personal capacities for repayment of any borrowings.

## **2.8 Transactions with Connected Persons**

2.8.1 The Trust Property shall not be invested in any security of a company if any director or officer of the Management Company individually owns more than five percent of the total nominal amount of the securities issued or collectively own more than ten percent of those securities, except as may otherwise be permissible under the Regulations.

2.8.2 For the purposes of Clause 2.8.1 above, the term director, officer or employee shall include spouse, lineal ascendants and descendants, brothers and sisters.

2.8.3 The Management Company on behalf of the Scheme shall not without the approval of its Board of Directors in writing and with the consent of trustee purchase from or sell any securities to any Connected Person or employee of the Management Company.

Provided that, the above shall not apply to the issue sale or redemption of units or shares or certificates issued by the Scheme.

2.8.4 Cash forming part of the Trust Property of the Scheme may be placed as deposits by the Trustee with an institution licensed to accept deposits. In case cash forming part of the Scheme's assets is deposited with an institution, which is a banking company or an NBFC, return shall be paid on the deposit 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.

2.8.5 All transaction carried out by or on behalf of the Scheme with Connected Person(s) shall be made as provided in the Constitutive Documents, and shall be disclosed in the Scheme's annual reports.

## **2.9 Risk Disclosure**

Investors in the IGI Aggressive Income Fund IGI Aggressive Income Fund are advised that all investments in mutual funds and securities are subject to market risks. Risks include but are not limited to:

2.9.1 Credit Risk – Credit Risk is composed of default risk, credit spread risk and downgrade risk. Each can have a negative impact on the value of a fixed income security, including money market instruments.

(a) Default Risk – is the risk that the issuer shall not be able to pay the obligation, either on time or at all.

(b) Credit Spread Risk – is the risk that there shall be an increase in the difference between the return/markup rate of an issuer's bond and the return/markup rate of a bond that is considered to have little associated risk. The difference between this return/markup rates is called 'credit spread'. An increase in the credit spread would decrease the value of a fixed income security, including money market instruments.

(c) Downgrade Risk – is the risk that a credit rating agency such as PACRA or JCR-VIS or any other reputed international credit rating agency shall reduce the credit rating of an issuer's security. Downgrades in credit rating shall decrease the value of those associated fixed income securities, including money marketing instruments if that were the case.

2.9.2 Currency Risk – The Scheme may be affected favorably or unfavorably by changes in currencies and exchange control regulations. The income earned by the IGI Aggressive Income Fund may also be affected by foreign exchange rates.

2.9.3 Interest Rate Risk – Debt securities, including money market instruments, pay a fixed rate of coupon/markup. The value of the Scheme due to its holding in debt securities including money market instruments shall rise and fall as markup rates vary. For example, when interest rates fall, the value of an existing bond will rise because the coupon rate on the bond is greater than prevailing return/markup rates and vice versa.

2.9.4 Government Regulation Risk – Government policies or regulations are more prevalent in some sectors than in others. Schemes that invest in these sectors may be affected due to changes in these regulations or policies, which directly or indirectly affect the earnings and/or cash flows and/or any governmental or court orders restraining payment of capital, principal or income.

2.9.5 Voluminous Purchase/Redemption of Units Risk – Any significant transaction made by an investor could significantly impact the Scheme's cash flow. If the investor(s) buys a large number of Units of the Scheme, the Scheme may temporarily have a high cash balance. Conversely, if the Unit holder(s) redeems a large number of Units, the Scheme may be required to fund the redemption by selling securities at an inopportune price. This unexpected sale may have a negative impact on the performance of the Scheme.

2.9.6 Counterparty Risk – The risks with REPO/Reverse REPO/Money Market Placement Transactions are that the other counterparty may default under the agreement or go bankrupt. In a reverse repurchase transaction, the Scheme may be left holding the security and may not be able to sell it at the same price it paid for it, plus return/markup, if the market value of the security has dropped. In case of repurchase transaction, the Scheme may incur a loss if the value of the security sold has increased more than the value of the cash or the collateral held.

### 2.9.7 Other Risks Involved

- (a) 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
- (b) Breakdown of law and order, war, terrorist activity, natural disasters, etc.
- (c) Senior rights of some creditors over other creditors in the event of winding up.

### 2.10 Disclaimer

**Units of the Scheme are not bank deposits and are neither issued by, nor insured by, nor obligations of, nor otherwise supported by the Commission, any Government agency, the Trustee (except to the extent specified herein or in the Trust Deed) or any of the shareholders of the Management Company or any of the Core Investors or any other Bank or Financial Institution.**

**Investors must be aware that all investments involve risk; it should be clearly understood that the portfolio of IGI Aggressive Income Fund is subject to the risks mentioned herein. The value of the investments and the income from them can fall as well as rise and is not guaranteed. Past performance is not necessarily an indicator of future performance and returns.**

## 3 OPERATORS AND PRINCIPALS

### 3.1 Management Company

The Management Company is a group company of the Packages Group. It is licensed by the SECP to act as an Asset Management Company and Investment Advisor under the Rules.

The Management Company was incorporated in 2006 and is currently managing four open end Schemes other than IGI Income Fund namely IGI Stock Fund (launched in July 2008), IGI Islamic Income Fund (launched in December 2009), IGI Money Market Fund (launched in May 2010) and IGI Aggressive Income Fund (Formerly POBOP Advantage Plus Fund); launched in Oct 2007, acquired in August 2010).

#### 3.1.1 Maheen Rehman – CEO

Maheen Rahman has over nine years of experience in the financial services industry. Prior to joining IGI Funds she was Head of Business Development at IGI Securities the brokerage arm of IGI Financial Services. She has also served as Head of Research for BMA Capital Management where she spearheaded the research effort to provide sound and in depth investment advice across all capital markets to a wide range of corporate and institutional clients. Ms Rahman has also worked with Merrill Lynch in their Investment Banking Group and was a key team member for several high profile international transactions that spanned the Asia Pacific region and North America. She has also worked with ABN Amro Bank in Corporate Finance and M&A Advisory and was involved in a series of equity raising and IPO activity across south-east Asia.

Ms Rahman holds a Bachelors of Science degree from LUMS and a Masters in Finance and Economics from Warwick Business School in the UK. She also holds a Series 7 qualification from the New York Stock Exchange.

### **3.1.2 Syed Muhammad Zeeshan - CFO**

Mr. Zeeshan currently holds position of Chief Financial Officer (CFO) and has been associated with IGI Funds Limited for more than three (3) years. Prior to joining IGI Funds Limited, he has also worked at senior positions in finance and accounts of National Investment Trust Limited (the largest open-end mutual fund in Pakistan owned by Federal Government), UBL Fund Managers Limited and Atlas Assets Management Limited. His total professional experience in mutual fund industry is more than eight (8) years. He has also served at Ford, Rhodes, Sidat, Hyder & Co. Chartered Accountants, for more than five (5) years conducting audits of various financial institutions, mutual funds and multinational corporations.

Mr. Zeeshan is a qualified Cost and Management Accountant (ACMA) from Institute of Cost and Management Accountants of Pakistan (ICMAP) and is also CA (Finalist) from Institute of Chartered Accountants of Pakistan (ICAP).

### **3.1.3 Shariq Mukhtar Hashmi – Head of Operations**

Mr. Hashmi has completed MBA (Finance) from SZABIST and he is also a qualified ACCA (UK). Prior to joining IGI Funds Mr. Hashmi was heading the Operations/ Settlement department of National Asset Management Company Limited for 3 years. He has also worked with Feroze Sharif Tariq & CO. Chartered Accountants in various capacities for 5 years which includes 4 years of article ship. During his article ship he has conducted the audits of various manufacturing companies, brokerage houses, commercial banks and service sector entities.

### **3.1.4 Mr. Muddasir Ahmed Shaikh – CIO**

Mr. Muddasir has more than five years of experience in Investment Management & Equity Research. During his career, he has served a number of public and private institutions of repute. Prior to joining IGI Funds Limited, he has been associated with Atlas Asset Management Limited, National Investment Trust Limited, and JS Investments Limited (Formerly JS Abamco Ltd.).

Mr. Muddasir holds a Masters degree in Business Administration from Institute of Business Administration, Karachi.

### **3.1.5 Mr. Syed Saifullah Kazmi – Fund Manager**

Mr. Kazmi has 3 years worth of banking experience, the chunk of which was spent in maintaining a Capital Market portfolio. His previous placement was Dealer-Capital Markets for Faysal Bank Limited, where he was involved in all investment decisions and processes.

Mr. Kazmi is a recent return from the United Kingdom, where he received his BA (Honors) Business Management from the Kingston University, Surrey.

## **3.2 Board of Directors of the Management Company**

Particulars and details of other directorships held are provided in **Annexure 'D'**.

### **3.2.1 Javed Hamid - Chairman**

Mr. Javed Hamid is the Regional Director of the International Finance Corporation's East Asia and Pacific Department. The Department is responsible for policy advice, and IFC investments in the region that includes Cambodia, China, Indonesia, Korea, Lao PDR, Malaysia, Mongolia, Myanmar, Pacific Islands, Philippines, Thailand, and Vietnam. Six field offices report to Mr. Hamid. The Department reports directly to the Offices of the Vice President for Investment Operations and the Vice President, Portfolio and Risk Management. Mr. Hamid is also a member of IFC's Management Group.

Mr. Hamid began his career with IFC in 1979 as a Senior Economist. Between 1984 and 1988 he was the Dean of Lahore University of Management Sciences in Pakistan, a privately financed school which he established and which continues to operate successfully. Returning to IFC in 1988, he was promoted to the position of Lead Economist in the Economic Department and then Divisional Manager for Central Asia, Middle East and North Africa. Mr. Hamid was promoted as Regional Director in 1977 and became a member of the Management Group in 2003. Prior to joining IFC, Mr. Hamid worked at the Ministry of Economic Planning in Pakistan. He is a graduate of Cambridge University in England and Harvard Business School in the United States. Mr. Hamid has authored several publications in economic development, the most recent being "Corporate Financial Structures in Developing Countries".

### **3.2.2 Khalid Yacob — Director**

Mr. Yacob has over thirty (30) years of experience in accounting and finance, and is the Finance Manager for Packages Limited since 1988. He successfully implemented and introduced accounting best practices and control mechanisms for Packages Limited, and was also responsible for the implementation of key inventory and accounting controls software. Mr. Yacob has also worked in Whinney Murray & Co. (Saudi Arabia) and with A.F. Ferguson & Co. Mr. Yacob is a director for several companies including, Tetra Pak Pakistan Limited, Tri-Pack Films Limited, Packages Lanka (Private) Limited and IGI Investment Bank Limited (formerly First International Investment Bank Limited).

Mr. Yacob is a Fellow Member of the Institute of Chartered Accountants of Pakistan, and qualified Chartered Accountant from England and Wales, and attended the Program for Management Development at the Harvard Business School.

### **3.2.3 Ahmad Alman Aslam — Director**

Mr. Aslam has over thirty (30) years of professional experience in investment banking, corporate finance and advisory services. He is currently a managing partner of Ahmad Alman Aslam and Associates, an enterprise engaged in investment banking. Mr. Aslam started his career with Citibank in 1975 and continued with Citibank for twenty eight (28) years, serving in various capacities. He was the Managing Director, based out of New York, responsible for all debt issued by emerging market borrowers (Asia, Latin America, Middle East, Africa and Central and Eastern Europe) including fixed income, Islamic finance, bank syndications and floating rate issues by sovereign, private and public sector corporations and financial institutions and global structured trade finance business. Earlier in his career he

headed the Investment Banking arm of Citibank Pakistan, and was Country Head for Citibank, Zambia.

Mr. Aslam has also served as an Advisor to EMP Washington. He serves on the boards of OGDC, Adamjee Insurance, and the Bank of Punjab. He was on the Board of the State Bank of Pakistan till 2006.

#### **3.2.4 Abid Naqvi — Director**

Mr. Naqvi is presently the Chief Executive Officer of ACL Capital Private Limited, a privately owned business development company and has almost twenty five (25) years of professional experience in the financial services industry. Mr. Naqvi started his career with Citibank, Pakistan in 1982 and his subsequent assignments include, Head of Economics for the National Development Finance Corporation (NDFC) where he was in close liaison with government economic, planning and finance ministries as well as a permanent representative of the CDWP, five (5) Year Plan Expert Working Groups. He was also the Managing Director, Deputy Managing Director and Head of Research for Taurus Securities from 1997 to 2004. He was a member of various committees of the Karachi Stock Exchange and played an active role in promoting the cause of capital markets.

Mr. Naqvi holds a Bachelors degree in Economics from the University College London, United Kingdom.

#### **3.2.5 Syed Javed Hassan - Director**

Mr. Hassan has over twenty (20) years of experience in asset management and capital markets. Prior to joining IGI Funds, he was Executive Director of IGI Investment Bank. Earlier he was associated with IGI Financial Services in the capacity of CEO of IGI Insurance Limited. Mr. Hassan's previous assignments also included Chief Executive of UBL Asset Management Company, Senior Vice President and Head of Asian Insurance Research at Fox-Pitt Kelton (Asia), Assistant Director at Price Waterhouse Coopers in London, Vice President Emerging Markets at ING Baring Securities Limited and also helped set up ING Barings Pakistan Office. Mr. Hassan was also the Head of Research at Credit Lyonnais Securities (Asia) Limited and was ranked among the top analysts covering South Asia by Asia Money Broker Survey. He worked in the Middle East and Africa on a number of civil engineering construction projects for Scott Wilson Kirk Patrick & Partners.

Mr. Hassan holds a Bachelors of Science in Civil Engineering and Masters in Transportation Engineering from the Imperial College of Science and Technology, and is a Masters in Business Administration from the London Business School.

#### **3.2.6 M. Asif Saad**

Mr. Asif Saad is the Chief Executive of Lotte Pakistan PTA Limited, which is one of the largest manufacturing companies in Pakistan with a turnover of approximately Rs.38 billion in 2009. Mr. Saad holds an MBA degree from the Lahore University of Management Sciences (LUMS), which, he completed in 1988. He joined ICI Pakistan as a management trainee the same year and had been associated with the ICI group for over 20 years.

He has worked in various management positions in ICI Pakistan in diverse industrial sectors such as Paints, Polyester, Chemicals and Consumer products. In 2002, Mr. Saad joined Pakistan PTA Limited as the Commercial Manager for the company and steered the business in its sales and marketing as well as supply chain functions. He has also been responsible for the areas of product stewardship and strategy development for Pakistan PTA Limited. Mr. Saad was appointed Chief Operating Officer for the company in 2008 and in 2009 he led the company through its successful acquisition by Lotte group of South Korea.

Mr. Saad is also a non-executive director of Pakistan Human Development Fund (PHDF) which is a non-profit Company engaged in the field of literacy and the social sector. He is a member of various committees of Pakistan Business Council (PBC) and has been a member of the Sub Committee for commercial matters of Overseas Investors Chamber of Commerce & Industry (OICCI). He has also provided his services to the Government of Pakistan as the chairman of the sub-committee for Petrochemicals formed by Engineering Development Board to create Chemicals Vision 2030 for Pakistan.

### **3.2.7 Maheen Rehman – Director and CEO**

See details as stated in Clause 3.1.1.

#### **Existing Schemes managed by the Management Company**

##### **Details of IGI Income Fund**

###### Investment Objective

The investment objective of IGI Income Fund is to minimize risk, construct a liquid portfolio of fixed income instruments and provide competitive returns to the unit holders. The management team ensures the active implementation of prudent investment practices, the highest professional standards and compliance with applicable laws.

###### Investment Policy

The investment policy of the Fund is constructed to ensure the overall compliance with the above mentioned investment objective. As such, the investment policy shall focus on selecting instruments, executing transactions and constructing portfolio exposures to match the investment objective stated.

###### Term Sheet

Fund Type:	Open-end
Category:	Income Scheme
Fund Lifespan:	Perpetual
Pricing:	Forward Day (NAV Based)

Front-end Load:	Currently 1.0%
Management Fee:	Currently 1.25%
Holding Period:	None
Minimum Investment:	Rs. 5,000/-
Minimum Subsequent Investment:	Rs. 1,000/-
Trustee:	CDC Pakistan Limited
Auditors:	KPMG Taseer Hadi & Co.

### **Performance of IGI Income Fund**

Inception Date	14 April 2007
Rating	A+ (f) by JCR-VIS
Fund Size at inception (14 April 2007)	PKR 1,164 million
Current Fund Size (31 March 2011)	PKR 1,260 million
Year-to-Date Return (31 March 2011)	10.41%

### **Details of IGI Stock Fund**

#### Investment Objective

The Scheme shall seek long-term capital growth by investing primarily in a diversified pool of equities and equity related investments.

#### Investment Policy

The Scheme shall construct a diversified portfolio of equity and other Authorized Investments. At least 70% of the Net Assets of the Scheme shall remain invested in listed equity securities during the year on quarterly average investment calculated on daily basis. The remaining Net Assets shall be invested in cash and/or near cash instruments which shall include cash in bank account (excluding TDRs) and treasury bills not exceeding 90 days maturity. The Scheme shall not take exposure to Continuous Funding System (CFS).

The equity stocks shall be evaluated based on a combination of growth and value parameters. The best companies shall then be chosen from each sector. The final portfolio shall be determined taking into consideration the relative attractiveness of each sector

The Benchmark for IGI Stock Fund is KSE- 100 Index. The performance of IGI Stock Fund will be compared against KSE- 100 Benchmark. If the Fund Manager makes correct decisions on timing and selection of stocks, the Fund Manager should outperform the Benchmark and vice versa.

The Fund shall invest in the asset classes mentioned in the Offering Document under the heading Authorized Investment.

## Term Sheet

Fund Type:	Open-end
Category:	Equity Scheme
Fund Lifespan:	Perpetual
Pricing:	Forward Day (NAV Based)
Front-end Load:	Currently 2.5%
Management Fee:	Currently 2%
Holding Period:	None
Minimum Investment:	Rs. 5,000/-
Minimum Subsequent Investment:	Rs. 1,000/-
Trustee:	CDC Pakistan Limited
Auditors:	KPMG Taseer Hadi & Co.

## **Performance of IGI Stock Fund**

Inception Date	15 July 2008
Rating	4 Star by PACRA
Fund Size at inception (15 July 2008)	PKR 1,164 million
Current Fund Size (31 March 2011)	PKR 307 million
Year-to-Date Return (31 March 2011)	2.93%

## **Details of IGI Islamic Income Fund**

### Investment Objective

The Scheme shall be Shariah based. The Scheme shall seek to provide good total return through a combination of current income and long term capital appreciation, consistent with reasonable investment risk in a Shari'ah Compliant manner. The management team shall ensure the active implementation of prudent investment practices, the highest professional standards and compliance with applicable laws.

### Investment Policy

The Scheme has been categorized as Shari'ah Compliant (Islamic) Income Scheme. The investment policy of the Scheme is constructed to ensure overall compliance with investment objective mentioned in the Offering Document. The Scheme shall invest

in a blend of short, medium and long term Shari'ah Compliant Islamic Income instruments. The investment policy shall focus on selecting instruments, executing transactions and constructing a portfolio to match the investment objective, subject to the Regulations and the directives and circulars issued by the Commission from time to time.

The investment policy of the Scheme shall select instruments from within the specified Shari'ah Compliant Authorized Investments and invest only in asset classes mentioned in the Offering Document.

#### Term Sheet

Fund Type:	Open-end
Category:	Shariah Compliant (Islamic) Income Scheme
Fund Lifespan:	Perpetual
Pricing:	Forward Day (NAV Based)
Front-end Load:	Currently 1.0%
Management Fee:	Currently 1.50%
Holding Period:	None
Minimum Investment:	Rs. 5,000/-
Minimum Subsequent Investment:	Rs. 1,000/-
Trustee:	CDC Pakistan Limited
Auditors:	KPMG Taseer Hadi & Co.

#### **Performance of IGI Islamic Income Fund**

Inception Date	3 December 2009
Rating	A+ (f) by PACRA
Fund Size at inception (3 December 2009)	PKR 381 million
Current Fund Size (31 March 2011)	PKR455 million
Year-to-Date Return (31 March 2011)	9.72%

#### **Details of IGI Money Market Fund**

##### Investment Objective

As an open-ended money market Fund, the Scheme shall seek to generate competitive returns consistent with low risk from a portfolio constituted of short term instruments including cash deposits and government securities. The Fund will maintain a high

degree of liquidity, with time to maturity of single asset not exceeding six months and with weighted average time to maturity of Net Assets not exceeding 90 days.

### Investment Policy

The Scheme has been categorized as Money Market Scheme. The investment policy of the Scheme is constructed to ensure overall compliance with investment objective mentioned above. IGI Money Market Fund will strive to earn Benchmark returns, by investing in short term instruments consistent with low risk and high liquidity. The Fund seeks to maintain a high degree of liquidity by investing in short-term instruments, whereby the time to maturity of any asset shall not exceed six months and weighted average time to maturity of net assets shall not exceed 90 days. The Fund will invest primarily in the money market specifically in cash and near cash instruments such as cash in bank accounts (excluding TDRs), Government Securities, money market placements, and deposits, certificate of deposits, certificate of musharika (COM), TDRs, commercial papers and reverse repos. The Fund will not take any direct or indirect exposure to equities. The Fund aims to mitigate risk by following prudent investment criteria and investing solely in high quality instruments and entities. With respect to entity ratings, rating of any NBFC or Modaraba shall not be lower than AAA (Triple A) and rating of any bank or DFI shall not be lower than AA (Double A Category). Furthermore, rating of any security in the portfolio shall not be lower than AA (Double A Category). The Fund's portfolio will therefore be firmly committed to high quality assets associated with low levels of risk.

Allocation among various instruments will be based on analysis of macro and micro economic variables such as interest rates, economic growth rates, political climate and analysis of the sector and entity in which the Fund intends to take exposure.

All investments made will be within the limits prescribed in the NBFC Regulations, as amended from time to time, or as otherwise specified by the SECP.

### Term Sheet

Fund Type:	Open-end
Category:	Money Market Scheme
Fund Lifespan:	Perpetual
Pricing:	Forward Day (NAV Based)
Front-end Load:	Currently 1.0%
Management Fee:	Currently 0.8%
Holding Period:	None
Minimum Investment:	Rs. 5,000/-
Minimum Subsequent Investment:	Rs. 1,000/-
Trustee:	CDC Pakistan Limited
Auditors:	KPMG Taseer Hadi & Co.

## Performance of IGI Money Market Fund

Inception Date	27 May 2010
Rating	AA+ (f) by JCR-VIS
Fund Size at inception (27 May 2010)	PKR 732 million
Current Fund Size (31 March 2011)	PKR 1,959 million
Year-to-Date Return (31 March 2011)	11.89%

## Performance in last five years of relates listed associated companies:

### 1. PERFORMANCE OF RELATED LISTED COMPANIES (Rupees in millions)

<b>Silk Bank Limited</b> (December)	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
Share holders equity	4,834	1,763	4,391	2,180	3,998
Deposits	55,706	49,610	41,057	42,374	49,015
Advances	44,354	32,097	31,087	25,875	29,022
Investments	12,965	20,179	12,012	17,859	15,829
Assets	72,603	68,664	55,645	53,661	59,201
Profit (Loss) before taxation	(1,236)	(4,252)	(2,834)	(3,320)	(409)
Profit (Loss) after taxation	(1,131)	(2,903)	(2,014)	(3,041)	(304)
<b>Packages Limited</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
Sales	21,837	16,533	14,301	10,540	9,028
Gross Profit	795	307	943	1,199	1,295
(Loss) Profit from Operations	(104)	(384)	405	588	758
(Loss) Profit before Tax	(317)	5,770	(308)	4,633	6,348
(Loss) Profit after Tax	(332)	4,064	(196)	4,326	6,101

EBITDA	1,242	719	955	1,167	1,098
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<b>Tri-Pak Films Limited</b> (December)	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
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Sales	7,621	5,685	5,865	4,555	3,825
Gross Profit	1,219	990	1,010	927	509
Operating Profit	956	779	846	792	381
Profit before Tax	723	559	724	674	244
Profit after Tax	495	464	480	440	168

<b>Lotte Pakistan PTA Limited</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
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Sales/ Revenue	42,401	37,851	32,936	28,467	28,562
Gross Profit	7,032	5,897	868	1,350	2,236
Operating Profit	6,058	5,213	724	1,303	1,865
(Loss) Profit before Tax	6,711	4,719	(1,679)	199	365
(Loss) Profit after Tax	4,528	3,574	(1,570)	131	126
EBITDA	8,185	6,679	1,917	2,479	3,237

<b>Adamjee Insurance</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
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Gross Premium	11,564	10,321	10,205	9,379	7,912
Net Premium	6,883	6,807	7,488	5,532	5,280
Net Claims	4,834	4,453	5,173	3,915	3,355
Net Commission	515	500	741	442	520
Underwriting	281	679	367	119	482
Investment Income	779	2,479	1,098	4,486	1,515

Profit before Tax	577	2,595	1,176	4,285	1,685
Profit after Tax	519	2,434	1,099	4,201	1,577
<b>IGI Investment Bank Limited</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
Gross Income	844	769	764	586	516
Operating Profit (Loss)	10	(57)	(16)	(70)	36
(Loss) Profit before Tax	(386)	(450)	(46)	(79)	29
(Loss) Profit after Tax	(199)	(375)	(6)	(39)	37

### 3.3 Duties and Responsibilities of the Management Company

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

#### 3.3.1 Primary Functions of the Management Company

##### A. Fund Management

The Management Company has the responsibility to make all Investment decisions within the framework of the Regulation, the Trust Deed and this Supplement II to the Offering Document.

##### B. 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 Scheme. All Investment and dis-investment decisions shall be made through the investment committee within the framework of the Regulations and this Supplement II to the Offering Document.

##### C. Investor Services

The Management Company has the responsibility to facilitate Unit Holder transactions in the Scheme and to make adequate arrangements for receiving and processing all applications in this regard.

#### D. Investor Records

- (i) The Management Company has the responsibility to maintain Unit Holder records and for this purpose it may appoint a Transfer Agent, who is responsible for performing Registrar Functions, i.e. maintaining Unit Holder(s) records and providing related services. The Management Company or Transfer Agent (as the case may be) shall carry out the responsibility of maintaining Unit Holder(s) records, issuing statements of accounts, issuing Certificates representing Units, processing redemption requests, processing dividend payments and all other related and incidental activities.
- (ii) The Management Company shall maintain a Register of Unit Holder(s) of the Scheme (either in physical or electronic form) and inform the Trustee and the Commission of the address where the Register is kept.
- (iii) 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 Commission and the Trustee.

#### E. Distribution

The Management Company shall from time to time appoint, remove or replace one or more suitable persons, entities or parties as Distributor(s) and/or Sub-Distributor(s) for carrying on Distribution Function(s) at one or more location(s) on the terms and conditions to be incorporated in distribution and/or sub-distribution agreement(s) to be entered into between the Distributor(s) and/or Sub-Distributor(s) and the Management Company, which shall clearly state the conditions for avoidance of frauds and sales based upon misleading statements. Such Distributor(s) and Sub-Distributor(s) shall be associate members of the association constituted in consultation with the Commission and shall abide by the code of conduct prescribed by such Association.

Provided that the Management Company may also itself act as a Distributor for carrying on Distribution Functions and in such case also subcontract the Distribution Functions to a Sub-Distributor(s). The Distributor(s) and/or Sub-Distributor(s) shall act as the interface between the investors, the Management Company, the Registrar and the Trustee. Remuneration of the distribution shall be paid by the management company from the Front End Load or from its own sources.

#### F. Investment Facilitators

The Management Company may from time to time appoint Investment Facilitators to assist in the promotion of sales of the Units on terms and conditions agreed between the Management Company and Investment Facilitators in the investment facilitation agreement. All expenses including legal and professional charges regarding appointment of Investment Facilitator shall be borne by the Management Company.

#### G. Record Keeping

The Management Company has the primary responsibility for all record keeping, regular determination and announcements of prices and for producing 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.

The Management Company shall maintain proper accounts and records to 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 transactions for the account of the Scheme, (iv) all amounts received by the Scheme in respect of the issuance of the Units, (v) all amounts paid out by the Scheme on redemption of Units and by way of distributions and (vi) pay out at the termination of the Scheme. Such accounts and records shall be maintained for a period of ten years or as prescribed under the provisions of the Rules, the Regulations, or any other law for the time being in force. The Management Company shall inform the Commission and the Trustee where the accounts and records are kept.

H. Others functions and responsibilities of the Management Company;

(i) The Management Company shall comply with the provisions of the Rules and the Regulations and the Constitutive Documents 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 or responsible official 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 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 Trust Property, where such loss has been caused by its negligence, reckless or willful act and/ or omission or by its officers, officials or agents;

(ii) The Management Company shall manage the Trust Property in the interest of the Unit Holders in good faith and to the best of its ability and without gaining any undue advantage for itself or any of its Connected Persons, and subject to the restrictions and limitations as provided in the Constitutive Documents, the Rules and the Regulations. Any purchase or sale of Investment and any redemption of Units 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, as long as such instructions are not in conflict with the provisions of the Constitutive Documents, the Rules and the Regulations. The Management Company shall not be liable for any loss caused to the Trust or to the value of the Trust Property due to any elements or circumstances beyond its reasonable control;

(iii) The Management Company may from time to time appoint, remove or replace the Transfer Agent under intimation to the Trustee;

(iv) The Management Company shall provide the Trustee with regular reports indicating dividend; other forms of inflows or any rights or warrants relating to the Investments that are due to be received;

(v) 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 Trust.

(vi) 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, neither for any act or omission of the Trustee nor for anything except for its own negligence or willful breach of duty hereunder. If for any reason it becomes impossible or impracticable to carry out the provisions of the Constitutive Documents, the Management Company shall not be under any liability therefore or thereby and it shall not incur any liability by reason of any error of law or any matter or thing done or suffered or omitted to be in good faith hereunder.

(vii) The Management Company shall maintain proper accounts and records to 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 transactions for the account of the Scheme, (iv) all amounts received by the Scheme in respect of the issuance of the Units, (v) all amounts paid out by the Scheme on redemption of Units and by way of distributions and (vi) pay out at the termination of the Scheme. Such accounts and records shall be maintained for a period of ten years or as prescribed under the provisions of the Rules, the Regulations or any other law for the time being in force. The Management Company shall inform the Commission and the Trustee where the accounts and records are kept

(viii) The Management Company shall, from time to time, advise the Trustee of the settlement instructions relating to any investment/disinvestments transactions entered into by it on behalf of the Trust. The Trustee shall carry out settlements in accordance with the dictates of specific transactions. 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 subject to the NBFC Regulations, the Offering Document and term of the Trust Deed.

(ix) The Management Company has the primary responsibility for all record keeping, regular determination and announcement of Unit prices and for producing financial reports from time to time as provided in the Rules, the Regulations and the Trust Deed.

(x) The Management Company shall prepare and transmit within four months of the closing of the Accounting Period of the Scheme to the Unit Holders, the Trustee, the Commission and the Stock Exchanges on which the Units are listed, an Annual Report as per the requirement 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 the Net Assets or Reserves and (iv) the Auditor's report of the Scheme. Provided that the Commission, subject to any conditions, may allow the Management Company to transmit the said 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

(xi) The Management Company shall within one (1) month of the closing of the first quarter (3 months) and third quarter (9 months) and within two (2) months of the closing of the second quarter (6 months) prepare and transmit to the Unit Holders, the Trustee, the Commission and the Stock Exchanges on which the Units of the Scheme are listed (i) balance sheet as at the end of that quarter, (ii) income statement (iii) cash flow statement, (iv) statement of movement in Unit Holder's fund and (v) 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 value (at carrying and at market) and the percentage in relation to its own assets and the issued capital of person whose securities are owned for that quarter, whether audited or otherwise. Provided that the Commission, 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.

(xii) The Management Company shall maintain a Register of the Unit Holders and inform the Commission and the Trustee of the address where the Register is kept.

(xiii) The Management Company shall with the consent of the Trustee, appoint at the establishment of the Scheme and upon any vacancy the Auditor, from the approved list of auditors circulated by the Commission from time to time who shall be a chartered accountant and independent of the auditor of the Management Company and of the Trustee and such Auditor shall not be appointed for more than five (5) consecutive years. The contents of the Auditors report shall be in accordance with the applicable provisions of Schedule V of the Regulations.

(xiv) The Management Company shall not:

- (a) acquire the management of another scheme, unless it has obtained the prior written approval of the Commission;
- (b) pledge any of the securities held or beneficially owned by the Scheme except as allowed under the Regulations;
- (c) accept deposits from the Scheme;
- (d) make a loan or advance money to any person from the assets of the Scheme;
- (e) participate in a joint account with others in any transaction on behalf of the Scheme, except for collection account of the Schemes managed by it;
- (f) apply any part of the assets of the Scheme to real estate, commodities or commodity contracts;
- (g) make any investment of the Scheme which will vest the management or control of the affairs of the investee company in the Management Company or its group;

- (h) undertake brokerage services on stock exchanges or in the money market;
- (i) enter, on behalf of the Scheme, into underwriting or sub-underwriting contracts;
- (j) maintain its own equity portfolio except for investments made by the Management Company into the Scheme or pension funds managed by it or its subsidiary NBFCs as allowed under Rule 7(2)(h).

(xv) The Management Company shall develop criteria in writing for appointing a diverse panel of Brokers and monitoring compliance thereof to avoid undue concentration of business with any single Broker.

(xvi) Management Company is obliged to obtain a rating of the Scheme, once the Scheme becomes eligible for rating as per the rating criteria of the rating agency, and such rating shall be updated at least once every financial year and also published in the annual and quarterly reports of the Scheme.

(xvii) The Management Company shall not apply for de-listing of the Scheme from Stock Exchange (if any), unless it has obtained prior approval of the Commission in writing to the scheme of de-listing.

(xviii) The Management Company shall not open or close or arrange to open or close any account with a Bank, Broker or depository for the Scheme without the approval of its board of directors.

(xix) The Management Company shall forward details of all requests for dealing in Units, including the information of stamped time and date, to the Trustee within 24 hours of the receipt of such requests.

All the application received on the designated points for issuance, redemption, conversion etc of units of scheme will be date and time stamped to ensure timely acknowledgement of the said application.

(xx) 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.

(xxi) The Management Company may in consultation with the Trustee further appoint advisors and professionals in offshore countries for making investments in offshore countries 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 not be charged to the Fund.

(xxii) The Management Company may appoint advisors to assist in investing and managing the assets of the fund abroad at its own cost and discretion provided that the management company will be responsible for all acts of such investment advisers.

### **3.4 Trustee and Role of the Trustee**

3.4.1 SECP had approved appointment of Central Depository Company of Pakistan Ltd. as Trustee of the IGI Aggressive Income Fund vide its letter no. NBFC/MF-RS/AD-ZRK/POBOPAPF/505/2007 dated 12 July 2007.

#### **a. Name and Registered Address:**

Central Depository Company of Pakistan Limited  
CDC House, 99-B, Block 'B',  
S.M.C.H.S, Main Shahrah-e-Faisal,  
Karachi – 74400  
Pakistan.

#### **b. Brief Profile of CDC**

Central Depository Company of Pakistan Limited (CDC) was incorporated as a public limited company on 21 January 1993 in Pakistan and received certificate of commencement of business on 10 August 1994. The principal business activity of the company is to manage and operate the Central Depository System (CDS), which is an electronic book entry system to record and transfer securities. It was formed for facilitating efficient, risk free and cost effective settlement of securities in accordance with the international standards to cope up with the ever-rising volume of trading in securities at the Stock Exchanges in Pakistan. The trustee has considerable amount of experience of trusteeship of open end schemes, which are successfully functioning in the Islamic Republic of Pakistan. In a short span of time after introducing its trusteeship business, CDC has emerged as the largest trustee / custodial service provider in Pakistan.

3.4.2 The Trustee shall stand possessed of the Trust Property that may from time to time hereafter be vested in the Trustee upon trust as a single common fund. The Trustee shall take into its custody or control the Trust Property and hold the same in accordance with the law and the provisions of the Constitutive Documents. The cash and the registerable assets shall be registered in the name, or to the order of, the Trustee. The Trustee shall invest 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 this Trust Deed, the Offering Document, the Rules and the Regulations and the conditions, if any, which may be imposed by the Commission from time to time.

3.4.3 The Trustee shall comply with the provisions of the Rules, Regulations and the Constitutive Documents 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 and on the terms and conditions approved by of 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 negligence or any reckless or willful act and/ or omission of the Trustee or any of its directors, officers, nominees or agents.

- 3.4.4 The Trustee has the responsibility for being the nominal owner and for the safe custody of the assets of the Unit Trust on behalf of the beneficial owners (the Unit Holders), within the framework of the Rules, Regulations and the Trust Deed.
- 3.4.5 The Trustee shall provide the Management Company with regular reports indicating dividends, other forms of income and inflows, and rights or warrants relating to the investments that are due to be received.
- 3.4.6 The Trustee shall have all the obligations entrusted to it under the Rules, the Regulations, the Trust Deed and the Offering Document (as may be amended from time to time with the approval of the Commission).
- 3.4.7 The Trustee shall exercise all due diligence and vigilance in carrying out its duties and in protecting the interests of the Holders. The Trustee shall not be under any liability on account of anything done or suffered by the Trust if the Trustee has 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 Constitutive Documents or the Rules and Regulations. Whenever pursuant to any provisions 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 whose signature the Trustee is for the time being authorized in writing by the Management Company to accept;
  - (ii) Any instruction received Online through the software solution adopted by the Management Company for managing and keeping record of the Fund managed by the Management Company;
  - (iii) Third party evidence where required such as broker contract, bills, etc. in relation to (i) and (ii) above.
- 3.4.8 The Trustee shall carry out the instructions of the Management Company in all matters including investment and disposition of the Trust Property, provided such instructions are not in conflict with the provisions of the Constitutive Documents or the Rules and Regulations or any applicable law or regulations.
- 3.4.9 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.
- 3.4.10 The Trustee may, unless otherwise mutually agreed with the Management Company, from time to time appoint, remove or replace one or more Bank(s) and/or other depository company, to act as the Custodian(s) for holding and protecting the Trust Property and every part thereof and for performing the Custodian Function at one or more locations, on terms and conditions to be agreed between the Custodian and the

Trustee and approved by the Management Company, provided however, the Trustee may also itself provide custodial services for the Trust with the approval of the Management Company at competitive terms as part of its normal line of business.

- 3.4.11 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 Trust Property and all other matters relating to the Scheme.
- 3.4.12 The Trustee shall issue a report to the Unit Holder(s) included in the annual and second quarter report of the Trust 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 this 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.
- 3.4.13 The Trustee shall, if requested by Management Company or if it considers necessary for the protection of Fund or safe guarding the interests of the Unit Holders, institute or defend any suit, proceeding, arbitration or inquiry or any corporate or shareholders' action in respect of the Trust 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 costs, charges and expenses (including reasonable legal fees) incurred in instituting or defending any such action shall be on account of the Trust Property and the Trustee shall (out of the Trust Property) 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 negligence or breach of fiduciary duties in connection with its duties as the Trustee under the Trust Deed or the Regulations. 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 Trust 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 Trust.
- 3.4.14 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 (save in the capacity of an intermediary).
- 3.4.15 The Trustee shall not be under any liability except such liability as may be expressly assumed by it under the Rules and the Regulations and the Trust Deed, nor shall the Trustee (save as herein otherwise provided) be liable neither for any act or omission of the Management Company nor for anything except its own negligence or willful breach of duty 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.
- 3.4.16 The Trustee shall promptly forward to the Management Company in a timely manner and not later than two Business Days of receipt any notices, reports or other documents issued by the issuers of securities, recipients of any of the Trust funds (as

deposits, refunds, distribution of dividends, income, profits, repayment of capital or for any other reason), notices received from any depository, an intermediary or agent in any transaction or from any court, government, regulator, stock exchange(s), clearing company, any other institution or any other party having any connection with the transaction.

- 3.4.17 The Trustee shall provide proxies or other forms of powers of attorney to the order of the Management Company not later than two Business Days with regard to any voting rights attaching to any investment.
- 3.4.18 The Trustee shall ensure that (a) the sale, issue, repurchase, redemption, transfer and cancellation of Units are carried out in accordance with the provisions of this Deed, Offering Document and the Regulations: and (b) 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 of units are in accordance with the provisions of the Deed, the Offering Document and the Regulations. In order to get these comforts the Trustee shall have unhindered access to records and information maintained with the Management Company or its agents.
- 3.4.19 The Trustee shall ensure that the investment and borrowing limitations set out in the Constitutive Documents and the Regulations and the conditions under which the Scheme was authorized are complied with.
- 3.4.20 The Trustee shall ensure the Units of the Scheme have been issued after realization of subscription money.
- 3.4.21 The Trustee shall arrange for an annual system audit by its auditors and provide the report to this effect to the Commission and the Management Company, within four months of the close of the financial year of the trustee.
- 3.4.22 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 with any single Broker.
- 3.4.23 The Trustee shall immediately inform the Commission if any action of the Management Company contravenes the Ordinance, the Rules, the Regulations, the Constitutive Documents, guidelines, codes, circulars, directives or any other applicable laws.
- 3.4.24 The Trustee shall comply with the directions of the Commission given in the interest of the Unit Holders.
- 3.4.25 The Trustee shall not invest in Units of the Scheme.
- 3.4.26 The Trustee shall not be liable for any loss caused to the Scheme or to the value of the Trust Property due to any elements or circumstances of Force Majeure

### **3.5 Core Investors**

The Bank of Punjab (“BOP”) was the core investor and had invested Rs: 250,000,000/-(Rupees Two Hundred and Fifty Million Only) as seed capital in the

Fund which was not redeemable before the two (2) years after the close of Initial Offering Period (IPO).

### **3.6 Pre-IPO Investors**

Name of all the Pre IPO investors are provided in **Annexure “E”**.

Income, profit, interest, etc. earned on investments of the Core Investor and Pre-IPO investors in such Pre-IPO short term investments or bank deposits upto the close of the Initial Period, after reducing any expenses incurred in this regard was paid to Core Investors and Pre-IPO Investors on proportionate basis of their Pre IPO subscriptions amount and did not form part of the Trust Property.

### **3.7 Transfer Agent**

The Management Company may at its discretion appoint a Transfer Agent. The Management Company shall perform duties as the Transfer Agent of the Scheme until a Transfer Agent is appointed under any further notice and intimation to the Trustee. The Management Company shall be responsible for maintaining the Unit Holders Register, preparing and issuing account statements, Unit Certificates and dividend warrants / advice and providing related services to the Unit Holders. The Management Company may outsource the Transfer Agent function at a later stage, provided the best interests of the Unit Holders are protected.

### **3.8 Distributors / Sub-Distributors / Investment Facilitators**

3.8.1 The parties detailed in **Annexure B** hereof have each been appointed as Distributors / Sub-Distributors / Investment Facilitators to perform the Distribution Functions and together constitute the network of Authorized Transaction Locations (ATLs). The Management Company may from time to time appoint additional ATLs or terminate the arrangement with an ATL and intimate the Trustee accordingly. In addition to the appointment of external service providers as ATLs, the Management Company may itself perform the Distribution Function.

3.8.2 ATLs shall be responsible for receiving applications for purchase, redemption and transfer of Units. They shall 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.

3.8.3 The Management Company may from time to time appoint Investment Facilitators. The Investment Facilitators function is to identify, solicit and assist investors in investing in the Scheme.

### **3.9 Auditors of the Fund**

**KPMG Taseer Hadi & Company**

Chartered Accountants

1st Floor, Sheikh Sultan Trust Building No. 2,

Beaumont Road,  
Karachi

Appointment of a partnership firm to be the Auditors is deemed to be the appointment of all persons who are partners in the firm for the time being. The Auditors shall hold office until transmission of the annual report and accounts but may be reappointed, however auditors shall not be appointed for more than five consecutive years. Auditors shall not be appointed for more than a period specified in the Rules and the Regulations.

The Auditors shall have access to the books, papers, accounts and vouchers of the Scheme, whether kept at the office of the Management Company, Trustee, Transfer Agent, Distributors 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.

The Auditors 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, including notes, statements or schedules appended thereto.

The contents and regularity of the Auditors report shall be as per provisions of the Rules and the Regulations.

### **3.10 Legal Advisor**

#### **Bawaney & Partners**

404, 4<sup>th</sup> Floor  
Beaumont Plaza, 6-cl-10  
Beaumont Road, Civil Lines,  
Karachi-75530

### **3.11 Bankers**

Bankers to the Scheme are Bank Al Habib Limited and Bank Alfalah Limited and any other Bank appointed by the Management Company. The Trustee shall operate the Bank Accounts of the Scheme on the instructions of the Management Company.

### **3.12 Bank Accounts**

- 3.12.1 The Trustee, at the request of the Management Company has opened Bank Accounts titled "**CDC-Trustee IGI Aggressive Income Fund**" for the Scheme at designated Bank(s) for collection, investment, redemption or any other use of the Scheme's funds.
- 3.12.2 The Trustee has also open additional Bank Account(s) titled "**CDC-Trustee IGI Aggressive Income Fund**" at various branches of such other Bank(s) as may be requested by the Management Company. These accounts are temporary collection accounts where collections are being held prior to their being transferred to the main Bank Account of the Scheme on a daily basis.

- 3.12.3 The Trustee shall also open additional Bank Accounts titled "**CDC-Trustee IGI Funds**" 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. This account is a temporary allocation account where collections are held prior to their being allocated and transferred to the relevant Schemes' account on a regular basis.
- 3.12.4 The Management Company may also require the Trustee to open a separate Bank Account for dividend distribution out of the Scheme. Notwithstanding anything in the Trust Deed, the beneficial ownership of the balances in the Accounts shall vest in the Unit Holder(s).
- 3.12.5 All Bank charges for opening and maintaining Bank Account(s) for the Scheme shall be charged to the Scheme.
- 3.12.6 All interest, 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.
- 3.12.7 The beneficial ownership of the balances in the Bank Account(s), except the Bank Account(s) mentioned in Clause 3.12.3 above, shall vest in the Unit Holder(s).

#### **4. Characteristics of Units**

**4.1** Units shall be of par value of Rs. 50/- (Rupees fifty only). The Management Company may issue Units with Front-end Load at its discretion.

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

The Management Company shall initially issue the following classes of Units:

- 4.2.1 Class "A" (Restricted / Core Units) Units were issued to the Core Investors with no Front-end Load. These Units were not redeemable for a period of two (2) years from the date of closure of First Offer. However such Units were transferable on the condition that the transferee(s) shall also not redeem the same before the expiry of the period of two year stated above.
- 4.2.2 Class "B" Units were offered and issued to the Pre-IPO Investors and Units issued during Initial Period of Offer (IPO) with no Front-end Load, except that in the event of redemption of such Units before the expiry of three (3) months from the date of issue, Contingent Load not exceeding 2.5% of the Redemption Price, deducted by the Management Company from the Redemption Price could have been charged by the Management Company.
- 4.2.3 Class "C" Units, which were offered and issued after the Initial Period of Offer (IPO) and are continued to be offered with Front-end Load as per **Annexure 'A'**. Any upward revision in current level of applicable Front-end Load or Back-end Load requires approval of the Commission.

- 4.3 Units offered and issued during the Initial Period were issued at the Initial Price. The offer and issue of Units during the Initial Period remained open during the period specified in the Initial Offering Document. The Units shall be issued in fractions up to four decimal points against receipt of full payment. Subject to the terms of the Trust Deed, all Units and fractions thereof represent an undivided share in the Trust Property and rank pari passu as to their rights in the Net Assets, earnings, and the receipt of the dividends and distributions. Irrespective of the different classes of Units issued, all Units issued from time to time shall rank pari passu inter se and shall have such rights as are set out in the Trust Deed and the Offering Documents. The liability of the Holders shall be limited to the unpaid amount (if any) on the Units.
- 4.4 After the Initial Period, the Offer Price is being and shall continue to be determined from time to time pursuant to sub Clause 4.12.2 below and the Rules and the Regulations.
- 4.5 The Units issued with different classes may have differing quantum of the Front-end Load added to the NAV for determining the Offer Price thereof and differing levels of Bank-end Load deductible from the NAV for determining the Redemption Price.
- 4.6 By a deed supplemental to the Trust Deed the Management Company may at any time with the approval of the Trustee and the Commission on giving not less than twenty-one days previous notice in writing to each Holder subdivide or consolidate the whole or any part of the Units and the Holder shall be bound accordingly. The Management Company shall require in such notice that each Holder to whom Certificates have been issued, (who shall be bound accordingly) deliver up his Certificates for endorsement or enfacement with the number of Units to be represented thereby as a result of such sub-division or consolidation; provided that any delay or failure to deliver up the Certificates shall not delay or otherwise affect any such division or consolidation.
- 4.7 The Management Company may offer different types of Units, within the detailed Unit classes as mentioned in Clause 4.2 above, as per the provisions of the Trust Deed and with the consent of the Trustee and prior approval of the Commission.

#### **4.8 Minimum / Maximum Investment**

- 4.8.1 The minimum amount of investment to open and maintain an account will be Rs.5,000/-, with no maximum limit.
- 4.8.2 Subsequent investment into the Scheme shall be for a minimum of Rs.1,000/- per transaction, with no applicable maximum amount. Units of the IGI Aggressive Income Fund (including fractions thereof) shall be issued against the amount received from the Unit Holders in accordance with the procedures laid down in this Re-stated Offering Document.
- 4.8.3 The Management Company may alter the minimum amount and/or prescribe a maximum amount required for opening, maintaining or adding to the account. Provided that an upward revision for maintaining the account or adding funds shall require the Management Company to give thirty (30) calendar days notice to Unit Holders.

#### **4.9 Legal Status**

All Units and fractions thereof issued from time to time represent an undivided share in the Scheme and shall rank pari passu inter se as to their rights in the Net Assets and earnings. Each Unit Holder has a beneficial interest in the Scheme proportionate to the Units held by such Unit Holder. The Units shall be fully paid up before they are issued. Notwithstanding that four or more classes of Units or different types may be issued, it is clarified that IGI Aggressive Income Fund is one Scheme.

#### **4.10 Core Units**

The Core Units subscribed by the Core Investors were issued at Par Value, and were not redeemable for a period of two (2) years from the date of issue. Such Units were 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 (2) years of their issue, were to be affected only on the receipt by the Transfer Agent of a written acceptance of this condition by the transferee. Such restriction and its termination date were entered into the Register and shall be noted on any Certificate issued in respect of such Units.

In the event of winding up of the Fund, the Core Units standing to the credit of the Core Investors shall be dealt with in the same manner as the rest of the Units in the Fund.

#### **4.11 Determination of Net Asset Value (NAV)**

The Method of determining the value of the assets and liabilities of the Trust Property and the Nets shall be in compliance with the Rules and Regulations and is stated herein below;

- (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) a debt security, including traded, thinly traded and non-traded securities shall be valued as per the 'Methodology or Valuation of Debt Securities' contained in Annexure-1 of the Commission's Circular No.01 of 2009 and shall be provisioned in accordance with the criteria specified in Annexure II of the said Circular and any other circular or directive issued by the Commission from time to time, in substitution or amendment thereof and otherwise as per the Regulations. The trade related information on debt securities shall be reported to Mutual Funds Association of Pakistan (MUFAP) and the Commission in accordance with the Commission's Circular No.02 of 2009 or any substitutions or amendments thereof from time to time;
- (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) 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;
- (f) 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, bonuses or rights were declared is included in the assets and is valued ex-dividend, ex-bonus or ex-rights as the case may be;
- (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 this Trust Deed, the Offering Document and the NBFC Regulations and taxes shall be deducted from the value of the assets;
- (i) the remuneration accrued up to the date of computation payable to the Management Company for providing management and other services shall be included as an expense;
- (j) a security not listed or quoted on a Stock Exchange, other than a government or debt security, shall be valued at investment price or its breakup value as per last audited accounts, whichever is lower;
- (k) a government security 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 and;
- (l) any such method of valuation of assets and liabilities as may be specified or modified by the Commission from time to time shall be applied;
- (m) in respect of investments held in foreign currencies, the same shall be translated in Pakistan Rupees using the closing buying spot rates declared by the State Bank of Pakistan at each balance sheet date;
- (n) the Scheme shall adhere to the provisioning criteria for various non-performing categories of securities as per the circulars, directives and guidelines issued by the Commission from time to time. The provisioning policy of the Management Company duly approved by its Board shall be disclosed in the Offering document of the Fund and shall also be placed on the website of the Management Company.

## **4.12 Determination of Offer Price**

4.12.1 During the period of Initial Offer, the Units shall be offered at the Initial Price. The offer and issuance of Units during the Initial Offer shall be conducted during the

period specified in the Offering Document. After the expiry of the Initial Offer, the Offer Price shall be calculated and announced by the Management Company on Subscription Days only and in accordance with the Regulations.

4.12.2 The Offer Price shall be equal to the sum of:

- (a) the Net Asset Value as of the close of Business Day to be announced by the Management Company latest by 18.30 hours on that Business Day;
- (b) any Front-end Load, as announced in the Offering Document, but not exceeding five per cent (5%) of the Net Asset Value;
- (c) such amount as the Management Company may consider being an appropriate provision for Duties and Charges;
- (d) such amount as the Management Company may consider an appropriate provision for Transaction Costs.

Such sum shall be adjusted upto four decimal places.

4.12.3 The Offer Price shall be calculated on each Subscription Day.

4.12.4 The Offer Price so determined shall subject to realization of the Funds in the Bank Account from the investor, apply to purchase requests complete in all respects made and received by the authorized personnel of the Authorized Transaction Location (ATL) or Management Company within the following cut off timings;

Day	Time
Monday to Friday	09:00 a.m. to 03:00 p.m.

4.12.5 The Management Company may offer different type of Units and different plans under different administrative arrangements with differing levels of Front-end Load as provided in the Offering Document or in the Supplementary Offering Document(s).

4.12.6 All forms received at the Authorized Transactions Locations (ALTs) within the cut off time mentioned in sub-clause 4.12.4 above, shall be acknowledged by appropriate date and time stamping mechanism. The Management Company shall forward all the purchase requests to the Trustee within twenty four hours of the receipt thereof.

4.12.7 In case after receiving the application, funds are not realized against cheque, bank draft, or other payment instrument delivered by the applicant, no Units shall be credited or issued to him and the applicant shall be liable to reimburse the Management Company the bank charges and other costs, applicable on return or dishonor of the cheque, bank draft or other payment instrument.

4.12.8 In the event that the amount paid as provision for payment of Duties and Charges pursuant to sub-clause 4.12.2(c) 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.

- 4.12.9 In the event that the amount paid as provision for payment of Duties and Charges pursuant to sub-clause 4.12.2(c) 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.
- 4.12.10 The Offer Price determined by the Management Company shall be made available to the public at the official website i.e. [www.igifunds.com.pk](http://www.igifunds.com.pk) and branches of the Management Company and ATLS and at MUFAP's website i.e. [www.mufap.com.pk](http://www.mufap.com.pk) and at the discretion of the Management Company may also be published in any number of daily newspapers, one in English and one in Urdu, widely circulated in Pakistan.
- 4.12.11 If the variation of the Net Asset Value at any time exceeds or falls short by five (5) percent of the Net Asset Value included in the current offer price, the management company may suspend any issuance of units and shall calculate for with a new offer price. The Management Company shall also inform the Commission and the Trustee of the suspension of issuance of Units along with announcement of the new Offer Price, and publish the same in newspaper in which the Unit's prices are normally published.
- 4.12.12 NAV of the Scheme will be announced on its subscription day at Company's website [www.igifunds.com.pk](http://www.igifunds.com.pk) as well as on MUFAP's website [www.mufap.com.pk](http://www.mufap.com.pk) latest by 6.30 pm or any other time as announced by the Commission.”

#### **4.13 Determination of Redemption Price**

- 4.13.1 During the period of Initial Offer, the Units shall not be redeemed.
- 4.13.2 After the expiry of the period of Initial Offer, the Redemption Price shall be equal to the Net Asset Value as of the close of the Business Day, less:
- (a) any Back-end Load, as announced in the Offering Document; and
  - (b) such amount as the Management Company may consider an appropriate provision for Duties and Charges; and
  - (c) such amount as the Management Company may consider an appropriate provision for Transaction Costs;

such amount shall be adjusted upto four decimal places.

The Redemption Price shall be calculated on each Subscription Day.

- 4.13.3 The Redemption Price so determined shall apply to redemption requests complete in all respects made and received by the authorized personnel of the Authorized Transaction Location (ATL) or Management Company within the following cut off timings:—

Day	Time
Monday to Friday	09:00 a.m. to 03:00 p.m.

- 4.13.4 All forms received at the Authorized Transactions Locations (ALTs) within the cut off time mentioned in sub-clause 4.13.3 above, shall be acknowledged by appropriate date and time stamping mechanism. The Management Company shall forward all the redemption requests to the Trustee within twenty four hours of the receipt thereof.
- 4.13.5 In the event that the amount paid as provision for payment of Duties and Charges pursuant to sub-clause 4.13.2(b) 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.
- 4.13.6 In the event that the amount paid as provision for payment of Duties and Charges pursuant to sub-clause 4.13.2(b) above exceeds the relevant amount of Duties and Charges, the Trustee shall refund such excess amount to the relevant Holders with the next income distribution or as instructed by the Management Company..
- 4.13.7 The Redemption Price determined by the Management Company shall be made available to the public at the official website i.e. [www.igifunds.com.pk](http://www.igifunds.com.pk) and at MUFAP's website i.e. [www.mufap.com.pk](http://www.mufap.com.pk) and branches of the Management Company and ATLs and at the discretion of the Management Company may also be published in any number of daily newspapers widely circulated in Pakistan and make available at its website.
- 4.13.8 The Management Company shall not flip any redemption requests which will be met in turns in accordance with the dated and timed acknowledgements.
- 4.13.9 The Management Company shall ensure that all redemption requests are paid based on their ranking in a queue.
- 4.13.10 The Management Company shall not net off or permit adjustment of any asset against investments of Unit Holder(s) in the Scheme,
- 4.13.11 The Management Company shall ensure that no entry and exit to the Scheme (including redemption and re-issuance of units to the same Unit Holders on different NAVs) shall be allowed other than cash settled transactions based on the formal issuance and redemption request, unless permitted otherwise by the Commission under the Regulations.”

#### **4.14 Issuance of Units**

##### **4.14.1 Investor Eligibility**

Any investor or related group of investors qualified or authorized to purchase Units may make applications for the purchase of Units in the Scheme. The onus for being qualified lies with the investor and neither the Management Company, nor does the

Trustee, nor the Transfer Agent nor the Distributor/Sub Distributor accept any responsibility in this regard. Application may be made pursuant to the procedures described in Clause 4.14.2 below, including but not limited to:

- Citizens of Pakistan resident in Pakistan: In respect of minors below 18 years of age, applications may only be made by their guardians.
- Companies, corporate bodies, financial institutions, banks, partnerships, and societies incorporated/formed in Pakistan; provided such investment is permitted under their respective memorandum and articles of association/bye-laws. In respect of trusts the trustees of such trust may make an application to buy the Units.
- Pakistanis resident abroad, foreign nationals and companies incorporated outside Pakistan can apply for Units subject to the regulations of the State Bank of Pakistan and the Government of Pakistan and any such regulations and laws that may apply to their place of residence, domicile and citizenship. The payment of dividends and redemption proceeds to such investors shall be subject to relevant taxation and exchange regulations /laws.
- Provident Funds constituted by companies registered under the Companies Ordinance, 1984 subject to conditions and investment limits as laid down by applicable rules and regulations.
- Provident, Pension and Gratuity Funds constituted by organizations other than companies under Section 20 (h) of the Trusts Act, 1882.
- Insurance companies under the Insurance Ordinance, 2000.
- Non-profit organization under Section 213 (i) of the Income Tax Rules, 2002
- Any person on behalf of investors for dealing in Units in the Scheme shall warrant that he is duly authorized under such capacity.

#### **4.14.2 Procedure for Purchase of Units**

The procedure herein below is designed for paper based transactions. The Management Company may at a later date introduce electronic/internet based options for the transactions. The Management Company may also offer Automated Teller Machines (ATMs) based transactions through which a Unit Holder may also purchase Units of the Scheme to such extent as the Management Company may decide from time to time through ATMs supported by one or more banks. Such arrangements shall be announced by the Management Company at such terms and conditions as it may deem fit. Such facility shall be available subject to the Unit Holder signing a special form and agreement prescribed by the Management Company.

Investors are required to submit the completed application form(s) for purchase of Units, accompanied with the full amount for the investment and copies of all required documents mentioned in the subparagraphs below should be delivered to any of the Distributors during business hours on any business Day, as announced by the Management Company from time to time. Currently only the Distributors as

mentioned in **Annexure “B”** of this Offering Document are authorized to collect the relevant application forms and payment for the issue of Units as stated in this Offering Document.

- (a) Relevant Forms can be obtained from the Management Company or any Distributor or downloaded from the website of the Management Company or requested from the Management Company directly by mail.
- (b) The Account Opening Form and the Investment Form can only be lodged with a Distributor, or directly lodged with the Management Company. No other person is authorized to accept the forms or payment.
- (c) In case of individuals, a photocopy of the Computerized National Identity Card (CNIC) of the investor or any other form of identification acceptable to the Management Company needs to be furnished. Other documents required as per the options marked in the Investment Form will also be required.
- (d) In case of a body corporate or a registered society, institution, corporate, trust, attested copies of the following documents may be submitted:
  - (i) Copy of the Memorandum and Articles / Charter / Bye-laws or rules and regulations.
  - (ii) Copy of Power of Attorney and / or relevant resolution(s) of the board of directors delegating any of its officers to invest the funds and / or to realize the investment and
  - (iii) Copy of the CNIC of the officer to whom the above stated authority has been delegated.
  - (iv) Any other relevant document(s) as may be required by the Transfer Agent.
- (e) In case of existing Unit Holders, if any of the documents have previously been submitted with the Management Company and / or the Transfer Agent, fresh submission of these documents will not be required, provided that submitted documents are acceptable to the Management Company and there have been no material changes in the status.
- (f) Application for issuance of Units shall be made by an investor by completing the Investment Form and submitting it with the payment by cheque, pay order, or demand draft or through electronic means as may be introduced by the Management Company from time to time etc. in the name of **“CDC Trustee – IGI Aggressive Income Fund”** and crossed **“Account Payee Only”** at an Distributor. The application for issuance of the Units and the specimen signature of each investor shall be supplied to the Transfer Agent, if so required by the Management Company and a copy may be retained by the relevant Distributor.
- (g) The authorized personnel of the Distributor shall verify the particulars given in the application for issuance of Units and the documents submitted therewith and ensure that the signature of any investor or joint investor on any document

required to be signed by the investor or joint investor under or in connection with the application for issue of Units is verified by the responsible person or otherwise authenticated, as mentioned in the application form and the instructions and guidelines devised by the Management Company.

- (h) The investor must obtain a copy of the application signed and stamped by the authorized personnel of the Distributor acknowledging the receipt of the application, copies of other documents prescribed herein and the demand-draft, pay-order, cheque or deposit slip as the case may be. Cash can only be deposited in a bank account titled **“CDC Trustee –IGI Aggressive Income Fund”** maintained with designated banks and the investor must obtain a deposit pay-in slip for the amount being deposited. Acknowledgment for applications and payment instruments (other than cash) can only be validly issued by authorized personnel of the Distributor.
- (i) Units shall be issued based on the Offer Price announced by the Management Company on the Business Day on which the investor submits a complete and correctly filled application form to the Distributor within the business hours (as announced by the Management Company via the company website from time to time). If the day on which the application was submitted is not a business Day, then the Offer Price applicable on the next business Day shall be applied to such application(s).
- (j) If the application submitted by the investor is incomplete in any aspect, the investor shall have a maximum of fifteen (15) calendar days to ensure submission of all required documents and overall completion of the application, as mentioned in sub-clause (m) hereafter. In case the payment is not realized, the application will be deemed to have been rejected and no Units will be issued, in which event the applicant will have to submit a fresh application based on the Offer Price then prevailing. In the event of dishonour of cheque, the Management Company reserve the right to initiate appropriate legal proceedings against the applicant.
- (k) An investor shall be provided a confirmation statement within Ten (10) Business Days after the Offer Price paid by the investor for Units has been credited to the Bank Account of the Scheme and the application has been completed in all respects to the satisfaction of the Transfer Agent.
- (l) Till such time as the Offer Price has not been actually realized in the Bank Account(s) of the Scheme, the investor shall not be a Holder of such Unit(s).
- (m) If subsequent to receipt of the application at the Distributor prior to the issue of the Units, the application is found by the Transfer Agent or the authorized personnel of the Distributor to be incomplete or incorrect in any material manner, the Transfer Agent or the authorized personnel of the Distributor shall advise the investor to remove the discrepancy; in the meanwhile the application shall be held in abeyance for fifteen (15) days. In the event the discrepancy is not removed in the said fifteen (15) days, the amount shall be refunded without any mark up.

- (n) In the event the Units have been issued and a material discrepancy is discovered subsequent to that, the Transfer Agent or the authorized personnel of the Distributor shall advise the investor in writing to remove the discrepancy within fifteen (15) days and if the investor, in the opinion of the Transfer Agent, fails to remove the discrepancy without good cause, the Transfer Agent shall then intimate the Management Company of the situation, which may in turn redeem the Units. In such an event, the Unit Holder shall not be entitled to any payment beyond the redemption value at the applicable redemption price on the investment date so determined.
- (o) In the event a cheque is returned unpaid, the Management Company shall treat the application for subscription to be regarded as void and the Units if allotted shall be cancelled and the investor shall be informed accordingly. The investor shall be asked to submit fresh application for the Units which shall then be allotted based on the Offer Price announced by the Management Company on the business Day after the payment is received by the authorized personnel of Distributor within the business hours as may be prescribed by the Management Company from time to time.
- (p) Investors must indicate their account number in the Investment Form, except in instances of initial investments only.
- (q) The Management Company shall make arrangements, from time to time, for receiving Account Opening and/or Investment Forms from outside Pakistan and shall disclose these arrangements through its website and its Distributors / Sub-Distributors / Investment Facilitators and agents outside Pakistan. In general, the Offer Price applicable to purchase requests received from outside Pakistan shall be the Offer Price applicable on the date the Trustee receives the payments from international investors through normal banking channels provided it is a business Day otherwise the Offer Price of the next business Day shall apply.

#### **4.14.3 Joint Application**

- (i) Joint application can be made by up to four investors, including the principal Holder. Such persons shall be deemed to hold Units on first Holder basis; however, each person must sign the Account Opening Form and submit a copy of his CNIC or other identification document.
- (ii) The first named (principal) Holder shall receive all notices and correspondence with respect to the account. Such persons receipt or payment into the person's designated account shall constitute valid discharge by the Trustee of its obligations.
- (iii) In the event of death of the first (principal) Holder, the person first in the order of survivor(s) as stated in the Account Opening Form shall be the only person recognized by the Trustee to receive all notices and correspondences with regard to the account. Such person's acknowledgement of receipt of proceeds shall be considered as valid discharge by the Trustee of its obligations.

#### **4.15 Redemption of Units**

- 4.15.1 No money should be paid to any intermediary except the unit holder or his authorized representative.
- 4.15.2 The Trustee shall at any time during the life of the Trust on the instructions of the Management Company authorizes redemption of Units out of the Trust Property through duly authorized Distributors.
- 4.15.3 Application for redemption of Units shall be made by completing the prescribed redemption form and submitting it at the Authorized Branch or office of the Distribution Company or Transfer Agent, if issued, during any business Day. The Management Company may make arrangement to accept redemption requests through electronic or other means under intimation of the Trustee. No person shall be entitled to redeem only part of the Units comprised in a Certificate; however a Certificate may be split for this purpose and in the case where Certificate is not issued any number of Units may be redeemed by the Holder thereof.
- 4.15.4 The Trustee may at its discretion dispense with the production of any Certificate that shall have become lost, stolen or destroyed upon compliance by the Holder with like requirements to those arising in the case of an application by him for the replacement thereof.
- 4.15.5 The Management Company shall announce the Redemption Price on a daily basis. The Redemption Price at which Units shall be redeemed shall be fixed by the Management Company under the terms of the Trust Deed and as specified by the Rules and the Regulations. However, in the event in Clause 4.13.6 above or Clause 4.20 or Clause 4.22 hereunder comes into application, the redemption value shall be determined in accordance with the procedure laid out in these clauses.
- 4.15.6 The amount payable on redemption shall be paid to the Holder or first named joint Holder, by transfer to the Holder's designated bankers or any banking instrument dispatched to on his registered address as mentioned in the Investor Account Opening Form and any other mode(s) of payment and such payment(s) shall be subject to the Rules and the Regulations. The redemption amount will be transmitted to the registered address of the Holder, within six Business Days from the date of acknowledgement by the Distributor of the duly completed application for redemption as per Clause 4.15.3 above.
- 4.15.7 The receipt of the Holder for any moneys payable in respect of the Units shall be a good discharge to the Trustee and the Management Company and if several persons are registered as joint Holders any one of them may give effectual receipt for any such moneys.
- 4.15.8 Application for redemption of Units will be received at the Authorized Branches or offices of the Distribution Company or Transfer Agent on all business Days. Where redemption requests on any one business Day exceed ten percent (10%) of the total number of Units in issue, redemption requests in excess of ten percent may be deferred in accordance with the procedure elaborated in Clause 4.20 below.

4.15.9 The maximum interval between the receipt of a properly documented request of redemption of Units and payment of Redemption Price to such Unit Holders(s) shall be six Business Days or such other period as prescribed in the Rules and the Regulations.

4.15.10A redemption request shall be deemed to have been made in accordance with the provisions of the Offering Document or a Supplementary Offering Document, if such documents prescribe automatic redemption under certain circumstances.

4.15.11 Where lien/ pledge/ charge is recorded in the Register, the Management Company and the Trustee may concur to make payment to the pledgee, if joint request is received from the Holder and the pledgee and on receipt of such indemnification as Management Company or Trustee may require.

#### **4.16 Transfer of Units**

The procedure herein below is designed for paper based transactions. The Management Company may at a later date introduce electronic / internet based options for the transactions. The Management Company may also offer Automated Teller Machines (ATMs) based transactions through which a Unit Holder may also conduct the transfer, transmission and conversion of Units of the Scheme to such extent as the Management Company may decide from time to time through ATMs supported by one or more banks. Such arrangements shall be announced by the Management Company at such terms and conditions as it may deem fit. Such facility shall be available subject to the Unit Holder signing a special form and agreement prescribed by the Management Company.

4.16.1 Every Holder shall be entitled to transfer the Units held by him by an instrument in such form as the Management Company may prescribe from time to time with the approval of the Trustee.

Every instrument of transfer must be signed by both the transferor and the transferee and the transferor shall be deemed to remain the Holder of the Units transferred until the name of the transferee is entered in the Register in respect thereof.

4.16.2 A Certificate must be transferable only in its entirety.

4.16.3 Every instrument of transfer must be duly completed in all respects including affixation of transfer stamps of the requisite value and sent to the Transfer Agent or to the Distribution Company for forwarding to the Transfer Agent.

4.16.4 Where Certificates have been issued the Trustee may dispense with the production of any Certificate where the Certificate shall have become lost, stolen or destroyed subject to compliance by the transferor with the like requirements to those arising in the case of an application by him for the replacement thereof as provided in the Trust Deed.

4.16.5 All instruments of transfer shall be retained by the Transfer Agent.

4.16.6 The Transfer Agent with the prior approval of the Management Company shall be entitled to destroy all instruments of transfer or the copies thereof as the case may be which have been registered at any time after the expiration of ten years from the date of registration thereof and all Certificates which have been cancelled at any time after the expiration of three years from the date of cancellation thereof and all registers, statements and other records and documents relating to the Trust at any time after the expiration of six years, from termination of the Trust. The Trustee or the Management Company or the Transfer Agent shall be under no liability whatsoever in consequence thereof and it shall conclusively be presumed in favor of the Trustee or the Management Company or the Transfer Agent that every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered by the Trustee or the Management Company or Transfer Agent and that every Certificate so destroyed was valid Certificate duly and properly cancelled. Provided always that:

(i) The provisions aforesaid shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document may be relevant;

(ii) Nothing in this sub-clause shall be construed as imposing upon the Trustee or the Management Company or the Transfer Agent any liability in respect of the destruction of any document earlier than as aforesaid or in any case where the conditions of sub clause (i) above are not fulfilled; and

(iii) Reference herein to the destruction of any document includes reference to the disposal thereof in any manner.

#### **4.17 Pledge / Lien of Units**

4.17.1 Any Unit Holder / or all joint Unit Holders may request to Transfer Agent to record a pledge / lien all or any of his / their Units 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 to the satisfaction of the Management Company, Trustee and the Transfer Agent along with a joint request from the Unit Holder and the pledgee is submitted. None of these parties i.e. the Trustee, the Management Company, or the Transfer Agent, shall be liable for ensuring the validity of any such pledge / charge / lien. The disbursement of any loan against the constitution of such pledge/lien/charge shall be at the entire discretion of the lender and neither the Trustee nor the Management Company or the Transfer Agent takes any responsibility in this matter.

4.17.2 Subject to the provision of Clause 4.15.11 above, and 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 Unit Holder. However, any Units issued on reinvestment or bonus Units that the pledged Units are entitled to automatically be marked under the lien of the lien holder and in the event the pledged Units are redeemed for any reason whatsoever, the proceeds shall be paid to the order of the lien holder.

4.17.3 The lien on the pledged Units shall continue till such time it is released by the lien holder in writing.

4.17.4 In case Units are recorded in the Central Depository Register as book-entry securities, the provisions of the Central Depositories Act, 1997 and the Central Depository Company of Pakistan Limited Regulations shall be applicable.

#### **4.18 Register of Holders**

4.18.1 The Register shall be maintained by the Transfer Agent at such a place as is agreed by the Management Company. The Management Company shall ensure that the Transfer Agent shall comply with all relevant provisions of the Trust Deed, the Rules and the Regulations.

4.18.2 The Registrar shall, within seven Business Days of receiving a written request from any Unit Holder, post (or send by courier or through electronic means) to such Unit Holder details of such Unit Holder's account in the Register. Such service shall be provided free of charge to any Unit Holder requesting so once in any financial year. The Management Company may prescribe reasonable charges for servicing of any additional requests.

4.18.3 The Management Company shall ensure that registrar shall at all reasonable times during the business hours give the Trustee and its representative access to Register and to all subsidiary documents and records and certified copies thereof and to inspect the same with or without notice and without charge but neither the Trustee nor its representatives shall be entitled to remove the Register or to make any entries therein or alterations thereto.

4.18.4 The Register shall contain the following information:

a) Full names, father's/husband's name and addresses of each Unit Holder and joint Unit Holders together with the copy (ies) of the CNIC number(s) and / or copy (ies) of passport (s)(If applicable);

b) Nationality of the Unit Holder(s);

c) NTN numbers (for non-individuals);

d) The number of the Units held and the distinctive numbers of Certificate(s), if any;

e) The date on which the name of every Unit Holder was entered in respect of the Units standing in his name;

f) The date on which any transfer or redemption is registered;

g) Information about lien, pledge or charge of Units;

h) Tax and Zakat status of the Unit Holder(s);

i) Record of the signature(s) of the Unit Holder(s);

j) Nominee(s) of the Unit Holder(s); and

k) Such other information as Management Company may require.

- 4.18.5 The Register shall be conclusive evidence as to the Units held by each Holder.
- 4.18.6 Any change of name or address of any Holder shall forthwith be notified in writing to 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.
- 4.18.7 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 Holder. Provided however, the Registrar or the Trustee or the Management Company may at their discretion request the survivors to provide succession certificate(s) or other such mandate(s) from court(s) or lawful authority (ies), if they consider necessary.
- 4.18.8 A body corporate may be registered as a Holder or as one of the joint Holders.
- 4.18.9 The register of unit holders shall be closed for the purpose of declaration of dividend for a period not exceeding six (6) working days. In no case, the time period for closure of register for dividend declaration shall exceed six (6) working days at a time and whole forty five days in a year.
- 4.18.10 The Holder shall be the only person to be recognized by the Trustee, the Management Company and the Transfer Agent as having any right, title or interest in or to such Units and the Trustee, the Management Company and the Transfer Agent may recognize the Holder as the absolute owner thereof and shall not be bound by any notice to the contrary and shall not be bound to take notice of or to see to the execution of any trust except where required by any court of competent jurisdiction. However, the Management Company may authorize the Transfer Agent to record a pledge / lien on any or all Units held by a Holder in favor of a third party at the request of such Holder or joint Holders as the case may be.
- 4.18.11 The executor(s) or administrator(s) or succession certificate holder(s) of a deceased Holder (not being one of several joint Holders) shall be the only persons recognized by the Trustee and the Management Company as having title to the Units represented thereby. However, in case of joint Unit Holder(s), the operation of the account of the joint Unit Holders within the Register will continue as per the mandate and authority given at the time of the opening of account through the investor account opening form or through any subsequent change therein.
- 4.18.12 Any person becoming entitled to a Unit in consequence of the death or bankruptcy/ insolvency of any sole Holder or of the survivor of joint Holders may subject to as hereinafter provided upon producing such evidence as to his title as the Trustee shall think sufficient either be registered himself as Holder of such Unit(s) upon giving the Management Company / Trustee such notice in writing of his desire or transfer such Unit(s) to some other person upon compliance with applicable formalities. All the

limitations, restrictions and provisions of the Trust Deed relating to transfer shall be applicable to any such notice or transfer as if the death or bankruptcy/insolvency had not occurred and such notice or transfer was a transfer executed by the Holder. Provided however, the Management Company and 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.

4.18.13 The Trustee shall retain any funds payable in respect of any Unit of which any person is under the provisions as to the transmission of Units herein before contained entitled to be registered as the Holder or which any person under those provisions is entitled to transfer, until such person shall be registered as the Holder of such Unit or shall duly transfer the same.

4.18.14 The Management Company will ensure that the Transfer Agent shall, subject to any law in force, ensure at all times and shall endeavor to implement prudent practices to ensure that the Register or the information contained therein of all or any particular Unit Holders is not provided to any third party without express permission from the Management Company or the Trustee or the Unit Holder(s) himself, unless any disclosure is required in compliance with any applicable laws, rules and regulations or where such disclosure is required by an appropriate court or competent authority.

#### **4.19 Dealing, Suspension, and Deferral of Dealing (of Units)**

##### **4.19.1 Change in method of dealing of Units**

A permanent change in the method of dealing shall be made after one month's notice to the Unit Holders in consultation with the Trustee. Under the circumstances mentioned in the Offering Documents, the Management Company may also request the Trustee to approve a temporary change in the method of dealing in Units. Such approval shall not be unreasonably withheld.

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 existing subscribers for the issue of Bonus Units as a result of profit distribution or the option to receive dividends in the form of additional Units. 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.

#### **4.20 Suspension of Redemption of Units**

4.20.1 The Management Company under intimation to the Trustee may suspend the redemption of Units subject to the Regulations at any time, during:

(a) Any period when the Stock Exchange on which any of the Investment for the time being is listed or dealt in is closed or when dealings in such Investment are restricted or suspended;

(b) The existence of any state of affairs which in the opinion of the Management Company constitute an emergency as a result of which disposal of any of the Investment would not be reasonably practicable or might seriously prejudice the interest of the Trust or the Holders;

(c) Any breakdown in the means of communication normally employed in determining the price of any Investment or the current price thereof on any Stock Exchange or when for any reason the price of any such Investment cannot be promptly and accurately ascertained;

(d) Any period when remittance of money which will or may be involved in the realization of such Investment or in the payment for such Investment cannot in the opinion of the Management Company be carried out in reasonable time.

4.20.2 If the Management Company is of the view that it would be detrimental to the remaining Holders to redeem or continue to redeem Units at a price ascertained on the basis of the Net Asset Value, it may suspend redemption of Units;

4.20.3 The Management Company may announce a suspension or deferral of redemption and such a measure shall be taken to protect the interest of the Unit Holders in the event of extraordinary circumstances or in the event redemption requests accumulate in excess of ten percent of the Units in issue or 10% of the Fund's Net Asset Value. 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.

4.20.4 In the event of other extra-ordinary circumstances, the Management Company may suspend or defer redemption of Units. The circumstances under which the Management Company may suspend redemption shall (in addition to those mentioned in Clauses 4.20.1 and 4.20.2 above) be the event of war (declared or otherwise), 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.

4.20.5 Such suspension shall take effect forthwith upon the declaration thereof by the Management Company and shall terminate on the day following the first Business Day on which conditions giving rise to the suspension shall in the opinion of the Management Company have ceased to exist and no other conditions under which suspension is authorized under the Trust Deed exist. In case of suspension and termination of suspension the Management Company shall immediately notify the Commission and the Trustee and publish the same in at least two widely circulated daily newspapers in Pakistan, one in English and the other in Urdu.

#### **4.21 Winding up in view of major redemption**

In the event the Management Company is of the view that the quantum of redemption requests that have built up shall result in the Scheme 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 Holders who are not redeeming, it may announce

winding up of the Scheme. In such an event, the Queue System mentioned in Clause 4.22, if already invoked, shall cease to apply and all Unit Holders shall be paid after selling the assets and determining the Final Redemption Price. However, interim distributions of the proceeds may be made if the Management Company finds it feasible.

#### **4.22 Queue System**

In the event redemption requests on any day exceed ten percent (10%) of the Units in issue, the Management Company may invoke a queue system whereby requests for redemption shall be processed on a first come first served basis for upto ten 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 Holders and shall determine the Redemption Price to be applied to the redemption requests based on such action. Where it is not practical to determine the chronological ranking of any requests in comparison to other requests on the same Business Day, such requests shall be processed on a proportional basis proportionate to the size of the requests.

The redemption requests in excess of ten percent (10%) of the Units in issue will be carried over to the next Business Day. However, if the carried over requests and the fresh requests received on the next business Day still exceed ten percent (10%) of the Units in issue, these shall once again be treated on first come first served basis and the process for generating liquidity and determining the Redemption Price shall be repeated and such procedure shall continue till such time the outstanding redemption requests come down to a level below ten percent of the Units then in issue.

#### **4.23 Maximum Interval between Receipt of Redemption Request and Payment of Redemption Money**

The amount payable on redemption shall be paid to the Holder or first named joint Holder, by transfer to the Holder's designated bankers or a crossed cheque or any other mode authorized by the Management Company. In case of the Instrument, the same will be dispatched to the registered address of the Holder or the first named joint Holder. The redemption proceeds will be made within (6) six Business Days from the date of acknowledgement by the distributor of the duly completed application for redemption as per Sub-Clause 4.15.5.

#### **4.24 Suspension of fresh issue of Units**

4.24.1 The Management Company may at any time, subject to the Regulations, as may be modified from time to time and upon occurrence of circumstances mentioned in Clause 4.20 suspend issuance of fresh Units.

4.24.2 The issuance & redemption of units may be suspended with the approval of the board of directors of the Management Company during extra-ordinary circumstances.

4.24.3 Such suspension may however not affect existing Unit Holders for the issue of bonus Units as a result of profit distribution or the option to receive dividends in the form of

additional Units. The Management Company shall announce the details of exemptions at the time a suspension of fresh issue is announced.

- 4.24.4 The Management Company shall immediately notify the Commission and the Trustee if fresh issuance of Units is suspended and shall also have the same published, immediately following such decision, in the two newspapers, one in Urdu and one in English widely circulated in Pakistan.
- 4.24.5 Management Company shall ensure that in case of suspension of redemption of Units of the Scheme due to extra ordinary circumstances in terms of provisions of the Constitutive Documents and the Regulations, the issuance of fresh Units shall also be kept suspended until and unless redemption of Units is resumed.

#### **4.25 Issue (Offer) and Redemption of Units outside Pakistan**

- 4.25.1 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 persons 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 all additional cost relating to issue of Units outside Pakistan including but not limited to any currency exchange fluctuation or any risk cover, 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 or any other cost in general incurred in providing this facility.
- 4.25.2 In the event that the Redemption Price for Units shall be paid in any country outside Pakistan, the price at which such Units may be redeemed may, at the discretion of the Management Company include as a deduction to the Redemption Price as herein before provided all additional costs for redeeming Units outside Pakistan, including but not limited to a further amount sufficient to cover any bank charges, currency exchange fluctuation and any additional stamp duty or taxation whether national, municipal or otherwise leviable in that country in respect of such payment or redemption, including costs, bank charges for remittance of money Pakistan or any other cost in general incurred in providing this facility.
- 4.25.3 The currency transaction of the IGI Aggressive Income Fund 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 obligation arising there from.

#### **4.26 Voting Rights on Trust Property**

All rights of voting attached to any Trust Property shall be exercisable by the Management Company on behalf of the Trustee and the Management Company shall be entitled to exercise the said rights 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.

#### **4.27 Listing on Stock Exchange(s)**

The Management Company may list the Units of the Scheme on Stock Exchanges in Pakistan and subject to compliance with legal requirements, in any foreign jurisdiction. The cost of achieving and maintaining such a listing shall be borne by the Scheme. For this purpose the Management Company, with the approval of the Commission and Trustee, may amend the Trust Deed or issue supplemental Trust Deeds or Offering Documents and the Unit Holders shall be bound accordingly.

#### **4.28 Allocation of Front End Load**

- 4.28.1 The remuneration of Distributors for the sale of Units with Front-end Load shall be paid exclusively from any Front-end Load received by the Trustee and paid to the Management Company after the Trustee pays the Front-end Load to the Management Company for onward distribution to the Distributors and no charge shall be made against the Trust Property or the Distribution Account in this respect. The Trustee shall pay the remainder of any Front-end Load after such disbursement to the Management Company. If the Front-end Load received by the Trustee is insufficient to pay the remuneration of the Distributors, the Management Company shall pay the amount necessary to pay in full such remuneration.
- 4.28.2 Such payments may be made to the Management Company by the Trustee on the instruction of the Management Company on any frequency as mutually agreed.

### **5. DISTRIBUTION POLICY, DETERMINATION OF DISTRIBUTABLE INCOME AND DATE OF DISTRIBUTION**

- 5.1. 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.
- 5.2. The Management Company shall decide as soon as possible but not later than forty-five days after the Accounting Date whether to distribute among Unit Holders, profits, either in form of bonus Units or cash dividend, if any, available for the distribution at the end of the Accounting Period or such other interim period as decided by the Management Company, and shall advise the Trustee of the amount of such distribution per Unit.
- 5.3. The amount available for distribution in respect of any Accounting Period shall be determined by the Management Company and shall be the sum total of;
- a) The total income earned on the Trust Property during such Accounting Period including all amounts in respect of dividend, mark-up, profit, interest and fee, etc.;
  - b) Net realized appreciation as set out in sub-clause 5.4 of this Trust Deed, from which shall be deducted expenses as set out in sub-clause 5.5 of this Trust

Deed, adjustment as set out in sub-clause 5.6 of this Trust Deed and such other adjustment as the Management Company may determine in consultation with the Auditors, subject to the Regulations, the provisions of the Income Tax - Ordinance and the rules there under.

- 5.4. The proceeds of all receipts deemed by the Management Company to be in the nature of capital accruing from Investments shall not be regarded as available for distribution but shall be retained as part of the Trust Property, provided that such amounts out of the sale proceeds of the Investments and out of the sale proceeds of the bonus shares and all other receipts as deemed by the Management Company to be in the nature of the net realized appreciation may be distributable to the Unit Holders and shall thereafter cease to form part of the Trust Property once transferred to the Distribution Account.
- 5.5. The income qualifying for distribution in respect of the relevant period shall be ascertained by deducting all such expenses and costs as mentioned in clause 6 below.
- 5.6. The income qualifying for distribution in respect of the relevant period shall be adjusted as under;
  - a) addition of a sum representing amounts included in the price of Units for income accrued up to the date of issue and deduction of a sum representing all participation in income distributed upon redemption of Units during the relevant period;
  - b) adjustment if considered necessary by the Management Company to reflect the diminution in value of Trust Property in consultation with the Trustee.
  - c) 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;
- 5.7. In case of cash distribution, the Management Company shall instruct the Trustee to transfer such amount of cash as required to effect such distribution to the Distribution Account. The amount standing to the credit of the Distribution Account shall not for any purposes of this Deed be treated as part of the Trust Property but shall be held by the Trustee upon trust to distribute the same as herein provided.
- 5.8. After the fixation of the amount of cash distribution per Unit, distribution payments shall be made within a period of 45 Days by transfer to the Unit Holders' designated bank accounts or in the case of joint Unit Holders to designated bank account of the joint Unit Holder, first named on the Register or by dispatch of any banking instrument in the name of Unit Holder at his / her address as provided. The receipt of funds by such designated bankers or dispatch of instrument shall be a good discharge thereof.
- 5.9. Before making any distribution payment (such as bonus Units, cash dividend, etc.) in respect of a Unit the Trustee or the Management Company may make such deductions as may be required by law in respect of any Zakat, income or other taxes, charges or assessments whatsoever and issue to the Unit Holders the Certificate in respect of

such deduction in the prescribed form or in a form approved by the concerned authorities.

- 5.10. The Management Company may offer the Unit Holder the option to receive new Units under re-investment option instead of cash dividend. The Unit Holders shall be entitled to change such option.
- 5.11. New Units under re-investment option shall be issued at the Net Assets Value of the effective date of distribution after appropriation of the distribution but without any charge of the Front-end Load.
- 5.12. In case of distribution in the form of bonus Units, the Management Company shall determine the amount available for distribution as bonus Units and inform the Trustee of the same.
- 5.13. After the fixation of the rate of bonus entitlement per Unit, the Management Company shall instruct the Registrar to credit the respective Unit Holders' accounts with the designated number of Units calculated on the basis of rate of distribution determined above against the number of Units held by them on the date of the closure of the Register.
- 5.14. The Management Company may offer the Unit Holder the option to encash such Units as may be entitled against distribution in form of bonus Units. The Unit Holders shall be entitled to change such option.
- 5.15. In case of encashment, the bonus Units will be redeemed on the first subscription day after distribution at the Net Assets Value of the effective date of distribution after appropriation of the distribution but without any charge of any Back-end Load.
- 5.16. Details of change of options will be given in the Offering Document.

## **6. FEES AND CHARGES**

### **6.1 Remuneration of the Management Company and its Agents**

- 6.1.1 The Management Company shall be entitled to a remuneration of an amount as permissible under the Rules that shall be a remuneration of an amount not exceeding three percent of the average annual Net Assets during the first five years of the Scheme and two percent of such assets thereafter. Currently Management Fee shall be charged in accordance with **Annexure 'A'**. The Management Company shall acquire approval of the Commission in case of any upward revision in the current rate of remuneration.
- 6.1.2 The remuneration shall begin to accrue from the date of 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 for the total number of days accrued in the Accounting Period concerned.

- 6.1.3 The remuneration due to the Management Company and the Trustee shall be paid within seven days after the close of each month in arrears.
- 6.1.4 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 their responsibilities as Management Company to the Trust. The Management Company shall not make any charge against the Holders 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, the Regulations and the Trust Deed to be payable out of the Trust Property.
- 6.1.5 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.

## **6.2 Remuneration of Trustee and Its Agents**

- 6.2.1 The Trustee shall be entitled to a monthly remuneration out of the Trust Property determined in accordance with remuneration structure in **Annexure "C"** 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.
- 6.2.2 Such remuneration shall be paid to the Trustee within thirty days after the receipt of invoice by the Management Company.
- 6.2.3 In consideration of the foregoing and save as aforesaid the Trustee shall be responsible for the payment of all expenses incurred by the Trustee from time to time in connection with its duties as trustee of the Trust. The Trustee shall not make any further material charge against the Holders or against the Trust Property or against the Distribution Account for its service or for its expenses, except as are expressly authorized to be payable out of the Trust Property under the provisions of the Rules, the Regulations and the Trust Deed.
- 6.2.4 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, the Rules and the Regulations.
- 6.2.5 Any increase or decrease in the remuneration of the Trustee shall be on mutually agreed basis and shall require the approval of the Commission.

## **6.3 Formation Costs to be amortized Against Property of the Scheme**

- 6.3.1 Formation Costs shall be charged to the Fund, which are estimated at and shall not exceed 1% of amount received during Pre IPO or five (5) million rupee, whichever is lower.

6.3.2 Formation Costs will be amortized over a period not exceeding five years.

#### **6.4 Other Costs and Expenses to be Charged to and Borne by the Trust**

The following fees and charges shall be payable from the Scheme:-

- (a) remuneration of the Management Company;
- (b) remuneration of Trustee or Custodian;
- (c) listing fee payable to the Stock Exchanges, including renewals;
- (d) charges and levies of Stock Exchanges, National Clearing Company and Central Depository Company;
- (e) rating fee of the Scheme payable to approved rating agency;
- (f) auditors' fees and out of pocket expenses as billed by them;
- (g) fees payable to the Commission;
- (h) Formation Cost of the Scheme not exceeding one per cent of the pre-initial public offering capital in case of the Scheme or five million rupees whichever is lower;
- (i) brokerage and Transaction Costs related to investing and disinvesting of the assets of the Scheme;
- (j) expenses incurred by Trustee in affecting registration of all registerable assets in the name of the Trustee;
- (k) legal and related costs incurred in protecting the interests of the Unit Holders of the Scheme;
- (l) bank charges, borrowing and financial costs;
- (m) hedging costs including forward cover, forward purchase or option purchase costs;
- (n) printing costs and related expenses for issuing the quarterly, half-yearly and annual reports, etcetera of the Scheme;
- (o) taxes, fees, duties and other charges applicable to the Scheme on its income or its properties, including taxes, fees, duties and other charges levied by a foreign jurisdiction on investments made overseas; and
- (p) any other expense or charge as may be allowed by the Commission.

Provided however, any costs associated with sales marketing and advertisement of the Scheme shall not be charged to the Scheme.

## **7. TAXATION**

### **7.1 Taxation and Zakat on the Income of the IGI Aggressive Income Fund**

The following is a brief description of the Income Tax Ordinance, 2001, applicable in respect of IGI AIF. The information set forth below is included for general information purposes only. In view of individual nature of tax consequences, each investor is advised to consult with his tax advisor with respect to the specific tax consequences to him of investing in the Scheme. This part does not cover tax liability of non-Pakistan resident investor with respect to taxes in their own jurisdiction.

#### **7.1.1 Liability for Income Tax of the Scheme**

Under the 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. The Fund is thereby regarded as a public limited company for tax purposes. The income of IGIAIF is taxable at the tax rate applicable as a public company, which is presently as under:

Dividend income received from a company shall be taxed at an income tax rate of 10%.

Income Government Securities, return on deposits/ Certificates of Investment/deposits with banks/financial institutions, money market transactions, profit and loss sharing accounts with banks etc., is taxable at the rate applicable to a public company (as per Income Tax law).

#### **7.1.2 Liability for Income Tax if 90% of Income is distributed**

Notwithstanding the tax rates stated under Section 7.1.1 above, the income of IGI AIF shall be exempted from tax if not less than 90% of the income of the year is distributed amongst the Unit Holders. The 90% of the income shall be calculated after excluding realized and unrealized capital gains. For achieving tax efficiency, IGI AIF shall strive to comply with the requirements of tax exemption and distribute at least 90% of the income, calculated as per clause 5.

#### **7.1.3 Withholding Tax**

All income, namely, dividend, return from bonds or term finance certificates, return on deposits with Banks/Financial Institutions, return from contracts, securities or instruments of companies, organizations, and establishments or any other income of the Scheme shall not be subjected to any withholding tax.

#### **7.1.4 Zakat**

The IGI Aggressive Income Fund is Sahib-e-Nisab under the Zakat and Ushr Ordinance, 1980. The balance in the credit of savings Bank Account, or similar account with a Bank standing on the first day of Ramzan-ul - Mubarak shall be subjected to deduction to 2.5% Zakat.

## 7.2 Taxation and Zakat on Unit Holders

**The information set forth below is included for general information purposes only. In view of individual nature of tax consequences, each investor is advised to consult with his tax advisor with respect to the specific tax consequences to him of investing in the IGI Aggressive Income Fund.**

### 7.2.1 Withholding Tax on Cash Dividends

- i. Unit Holders of the Fund will be subject to Income Tax @ 10% on dividend income.
- ii. The payer will be required to withhold the amount of tax at source from payment of dividend, wherever applicable.
- iii. The tax deducted on dividend at the rates specified above will be the final tax (except for companies) and the payer will be required to withhold the amount of tax at source from payment of dividend.

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

### 7.2.2 Capital Gains

Unit Holders except Banks are exempt from Capital Gains Tax if the holding period of securities is more than twelve months. Holding period of securities shall be calculated from the date of acquisition to the date of disposal of such security.

For Unit Holders except Banks (i) where holding period of a security is less than six months or (ii) where holding period of a security is more than six months but less than twelve months, capital gains, if any, would be subject to Capital Gains Tax as specified in Division VII of Part I of the First Schedule to the Income Tax Ordinance, 2001.

Banks are charged to Capital Gains Tax as per Seventh Schedule of Income Tax Ordinance, 2001.

### 7.2.3 Tax Credit

Unit Holders shall be entitled to a tax credit in Pakistan under the applicable tax laws, provided that the Units purchased are not disposed within twelve (12) months from the date of purchase.

If the Units so acquired are disposed within twelve (12) months from the date of purchase, then the amount of tax payable for the tax year shall be increased by the amount of the credit allowed.

## 7.3 Zakat

Units held by resident Pakistani Unit Holders shall be subject to Zakat under the Zakat and Ushr Ordinance, 1980 at a rate of 2.5% of the NAV of the Units, except those

exempted under the said Ordinance. Zakat shall 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.

#### **7.4 Disclaimer**

**The tax and Zakat information given in Clause 7 is based on the Management Company's tax adviser'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.**

**The entire information in Clause 7 is based on the current taxation status. The exemption and rates of taxation are subject to change from time to time.**

### **8 REPORTS AND ACCOUNTS**

#### **8.1 Annual Accounting Period**

The Annual Accounting Period shall commence on 1<sup>st</sup> July and shall end on 30<sup>th</sup> June of the ensuing calendar year. The annual Accounting Period shall be the thirtieth day of June in each year, provided that the Management Company with the written consent of the Trustee and after obtaining approval from SECP and complying with other applicable laws may change such date to any other date.

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.

#### **8.2 Audit**

- 8.2.1 The Management Company shall at the establishment of the Trust and upon any vacancy appoint an auditor, with the consent of the Trustee, from the approved list of auditors circulated by the Commission, who shall be a chartered accountant and independent of the auditor of the Asset Management Company and the Trustee and such auditor shall not be appointed for more than five consecutive years and contents of the auditor's report shall be in accordance with Schedule V of the Regulations.

Further, the Management Company may, at any time, remove the Auditors and appoint, with the consent of the Trustee, another chartered accountant as Auditors in its place.

- 8.2.2 The Management Company may at any time, with the concurrence of the Trustee, remove the Auditors and appoint another Auditor in its place. First Auditors and subsequent Auditors shall not be appointed for more than such number of consecutive years as specified under relevant rules and regulations, thereafter those auditors shall

only be eligible for appointment after the lapse of such period as may be prescribed under the relevant rules and regulations

8.2.3 The following person(s) shall not qualify to be the Auditors of the scheme:

- a) A person who is or at any time during the preceding three years was a director, officer or employee of the Management Company or the Trustee;
- b) A person who is a partner of, or in employment of, a director, officer, employee of the Management Company or Trustee;
- c) The spouse of a director of the Management Company or Trustee;
- d) A person who is indebted to the Management Company or Trustee; and
- e) A body corporate.

8.3 Appointment of a partnership firm to be the Auditors shall be deemed to be the appointment of all persons who are partners in the firm for the time being.

8.4 The Auditors shall have access to the books, papers, accounts and vouchers of the Trust, whether kept at the office of the Management Company, Trustee, Custodian, Transfer Agent, 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.

8.5 The Auditor shall prepare a written report to the Holders on the account and books of accounts of the Trust 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 hereto. 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 Rules and the Regulations.

8.6 The contents of the Auditors report shall be as required in the Rules and the Regulations.

## **8.7 Financial Reporting**

The following reports will be sent to the Unit Holders physically or electronically (Subject to approval of SECP):

- (a) Audited financial statements, together with the auditors report, the report by the Management Company (Director's Report) and the report by the Trustee within four months of the close of each Accounting Period.
- (b) Un-audited financial statements (subject to limited scope review by auditors), together with the report by the Management Company within two months of

the close of the second quarter of the Accounting Period, as per the Rules and the Regulations;

- (c) Un-audited 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 the Commission or the Rules and the Regulations.
- (d) The Trustee shall issue a report to the Unit Holders to be included in the annual report, or at such times as directed by the Commission, in accordance with the law, whether in its opinion, the Management Company has in all material respects managed the Trust Property in accordance with the provisions of the Rules and 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.
- (e) The regularity and content of reports shall be as per provisions of the Rules and the Regulations and shall change if so required by the Commission or under the Rules, the Regulations and the Ordinance.

## **8.8 Account Statement**

8.8.1 Upon being satisfied that the Offer Price for each Unit or fraction thereof has been received in full from the applicant the Transfer Agent shall issue an account statement that will constitute evidence of the number of Units registered in the name of the Unit Holder

8.8.2 The Transfer Agent will send directly to each Unit Holder a non transferable Account Statement each time there is a transaction in the folio, i.e., Units are:

- (a) Issued / subscribed;
- (b) Redeemed;
- (c) Pledged
- (d) Transferred in favor of third person;
- (e) Transferred from third person;
- (f) Consolidated / split; and
- (g) Additional Units are issued against bonus or re-investment of dividend.

Any Account Statement will be posted within fifteen Business Days after each relevant transaction.

## **8.9 Issuance of Certificates**

- 8.9.1 Certificates shall 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. 100/- (Rupees One Hundred) per Certificate of any denomination, subject to revision of fee from time to time by the Management Company, together with the sum sufficient in the opinion of the Management Company to cover any duties and charges payable in connection with the issue of such Certificate. The proceeds of such fee will accrue to the Management Company.
- 8.9.2 Certificates shall only be issued for Units that have been fully paid.
- 8.9.3 Certificates where requested shall be issued as herein provided not later than twenty one Business Days after the date of receipt of such request. The Certificate may be sent to the Holder or his duly authorized nominee at his own risk by registered post or by courier service or may be collected from the Transfer Agent.
- 8.9.4 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 Holder named first therein shall constitute sufficient delivery to all joint Holders.
- 8.9.5 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 scheme, the name and address of the Management Company and the Trustee, 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.
- 8.9.6 Certificate(s) may be engraved or lithographed or printed as the Management Company may determine from time to time with the mutual agreement of the Trustee and shall be signed on behalf of the Trustee by a duly authorized officer(s) of the Trustee and on behalf of the Management Company by a duly authorized officer(s) of the Management Company. Every such signature(s) shall be autographic unless there shall be for the time being in force, an arrangement authorized by the Trustee adopting some lithographic or other mechanical method of signature(s) in which event all or any of such signature(s) may be effected by the method so adopted. The Certificate(s) shall also bear the signature(s) of the authorized representative(s) 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(s) 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(s) appears thereon as a duly authorized signatory may have ceased to be the Trustee, Management Company, Transfer Agent, or an authorized signatory.

## **8.10 Replacement And/ Or Issuance of Duplicate Certificates**

- 8.10.1 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 the Holder may require representing the same aggregate number of Units.

8.10.2 In case any Certificate(s) shall be lost, stolen, mutilated, defaced or destroyed, the Transfer Agent with the approval of the Management Company may issue to the person entitled duplicate Certificate(s) in lieu thereof. No such duplicate Certificate(s) shall be issued unless the applicant shall previously have:

(a) Returned the mutilated or defaced Certificate or furnished the Distributor/Transfer Agent evidence satisfactory to the Management Company of the loss, theft or destruction of the original Certificate;

(b) Paid all reasonable expenses incurred in connection with the investigation of the facts;

(c) In the case of joint Holders, obtained the written consent of the joint Holders for issuance of such new Certificates; and

(d) Furnished such indemnity as the Management Company and the Trustee may require.

Neither the Management Company nor the Trustee nor the Distribution Company/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 reasonable cost of the pertinent Unit Holders before issuing any duplicate certificates.

8.10.3 Before the issuing of any Certificate under the provisions of this sub-clause the Transfer Agent may require from the applicant for the Certificate the payment to it, of a fee of Rs. 100/- (Rupees One Hundred) for each Certificate, subject to revisions of fee from time to time by the Management Company together with a sum reasonable in the opinion of the Management Company to cover any Duties and Charges payable in connection with the issue of such Certificate.

## 9. FINANCIAL INFORMATION

### 9.1 Auditors Certificate on Core & Pre IPO Investment in the Units of the Scheme

*A.F.FERGUSON & CO.*

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The Chief Executive  
Pak Oman Asset Management Company Limited  
First Floor, Tower A  
Finance and Trade Centre  
Shahrah-e-Faisal  
Karachi

September 8, 2007

A 0115

Dear Sir

#### **CERTIFICATE ON CORE AND PRE-IPO INVESTMENT IN POBOP ADVANTAGE PLUS FUND**

As requested we have verified from the books of accounts and records of POBOP Advantage Plus Fund (PAPF), an open end scheme to be managed by Pak Oman Asset Management Company Limited, that a sum of Rs 2,120 million has been received uptill September 7, 2007 as core and Pre-IPO subscription from the following against the proposed issue of 42,400,000 units and credited to a bank account titled 'CDC-Trustee POBOP Advantage Plus Fund-Pre IPO' (account number CPA-000864-000-0) maintained with the Bank of Punjab, Shahrah-e-Faisal Branch, Karachi

<b>NAME OF INVESTORS</b>	<b>Amount Rupees</b>
Saudi Pak Commercial Bank Limited	175,000,000
Pak Oman Investment Company Limited	300,000,000
National Industrial Park	300,000,000
Habib Metropolitan Bank Limited	25,000,000
Bank Alfalah Limited	200,000,000
The Bank of Khyber	200,000,000
Invest Capital Securities (Private) Limited	150,000,000
JS Global Capital Limited	20,000,000
The Bank of Punjab	500,000,000
The Bank of Punjab (Core investment)	250,000,000
Total	<u>2,120,000,000</u>

This certificate is being issued for submission as part of PAPI's offering document.

Yours truly

*A.F. Ferguson & Co.*

Lahore Office: 505-509, 5<sup>th</sup> Floor, Alfalah Building, P.O.Box 39, Shahrah-e-Quaid-e-Azam, Lahore, Pakistan Tel: (92-42) 6301796-7 / 6307127-30 Fax: (92-42) 6361954  
Islamabad Office: PSA Building, 49 Blue Area, P.O.Box 3031, Islamabad, Pakistan Tel: (92-51) 2273457-60 Fax: (92-51) 2277924

## 9.2 Auditors Certificate on the Net Asset Value 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) 2426682-6 / 2426711-5  
Facsimile: (021) 2415007 / 2427938

The Chief Executive  
Pak Oman Asset Management Company Limited  
First Floor, Tower A  
Finance and Trade Centre  
Shahrah-e-Faisal  
Karachi

September 8, 2007

A 0116

Dear Sir

### **NET ASSETS VALUE (UNAUDITED) OF EACH UNIT OF POBOP ADVANTAGE PLUS FUND**

As requested by you we have checked from the unaudited books of accounts and records of POBOP Advantage Plus Fund (PAPF) that the net assets value of each of its units proposed to be issued as at September 7, 2007 was Rs 50/- which has been computed as follows:

	<b>Rupees</b>
Net assets	<u>2,120,000,000</u>
Number of units proposed to be issued as of September 7, 2007	<u>42,400,000</u>
Net assets value of each unit	<u>50</u>

This certificate is being issued only for submission as a part of PAPF's offering document.

Yours truly

*A.F. Ferguson & Co.*

### **9.3 Formation Cost**

9.3.1 Formation Cost shall be charged to the Fund, which shall not exceed 1% of the pre-initial public offering capital or five million rupees, whichever is lower.

9.3.2 All expenses incurred in connection with the incorporation, establishment and registration of the Scheme (Formation Cost) in terms of Regulations 60(1) and 60 (2) of the Regulations, shall be reimbursable by the Scheme to the Management Company subject to the audit of expenses. The said Formation Cost shall be amortized by the Scheme over a period of not less than five years or within the maturity date of the Scheme.

## **10. WARNING**

### **10.1 Offering Document**

The provisions of the Trust Deed, the Rules and the Regulations govern this Offering Document. This Offering Document sets out the arrangements covering the basis of the 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 adviser, stockbroker, bank manager, or other adviser.

### **10.2 Fluctuation in Price and Income**

Prices of Units and income from them may go up or down.

### **10.3 Disclaimer**

The investor must recognize that all investments involve varying level of risk. Neither the value of Units in the Scheme nor the dividend declared by the Scheme can be assured. The historical performance of this Scheme, the financial market or that anyone security or transaction included in the Scheme's portfolio does not necessarily indicate future performance. Investors are advised to read risk disclosure as mentioned in this document in Clause 2.9 above for more information concerning risk.

## **11. GENERAL INFORMATION**

### **11.1 Inspection of Constitutive Documents**

The copies of constitutive documents, such as Trust Deed and Offering Document, can be inspected free of charge at the addresses given below:

**IGI Funds Limited**

7<sup>th</sup> Floor, The Forum

Suite no. 701-713, Block 9, Clifton

Karachi, Pakistan

**Central Depository Company of Pakistan Limited**

CDC House, 99-B, Block 'B'

S.M.C.H.S., Main Shahra-e-Faisal,

Karachi, Pakistan.

**11.2 Date of Publication of Offering Document**

The Offering Document has been published on 14 October 2007. The Management Company accepts responsibility for the information contained in the Offering Document as being accurate at the date of publication.

**12 TERMINATION AND LIQUIDATION OF IGI AGGRESSIVE INCOME FUND**

- 12.1 The Management Company may terminate the Trust if the Net Assets at any time fall below unmanageable level by giving notice as required by the Rules and the Regulations in writing to the Trustee, the Holders and the Commission on the grounds given in Clause 4.21 above and the Regulations and shall specifically disclose the grounds for its decision.
- 12.2 In the event the Management Company is of the view that the quantum of redemption requests that have built up shall result in the Scheme 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 Holders who are not redeeming, it may announce winding up of the Scheme without notice.
- 12.3 The Trust may also be terminated by the Commission on the grounds given in the Rules and Regulations.
- 12.4 The Trust may be terminated in accordance with the conditions specified in the Regulations or if there is a material breach of the provisions of the Trust Deed or any other agreement or arrangement entered into between the Trustee and the Management Company regarding the Unit Trust.
- 12.5 Upon the Trust 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 Trust Property and shall repay any borrowing affected by the Trust together with any mark-up remaining unpaid.
- 12.6 After sale of all Investments and realization of all moneys due to the Fund, the Trustee on the recommendation of the Management Company shall distribute to the Unit Holders pro-rata to the number of Units held by them, all net cash proceeds derived from the realization of the Trust Property after making payment as mentioned in Clause 12.5 above and retaining such reasonable sum as considered or apprehended by the Management Company for all costs, charges, expenses, claims and demands. After total liquidation, the surplus, if any remaining in the hands of the Trustee out of the sum so retained for costs, charges, expenses, claims and demands, shall also be distributed among the Unit Holders on pro-rata basis.

### 13. DEFINITIONS

Unless the context requires otherwise the following words or expressions used in this Trust Deed shall have the meaning respectively assigned to them:

- 13.1 **"Accounting Date"** means the thirtieth day of June in each year and any interim dates at which the financial statements of the Scheme are drawn up. Provided, however, that the Management Company may with the consent of the Trustee and after obtaining approval of the SECP and complying with other applicable laws, change such date to any other date.
- 13.2 **"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. The Annual Accounting Period shall commence on 1<sup>st</sup> July and shall end on 30<sup>th</sup> June of the ensuing calendar year. The annual Accounting Period shall be the thirtieth day of June in each year, provided that the Management Company with the written consent of the Trustee and after obtaining approval from SECP and complying with other applicable laws may change such date to any other date.
- 13.3 **"Account Statement"** means a statement of transactions of Units in the folio of the Unit Holders maintained within the unit holder register.
- 13.4 **"Auditor"** means the auditors of the Trust appointed by the Management Company as per the Rules and Regulations and with the consent of Trustee who shall be independent of the auditor of the Management Company and the auditor of the Trustee, as provided under the Rules and Regulations
- 13.5 **"Authorized Branch (es)"** means those branches of the Distributors authorized by the Management Company to perform the Distribution Function.
- 13.6 **"Authorized Investments"** means investments transacted, issued, traded or listed inside and/ or outside Pakistan as mentioned in clause 10.1B of the Trust Deed, as amended by Second Supplemental Deed and clause 2 of this Offering Document.
- 13.7 **"Back-end Load"** means charges, not exceeding five percent of the Net Assets Value, payable as specified under clause 11.3.2 of the Trust Deed as amended by Second Supplemental Deed, deducted by the Management Company from the Net Asset Value in determining the Redemption Price. Back-end load shall form part of Trust Property.
- 13.8 **"Bank"** means a banking company licensed under the Banking Companies Ordinance, 1962 or any other regulation for the time being in force and shall include a bank incorporated outside Pakistan and carrying on banking business in Pakistan as a scheduled bank.
- 13.9 **"Bank Accounts"** means those accounts open and maintained for the Scheme by the Trustees at Banks, the beneficial ownership in which shall rest in the Unit Holder.

- 13.10 "**Banking Instrument**" means cheque, dividend warrant, payment order, bank draft and such other instrument drawn on or issued by a Bank for payment to the Unit Holder.
- 13.11 "**Broker**" means any person engaged in the business of and licensed by the SECP or the State Bank of Pakistan to effect transactions in money market securities for the account of others.
- 13.12 "**Business / Dealing Day**" means a day on which Banks are open for business in Pakistan.
- 13.13 "**Certificate**" means the definitive certificate acknowledging the number of Units registered in the name of the Holder issued at the request of the Holder pursuant to the provisions of this Deed.
- 13.14 "**Commission**" or "**SECP**" means the Securities and Exchange Commission of Pakistan, established under the Securities and Exchange Commission of Pakistan Act, 1997 and shall include its successor.
- 13.15 "**Connected Person**" shall have the same meaning as assign to it in the Rules.
- 13.16 "**Contingent Load or Deferred Sales Load**" means processing charges deductible from the Net Asset Value of the Unit to determine the Redemption Price in case of redemption of Units within a certain period of time or at a decreasing rate for every period the Units are held and shall be charged to unit holders in instances where no front-end load is charged. Such charges shall not exceed five percent (5%) of the Net Asset Value and shall be determined by the Management Company from time to time and disclosed in this Re-stated Offering Document. Any such charges shall be payable to the Management Company and/or its Distributors, as the case may be.
- 13.17 "**Constitutive Documents**" means Trust Deed, Initial Offering Document, the Re-stated Offering Document and other principal documents governing the formation of the Scheme, including all related material agreements.
- 13.18 "**Core Investors**" means the initial investor during Pre IPO whose subscription shall in aggregate be in compliance of the requirements of the Regulations. The Core Investors were issued with Core Units representing their subscriptions. Details of the Core Investors were included in the Initial Offering Document.
- 13.19 "**Core Units**" means such Units of the Trust that were issued to Core Investors with the condition that these were not redeemable for a period of two years from the date of issue.
- 13.20 "**Custodian**" means a Bank(s), a central depository company or any other depository for the time being appointed by the Trustee in consultation with the Management Company to hold and protect the Trust Property or any part thereof as custodian on behalf of the Trustee and shall also include the Trustee itself if it provides the custodial services for the Scheme in consultation with the approval of the Management Company at competitive terms, as part of the normal line of its business.

- 13.21 **"Cut off Timings"** mean the commencement and closure of business hours of the Management Company for the purpose of acceptance of applications for purchase and redemption of Units of the Scheme.
- 13.22 **"Distribution Account"** means the account (which may be a current, saving or deposit account) maintained by the Trustee with a Bank, as directed by the Management Company in which the amount required for the distribution of income to the Holders shall be transferred. Mark-up, income or profit, if any, including those accruing on unclaimed dividends, in this account shall be transferred to the main Bank Account of the Scheme from time to time as part of the Trust Property for the benefit of the Unit Holders.
- 13.23 **"Distributor(s) / Distribution Company"** means a company (ies), firm(s) or a Bank(s) or any other financial institution(s) appointed by the Management Company for performing any or all of the Distribution Function and shall also include the Management Company itself, if it performs any or all of the Distribution Function. Such appointment shall be intimated to Trustee.
- 13.24 **"Distribution Function"** means the functions with regard to:
- (a) Receiving applications for issue of Units together with the aggregate Offer Price for Units applied for by the applicants;
  - (b) Interfacing with and providing services to the Holders including receiving redemption applications, transfer applications, conversion notices and applications for change of address or issue of duplicate Certificates for immediate transmission, in accordance with the instructions given by the Management Company or the Trustee, to the Management Company or the Trustee, to the Management Company or the Transfer Agent as appropriate;
  - (c) Acknowledging receipts in respect sub clause (a) and (b) above; and
  - (d) Accounting to the Trustee for;
    - (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.
- 13.25 **"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.

- 13.26 **"Formation Cost"** means all preliminary and floatation expenses of the Trust including expenses in connection with authorization of the Scheme and its application fee payable to SECP, execution and registration of the Constitutive Document, issue, legal costs, printing, circulation and publication of the Offering Document, announcements describing the Scheme inviting investment therein and all expenses incurred upto the close of Initial Period.
- 13.27 **"Front-end Load"** means the sales and processing charges (excluding Duties and Charges) not exceeding 5% of the Net Asset Value payable to the Management Company, to be included in the Offer Price of Class C Units.
- 13.28 **"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 be no 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.
- 13.29 **"Fund's Auditors"** mean the Auditors as per the provisions of the Rules & Regulations.
- 13.30 **"Government Securities"** means securities and other instruments issued and to be issued by any Federal or Provincial Government or Municipal Bodies of the Islamic Republic of Pakistan and/or State Bank of Pakistan, including but not limited to Federal Investment Bonds, Pakistan Investment Bonds, Treasury bills and any securities/ instruments replacing or substituting the foregoing from time to time.
- 13.31 **"Holder" or "Unit Holder"** means the investor for the time being entered in the Register as owner of a Unit or fraction thereof, including investors jointly so registered pursuant to the provisions of the Trust Deed.
- 13.32 **"Initial Period" or "Initial Offering Period"** means a period determined by the Management Company not exceeding 10 days (provided that this period may be extended with the prior approval of SECP) during which Units will be offered at the Initial Price in terms of the Offering Document.

- 13.33 "**Initial Price**" means the price of Rs. 50 per Unit during the Initial Offering Period determined by the Management Company.
- 13.34 "**Investment**" means any Authorized Investment forming part of the Trust Property.
- 13.35 "**Investment Facilitator**" 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 the Sales Load collected by it in the Offer Price and /or Management Fee.
- 13.36 "**Net Assets**" shall have the same meaning as in the Rules.
- 13.37 "**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.
- 13.38 "**Offer Price**" means the sum to be paid to the Trustee for issuance of one Unit, such price to be determined pursuant to Clause 4.12.2 above.
- 13.39 "**Offering Document**" means this document, advertisement or other document (approved by the Commission), which contains the investment and distribution policy and all other information in respect of the Scheme, as required by the Rules & Regulations and is circulated to invite offers by the public to invest in the Unit Trust.
- 13.40 "**Online**" means transactions through electronic Data Interchange whether real-time transactions or otherwise, which may be through the internet, intranet networks and the like.
- 13.41 "**Ordinance**" means the Companies Ordinance, 1984, as amended from time to time.
- 13.42 "**Par Value**" means the initial price of Rs. 50 per Unit.
- 13.43 "**Pre IPO**" means period during which the investors had subscribed to the Scheme before the initial period / Initial Offering Period.
- 13.44 "**Pre-IPO Investor**" means an investor who had subscribed to the Units of the Trust prior to the Initial Public Offering other than a Core Investor.
- 13.45 "**Redemption Price**" means the amount to be paid to the relevant Holder of a Unit upon redemption of that Unit, such amount to be determined pursuant to Clause 4.13.2 above.
- 13.46 "**Register**" means the Register of the Holders kept pursuant to the Regulations and the Trust Deed.
- 13.47 "**Regulations**" means Non-Banking Finance Companies and Notified Entities Regulations, 2008, as amended or substituted from time to time
- 13.48 "**Reporting Currency/ Base Currency**" means the currency used in presenting the financial statements which will be the Pakistani Rupee.

13.49 "**Restricted Investments**" means the following:

- (a) Bearer securities;
- (b) Securities which result in assumption of unlimited liability (actual or contingent);
- (c) Commodities or commodity contracts;
- (d) Real estate;
- (e) Any investment, which is not an Authorized Investment as defined in Clause 13.6 above, provided such investment has been approved by the Commission as Authorized Investment;
- (f) Participate in a joint account with others in any transaction;
- (g) Make short sales of any security or maintain a short position in securities.

Under no circumstances shall the Management Company buy or sell such options on behalf of the Scheme in excess of ten (10) percent of the Net Asset Value that result in an exposure beyond the number of underlying securities held in the portfolio of the Scheme. The Management Company may, however, buy call options or put options, on one or more item (financial or otherwise) that in its opinion would act as a hedge/defensive proxy for the overall market risk. Investment of the Scheme in any company shall not, at any time, exceed an amount equal to ten (10) percent of the total Net Asset Value of the Scheme at the time of investment or ten (10) percent of the issued capital of the investee company.

13.50 "**Rules**" mean the Non Banking Finance Company (Establishment and Regulation) Rules 2003, as amended or replaced from time to time and shall include any specific or general relaxations there from that may be granted by the SECP and/or the Federal Government.

13.51 "**Stock Exchange(s)**" mean Karachi Stock Exchange, Lahore Stock Exchange, Islamabad Stock Exchange or any other stock exchange registered under the Securities and Exchange Ordinance, 1969 and the Fund shall comply with all Regulations and regulation of the stock exchanges where the fund is listed.

13.52 "**Sub-Custodian**" means a financial or any other institution for the time being appointed by the Trustee with the approval of the Management Company to hold and protect the part of the Trust Property.

13.53 "**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 days notice in at least two newspapers widely circulated in Pakistan, declares any particular Business Day not to be a Subscription Day.

13.54 "**Supplementary Offering Document**" means a document issued by the Management Company, in consultation with the Trustee, after seeking approval of the

Commission, describing the special features of an administrative plan offering investment in the Income Fund or a combination of the Income Fund and other schemes managed by the Management Company, or any amendments made to the Offering Document.

- 13.55 **"Transaction Costs"** means the costs incurred or estimated by the Management Company to cover the costs (such as, but not restricted to, brokerage, Trustee charges, taxes or levies on transactions, etc.) related to the investing or disinvesting activity of the Scheme's portfolio, necessitated by creation or cancellation of Units. Such costs may be added to the NAV for determining the Offer Price of Units or be deducted from the NAV in determining the Redemption Price. The Transaction Costs may not normally be applied in determining these prices, however, if the Management Company is of the view that it is in the overall interest of the Unit Holders, it may, in consultation with the Trustee, apply such charges either to the Offer and / or the Redemption Price. The Management Company may, however, apply Transaction Costs while determining Offer or Redemption prices, without consulting the Trustee provided the difference between the Offer Price and the Redemption Price does not exceed five percent. The element of Transaction Costs taken into account in determining the prices and collected so, shall form a part of the Trust Property.
- 13.56 **"Transfer Agent/Registrar"** means an organization including a Bank that the Management Company may appoint for performing the Transfer Agent / Registrar Function and also includes the Management Company if it performs any or all of the Transfer Agent / Registrar function.
- 13.57 **"Transfer Agent/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) Receiving applications for issue, redemption, transfer and transmission of Units directly from Holder or legal representatives or through Distributor;
  - (c) Processing requests for issue, redemption, transfer and transmission of Units and requests for recording of pledges and lien or for recording of any change in data with regard to the Holders;
  - (d) Issuing Account Statements to the Holders;
  - (e) Maintaining record of lien/pledge/charge;
  - (f) Issuing and dispatching of Certificates;
  - (g) Dispatching income distribution warrants and bank transfers intimations or any other instrument;
  - (h) Canceling Certificates on replacement or redemption, if issued to Holders;
  - (i) Maintaining record of change of addresses and other particulars of Unit Holders;
  - (j) Allocation of Units to the Unit Holders for re-investment.

- 13.58 **"Trust", "Unit Trust", "Fund" or "Scheme" or "IGI Aggressive Income Fund" or IGIAIF"** means the Unit Trust constituted by the Trust Deed for continuous offers for sale of Units.
- 13.59 **"Trust Deed" or "Deed"** means the Trust Deed executed between the Management Company and the Trustee.
- 13.60 **"Trust Property"** means the aggregate proceeds of the sale of all Units during the Initial Period at par and subsequently at the Offer Price after deducting there from or providing there against any applicable front-end load and duties and charges and any other expenses chargeable to the Fund and adding thereto transaction costs any applicable back-end load recovered in the Redemption Price; and includes the investment and all income, profit and other benefits arising there from and all cash, bank balances and other assets and property of every description for the time being held or deemed to be held upon Trust by the Trustee for the benefit of the Holders pursuant to this Deed and any back-end load payable but does not include any amount available for distribution in the Distribution Account.
- 13.61 **"Unit"** means one undivided share in the Trust and where the context so indicates a fraction thereof.

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

**ANNEXURE – A**

**CURRENT LEVEL OF FEES & SUBSCRIPTION DAYS**  
**[Effective from August 03, 2011]**

	<b>Current</b>	<b>Maximum</b>
Front End Load	1.0%	5% of NAV
Back End Load	Nil	5% of NAV
Contingent Load	Nil	5% of NAV
Transaction Cost	Nil	Such amount that does not result in a difference between the Offer Price and the Redemption Prices in excess of five percent (5%) of NAV
Management Fee	1.0%	3% p.a. of the average daily NAV for first five years, and 2% p.a. of the average daily NAV for rest of life of the Scheme
Subscription Days	Monday through Friday(both days inclusive)	N/A

**ANNEXURE – B**

**CURRENT LIST OF AUTHORIZED TRANSACTION LOCATION/  
AUTHORIZED DISTRIBUTORS**

<b>Sr. No.</b>	<b>Name</b>	<b>Address</b>	<b>Telephone Number</b>
1.	IGI Funds Limited, Head Office	7 <sup>th</sup> Floor, The Forum, Suite # 701-713, Block – 9, Clifton, Karachi	021-111-367-444
2.	IGI Investment Bank Limited (Fund Select)	7th Floor Suite No. 701 -713, The Forum, G -20, Block-9, Clifton Karachi	021-111-234-234
(i)	Lahore (Registered Office)	Ground Floor, 5 F.C.C, Syed Maratib Ali Road, Gulberg, Lahore.	92-42 111-234- 234
(ii)	Islamabad	Mezzanine Floor, Razia Sharif Plaza, 90 – Blue Area, G-7, Islamabad.	92-51 111-234- 234
(iii)	Faisalabad	9 <sup>th</sup> Floor, State Life Building, Faisalabad	92-41- 2540811- 14, 2540841-45
(iv)	Multan Cantt	C-2, 1st floor, Hassan Arcade, Multan Cantt.	92-61- 4504461- 62
(v)	Gujranwala	Nasir Plaza, Main GT road, (Adjacent to New Railway Station)	92-55-3257353, 3841346
(vi)	Peshawar	Mall Tower, 2nd floor, 35, The Mall, Peshawar	92-91-5253980- 88
3.	Bulls and Bulls (Pvt.) Limited	7th Floor, Nacon House, MDM Wafai Road, Karachi	021-35224051-60
4.	Foundation Securities (Private) Limited	Ground Floor, Bahria Complex 2, M. T. Khan Road, Karachi	021-111-000-375
5.	Pyramid Financial Consultants (Pvt.) Limited	518, Progressive Plaza, Beaumont Road, Karachi	021-3563-8266- 67
6.	BMA Capital Management Ltd.	8th Floor, Unitower, I. I. Chundrigar Road, Karachi	021-111-262-111
7.	Pak Oman Investment Company	First Floor, Tower A, Finance & Trade Center, Shahra-e-Faisal, Karachi	021-35630971-5
8.	Atlas Capital Markets (Private) Limited	B-209, 2nd Floor, Park Towers, Abdullah Shah Ghazi Road, Clifton,	021-35875760

		Karachi	021-35875706
9.	KASB Securities	6th Floor, Trade Centre, I. I. Chundrigar Road, Karachi	021-111-222-000
10.	Al Habib Capital Markets (Pvt.) Ltd.	GF - 01, Techno City, Hasrat Mohani Road, Karachi	021-32270808-13
11.	Invest Capital Investment Bank Ltd	C3C, 12 <sup>th</sup> Lane, Ittehad Commercial Phase II Ext. DHA, Karachi	021- 35215226-8
12.	Vector Consulting	Suit no. 1011-13, 10th Floor, Tower B, Saima Trade Towers, I.I.Chundrigar Road, Karachi	021- 3227.5175-90
13.	Siza Commodities (Pvt.) Ltd	Lakson Square, Building no. 2, Sarwar Shaheed Road, Karachi	021- 35698000
14.	National Clearing Company Pakistan Ltd	8 <sup>th</sup> Floor, KSE Building, KSE Road, Karachi	021-32460811-19
15.	Financial Avenue	M-8, Mezzanine Floor, Beaumont Road, Civil Line Qtr, Karachi	021-35662211-23
16.	The Bank of Khyber	2 <sup>nd</sup> Floor, Bahria Complex III, M. T. Khan Road, Karachi	021-35610201
17.	MCB Bank Ltd	MCB Building, Jinnah Avenue, Islamabad MCB Building, I. I. Chundrigar Road, Karachi	111-000-622

## ANNEXURE – C

### CDC TRUSTEE – TARIFF STRUCTURE

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

NET ASSETS (Rupees in millions)		TARIFF
From	To	
1	1,000	Rs. 0.60 million or 0.17% p.a. of NAV, whichever is higher
> 1,000	& above	Rs. 1.7 million plus 0.085% p.a. of NAV, on amount exceeding Rs, 1,000 million.

## ANNEXURE – D

### PARTICULARS AND DETAILS OF DIRECTORS

<b>Name</b>	<b>Address</b>	<b>Other Directorships</b>
Mr. Javed Hamid <b>(Chairman)</b>	House no. 56 D-1, Gulberg III, Lahore	<ul style="list-style-type: none"><li>• Silk Bank Ltd</li></ul>
Mr. Khalid Yacob	House no. 304, Upper Mall, Lahore	<ul style="list-style-type: none"><li>• Packages Ltd</li><li>• Tetra Pak Pakistan Ltd</li><li>• Tri-Pak Films Ltd</li><li>• Packages Lanka Pvt. Ltd</li><li>• IGI Investment Bank Ltd</li></ul>
Mr. Ahmad Alman Aslam	A-1, Zamzama Link Road, Navy Housing Scheme, Clifton, Karachi	<ul style="list-style-type: none"><li>• Adamjee Insurance Co. of Pakistan Ltd</li><li>• Punjab Coal Board</li><li>• Punjab Land Development Company</li><li>• Ahmed Alman Aslam &amp; Associates (Managing Partner)</li></ul>
Mr. Abid Naqvi	7-A, M.A. Bogra Road, Bath Island, Karachi	<ul style="list-style-type: none"><li>• ACL Capital Pvt. Ltd (CEO)</li><li>• Associated Constructors Ltd</li></ul>
Mr. M. Asif Saad		<ul style="list-style-type: none"><li>• Lotte Pakistan PTA Ltd (CEO)</li><li>• Pakistan Human Development Fund</li></ul>
Syed Javed Hasan	4-A, 3 <sup>rd</sup> North Street, DHA, Phase I, Karachi	<ul style="list-style-type: none"><li>• IGI Investment Bank (CEO)</li><li>• Systems Ltd</li></ul>
Ms. Maheen Rahman <b>(Chief Executive Officer)</b>	901, Shadman Residency Apartments, Clifton, Karachi	<ul style="list-style-type: none"><li>• None</li></ul>

## ANNEXURE – E

### DETAILS OF PRE-IPO INVESTORS

<b>Name</b>	<b>Amount</b>
Saudi Pak Commercial Bank Limited	175,000,000/-
Pak Oman Investment Company Limited	300,000,000/-
National Industrial Park Limited	300,000,000/-
Habib Metropolitan Bank Limited	25,000,000/-
Bank Al Falah Limited	200,000,000/-
The Bank of Khyber	200,000,000/-
Invest Capital & Securities (Pvt.) Limited	150,000,000/-
JS Global Capital Limited	20,000,000/-
The Bank of Punjab	500,000,000/-
The Bank of Punjab (Core investment)	250,000,000/-
<b>Total</b>	<b>2,120,000,000/-</b>