

**2nd SUPPLEMENTAL
OFFERING DOCUMENT OF
Atlas Islamic Fund of Funds (AIFO)
(Shariah Compliant Fund of Funds Scheme)**

**Duly vetted by Shariah Advisor namely
Dr. Muhammad Wasie Fasih Butt for and on behalf of**

Atlas Asset Management Limited

Dated: February 14, 2020

**Second Supplement Dated February 14, 2020 to the
2nd Supplemental Offering Document of Atlas Islamic Fund of Funds
Issued on December 12, 2018**

(Managed by Atlas Asset Management Limited, as an Asset Management Company registered under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003)

Established in Pakistan under the Trusts Act 1882 (11 of 1882) by a Trust Deed dated September 03, 2018 between Atlas Asset Management Limited as the Management Company and Central Depository Company of Pakistan Limited, as the Trustee and registered under the regulation 44 of the Non- Banking Finance Companies and Notified Entities Regulation, 2008.

1. Amendment in Sub-Clause 2.3.1 “Authorized Investments”

The text in clause 2.3.1 shall be deleted and replaced with the text as under.

For the sake of clarity the new Sub- Clause shall be read as under:

2.3.1 AIFOF is an Open-end Shariah Compliant Fund of Funds that aims to generate returns on Investment as per respective allocation plans by investing in Shariah Compliant Fixed Income, Equity and Money Market Mutual Funds in line with the risk tolerance of the Investor.

2. Amendment in Sub-Clause 2.3.2 “Authorized Investments”

The text in clause 2.3.2 shall be deleted and replaced with the text as under.

For the sake of clarity the new Sub- Clause shall be read as under:

2.2.3 The Scheme shall offer following Allocation Plans, namely; Atlas Aggressive Allocation Islamic Plan, Atlas Moderate Allocation Islamic Plan, Atlas Conservative Allocation Islamic Plan and Atlas Islamic Capital Preservation Plan.

After the launch of above mentioned Plans, the Management Company is now offering new allocation Plan namely Atlas Islamic Dividend Plan;

The Plan shall have a one day IPO on dated: **March 16 2020**.

The underlying allocation to Fixed Income, Money Market and Equity Mutual Funds shall be fixed and the indicative percentages are stated below:

		Indicative Minimum percentage allocation invested in Collective Investment Scheme(s)*		
Name of Allocation Plan(s)	Cash & Near Cash**	Dedicated Shariah Compliant Equity Schemes	Shariah Compliant Income Schemes	Shariah Compliant Money Market Schemes
Atlas Aggressive Allocation Islamic Plan (AAAIP)	Up to 10%	Minimum 65%	Minimum 25%	-
Atlas Moderate Allocation Islamic Plan (AMAIP)	Up to 10%	Minimum 45%	Minimum 45%	-

Atlas Conservative Allocation Islamic Plan (ACAIP)	Up to 10%	Minimum 20%	Minimum 70%	-
Atlas Islamic Capital Preservation Plan (AICPP)	Up to 100% with Min AA-Rating***	Up to 50%	Up to 100%	-
Atlas Islamic Dividend Plan (AIDP)	Minimum 10%	-	Up to 90%	Up to 50%

* Managed by the Management Company and / or by other Asset Management Companies

**Cash at Bank accounts of Islamic Banks and licensed Islamic Banking windows of conventional Banks (excluding TDRs) and GOP Ijarah Sukuk not exceeding 90 days remaining maturity.

*** Cash at Bank accounts of Islamic Banks and licensed Islamic Banking windows of conventional Banks and Term Deposit (TDRs) Islamic Banks and licensed Islamic Banking windows of conventional Banks.

Note:

- (i) The above percentages may vary on account of market factors and investments in Cash/ near cash instruments as permitted for the Fund of Funds Category, as per SECP directive from time to time.
- (ii) The abovementioned Allocations shall be rebalanced as provided in Clause 2.5.3.
- (iii) The actual allocation percentages may vary on account of various factors including investments in Cash/ near cash instruments and allocation as permitted for CPPI based Fund of Funds Category, as per SECP directive from time to time.
- (iv) Cash at Bank limit of 10% may go up in order to meet redemption requirements.

3. Addition of new Sub 2.3.3 e “Investment Objective of ‘Atlas Islamic Dividend Plan’ (AIDP)”

After Clause 2.3.3.d a new sub clause 2.3.3.e shall be added

For the sake of clarity the new Sub- Clause shall be read as under:

(e) Investment Objective of ‘Atlas Islamic Dividend Plan (AIDP)

The Atlas Islamic Dividend Plan is a Shariah Compliant Allocation Plan under the Atlas Islamic Fund of Funds and primarily aims to earn competitive high returns through dynamic asset allocation between Shariah Compliant Income based Collective Investment Schemes and Shariah compliant Money Market based Collective Investment Scheme and Shariah Compliant / Islamic banks / Islamic banks window saving Accounts, while aiming to provide Dividend to the investors on the basis of profit earned / appreciation in NAV. Daily Dividend received by the Unit Holder(s) shall be REINVESTED.

4. Amendment in Sub-Clause 3.13.1a “Bank Accounts ”

In clause 3.13.1.a the text “CDC-Trustee Atlas Islamic Dividend Plan” after the word “CDC-Trustee Atlas Islamic Capital Preservation Plan” shall be added.

For the sake of clarity the amended Sub-Clause 3.13.1 shall be read as under:

Bank Accounts

- (a) The Trustee, at the request of the Management Company, shall open Bank Account(s) titled “CDC-Trustee Atlas Islamic Fund of Funds”, “CDC-Trustee Atlas Aggressive Allocation

Islamic Plan”, “CDC-Trustee Atlas Moderate Allocation Islamic Plan”, “CDC-Trustee Atlas Conservative Allocation Islamic Plan”, “CDC-Trustee Atlas Islamic Capital Preservation Plan” and “CDC-Trustee Atlas Islamic Dividend Plan” for the Unit Trust at designated Islamic Bank(s)/ Islamic Window of Conventional Banks having a minimum rating A- (A minus) inside or outside Pakistan, subject to the relevant laws, Trust Deed, Rules and Regulations, for collection, investment, redemption or any other use of the Trust’s Funds.

5. Amendment in Sub-Clause 4.5.4.b“Purchase of Units”

In clause 4.5.4.b the test “CDC-Trustee Atlas Islamic Dividend Plan” after the word “CDC-Trustee Atlas Islamic Capital Preservation Plan” shall be added.

For the sake of clarity the amended Sub-Clause 4.5.1 shall be read as under:

Purchase of Units

- (b) Application for Purchase of Units shall be made by completing the prescribed Investment Application Form and submitting it to the authorized branches of the Distributor or to the Management Company together with the payment by cheque, bank draft, pay order or online transfer as the case may be in favor of Trustee Bank Account and crossed “Account Payee only” as specified below;

CDC-Trustee Atlas Islamic Fund of Funds
CDC-Trustee Atlas Aggressive Allocation Islamic Plan
CDC-Trustee Atlas Moderate Allocation Islamic Plan
CDC-Trustee Atlas Conservative Allocation Islamic Plan
CDC-Trustee Atlas Islamic Capital Preservation Plan
CDC-Trustee Atlas Islamic Dividend Plan

- The Account Holder may also make payment for Purchase of Units in favor of “CDC Trustee – Atlas Funds” provided that the account holder specifies name of the Allocation Plan and the Fund, along with relevant investment amount, in the Investment Application Form.

6. Addition New Sub-Clauses in 5.1 “Declaration of Dividend”

After Clause 5.1.c new sub clauses 5.1.d shall be added

For the sake of clarity the New Sub-Clauses in clause 5.1 shall be read as under:

- 5.1.d. Provided that the AIDP shall distribute all net profit (after deducting all expenses of the Plan) as dividend and that dividend shall be re-invested after deducting applicable taxes to investors. By distributing dividend on a daily basis, the Management Company shall ensure that total distribution in an Accounting period accumulates to an amount that is required under the tax laws and other regulations in force to be distributed and that may be beneficial for its Unit Holders.

Further provided that dividend amount less than Rs. 1 shall not be taken into account and dividend shall not be entitled if holding in register of any unit-holder(s) is less than one unit.

In case during the financial year, NAV falls below the par value, the dividend distribution shall be stopped immediately till the NAV reaches the par value. However in case where the NAV at the end of Financial Year is below the par; the Fund shall treat below par value as a par value for next financial year.

Dividend will be distributed to the Unit Holder(s) appearing in the register within cutoff timing as mentioned in this offering document on a daily basis. Unit Holders will not be entitled to the Dividend of the Day the units are allocated and shall be entitled to dividends from the next business day. If all unit redemption is made, the redemption proceeds shall also include the dividend amount of that particular business day on which the redemption has been filed. Unit

Holder(s) having discrepancies of any type will not be eligible for dividend distribution purposes unless all the discrepancies are removed.

7. Amendment in Clause 5.3 “Payment of Dividend”

After the first para in Clause 5.3.new para shall be added

For the sake of clarity the new para in Clause 5.3 shall be read as under:

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

8. Amendment in Sub-Clauses 5.5 “Reinvestment of Dividend”

After the first para in Clause 5.5.new para shall be added.

For the sake of clarity the new para in Sub-Clause 5.5 shall be read as under:

Further, in case of AIDP dividend entitled to the unit holder shall be reinvested at the ex-dividend NAV after deduction of all applicable taxes and charges, if any.

9. Amendment in Sub-Clauses 8.1 “Account Statement”

After the first para in Clause 8.1 new para shall be added.

For the sake of clarity the new para in Sub-Clause 8.1 shall be read as under:

Provided that, incase of AIDP the Management Company / Transfer Agent shall send directly to each Unit Holder an account statement each time there is a fresh investment / redemption in the account.

10. Amendment in Annexure ‘A’: TARIFF STRUCTURE FOR FUND OF FUNDS OPEN END SCHEMES

In Annexure A the text under the heading “**TARIFF STRUCTURE FOR FUND OF FUNDS OPEN END SCHEMES**” shall be deleted and replaced with the following text.

For the sake of clarity the amended Annexure ‘A’ shall be read as under:

ANNEXURE ‘A’

TARIFF STRUCTURE FOR FUND OF FUNDS OPEN END SCHEMES

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

Tariff (Flat rate)
0.07% p.a. of Net Assets

Note: The given tariff shall only be applied if the Fund has the objective to invest in other collective investment schemes being managed by the same AMC and under CDC’s trusteeship. Otherwise, the below mentioned tariff Structure shall be applied:

Net Assets (Rs.)	Tariff
Up to 1 billion	0.20% p.a. of Net Assets

Over 1 billion	Rs.2.0 million plus 0.10% p.a. of Net Assets, on amount exceeding Rs.1 billion.
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Trustee Fee subject to review by either party. However any upward revision shall require prior approval of SECP.

11. Amendment in Annexure ‘B’: Fee Structure of the Allocation Plans

In Annexure B the text under the heading “**Management Fee**” shall be deleted and replaced with the following text.

For the sake of clarity the amended Annexure ‘B’ shall be read as under:

ANNEXURE ‘B’

Management Fee:

No Management fee in case of investment is made in Collective Investment Scheme (CIS). However, the AAML shall be entitled to an accrued remuneration equal to an amount not exceeding 1.0% of average Annual Net Assets, within allowed expense ratio limit in case investment is made in Cash/ Near Cash instruments, savings and term deposits made with Islamic banks or Islamic banking windows of commercial banks.

AAML shall disclose actual rate of management fee charged as percentage of net asset of CIS in the monthly fund manager report.

No Front-end Load will be charged in case of investment made in Atlas Islamic Dividend Plan.



SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN
SPECIALIZED COMPANIES DIVISION
POLICY, REGULATION AND DEVELOPMENT DEPARTMENT

No. SCD/AMCW/AAML/22/2020

February 14, 2020

Ms. Zainab Kazim
Company Secretary,
Atlas Asset Management Limited,
Ground Floor,
Federation House, Sharae firdousi,
Clifton Karachi.

INVEST	SALES & BD
FIN	MKT
IT	CS ✓
AUDIT	RISK
COMPL	RECORD

Subject: Approval of the 2nd Supplemental to the Offering Document of Atlas Islamic Fund of Funds (AIFO) – Atlas Islamic Dividend Plan (AIDP)

Dear Madam,

Please refer to the email dated February 11, 2020 subsequent to earlier correspondence received from your office on the subject noted above.

In this regard, I am directed to inform you that the amendments proposed by Atlas Asset Management Limited in the second supplement to the offering document of AIFO enclosed with email dated February 11, 2020 to launch AIDP has been acceded to by the Securities and Exchange Commission of Pakistan.

Atlas Asset Management Limited may therefore proceed in accordance with the constitutive documents of the Fund and prevalent regulatory framework.

Yours truly,

Raja Ateeq Ahmed
Assistant Director

"Say no to Corruption"

Cc: Mr. Atiqur Rehman
Head of Trustee & Custodial Operations,
Central Depository Company
CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shakra-e-Faisal
Karachi.

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17-2-2020

Received	
Date	17-2-2020
By	S94
Placed	

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