

The investors are advised in their own interest to carefully read the contents of the Offering Document in particular the Risk Disclosure mentioned in Paragraph 5.8 and Warnings in Part XII before making any investment decision.

Offering Document

Atlas Islamic Stock Fund (Formerly Atlas Islamic Fund)

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Category of CIS	Risk Profile	Risk of Principal Erosion
Islamic stock fund	High	Principal at high risk

AMENDED TILL APRIL 14, 2022

Managed by:
Atlas Asset Management Limited

¹ Inserted vide 12th Supplement dated April 01, 2020

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OFFERING DOCUMENT OF ATLAS ISLAMIC STOCK FUND (AISF)

(Formerly Atlas Islamic Fund)

Date of Publication of Offering Document: December 15, 2006.

Initial Offering Period January 15, 2007 to January 19, 2007 during banking hours (both days inclusive).

(Managed by Atlas Asset Management Limited* registered under the Asset Management Companies Rules, 1995, now replaced by the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (Rules)).

PART I - INTRODUCTION

- a) Atlas Islamic Stock Fund (AISF) (formerly Atlas Islamic Fund) has been established in Pakistan by a Trust Deed, dated September 12, 2006, registered under the Trusts Act, 1882 (11 of 1882) between Atlas Asset Management Limited (AAML), as the Management Company and Central Depository Company of Pakistan Limited (CDC), as the trustee, and is authorized under Rule 67 of the Rules.
- b) If you have any doubt about the contents of this Offering Document, you should consult one or more from amongst your legal adviser, stockbroker, bank manager, or other financial adviser. Investors must recognize that all investments involve varying levels of risk. The portfolio of AISF consists of market based investments and is subject to market fluctuations and risks inherent in all such investments. The value of Units of AISF may appreciate as well as depreciate, and consequently the return, including the dividend declared by AISF may get affected to that extent. Investors are requested to read the Risk Disclosure and Disclaimer statement contained in Paragraphs 5.8 of this Offering Document.
- c) All investments of the Fund shall be in adherence with the Islamic Shariah. It is possible that adherence to the Islamic Shariah will cause the Fund to perform differently from funds with similar objectives, but that are not subject to Islamic Shariah.

² [The word of 'Shariah Board' is hereby replaced in entire document and now read as Shariah Advisor].

DEFINITIONS

Unless the context requires otherwise all words, terms or expressions used in this Offering Document shall have the meaning assigned to them in Part III hereof or in the Trust Deed.

PART II - REGULATORY APPROVAL AND CONSENT

2.1 Approval of the Securities and Exchange Commission of Pakistan

The Securities and Exchange Commission of Pakistan (the Commission) has, vide its letter No. NBFC-II/AD-Jam/AIF/672/2006 dated September 22, 2006 authorized the formation of an open-end scheme, under the name, ³["**Atlas Islamic Stock Fund**"],

² Inserted vide 13th Supplement dated June 01, 2020

³ Substituted, vide 3rd Supplement dated December 04, 2009, for "Atlas Islamic Fund".

under Rule 67 of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (Rules). The Commission has approved this Offering Document, under Rule 70 of the Rules vide letter No. SEC/ NBFC AD/ AISF/ 907/ 2006 dated December 13, 2006.

* incorporated as Atlas Asset Management Company Limited and the name was changed through shareholders resolution on October 30, 2004.

⁴[In the Offering Document any reference to the previous title of Fund (which was "Atlas Islamic Fund") shall be deemed to include the reference of the new title of Fund (which is "Atlas Islamic Stock Fund").]

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

This Offering Document is governed by the provisions of the Trust Deed, Rules and the Shariah Code as specified hereafter. It sets forth information about AISF that a prospective investor should know before investing in Units of AISF. Prospective investors should consult one or more from amongst their stock broker, bank manager, legal adviser or other financial adviser.

2.2 Filing of the Offering Document

The Management Company has filed a copy of this Offering Document signed by the Chief Executive along with the documents (1) to (9) below with the Commission. Certified copies of these documents can be inspected at the registered office of the Management Company or the place of business of the Trustee, at the address provided in the Paragraph 6.10 of this Offering Document.

1. The Commission's letter No. SC/MF-DD(MS)/363/2002 dated Oct 8, 2002 registering the Management Company as an asset management company together with the Certificate of Registration;
2. License for undertaking Asset Management Services issued by Commission under its letter No. NBFC-II/AAML/AMC-03/2006 dated June 14, 2006 under NBFC Rules;
3. The Commission's letter No. NBFC-II/AD-Jam/AIF/672/2006 dated September 22, 2006 authorizing AISF;
4. Trust Deed (Deed) of AISF dated September 12, 2006 executed between Atlas Asset Management Limited (the Management Company), as the establisher and Central Depository Company of Pakistan Limited, as the Trustee;
5. The Commission's letter No. SEC/NBFC-JD-II/AIF/569/2006 dated August 28, 2006 approving the appointment of Central Depository Company of Pakistan Limited as the Trustee of AISF;
6. ⁵[The SECP has approved the appointment of Dr. Fazlur Rahman and Mr.

4. Inserted vide 3rd Supplement dated December 04, 2009.

5. Substituted, vide 1st Supplement dated October 29, 2007, for "The Commission's letter Nos. NBFC-II/JD(R)/AAML/559 and NBFC-II/JD(R)/AAML/560 dated August 18, 2006 approving the appointment of Dr. Khalid Zaheer and Mr. Javed Ahmad Ghamidi as members of the Shariah Board of AISF."

Muhammad Yahya Asim as Shariah Advisors of Atlas Islamic Fund in place of Mr. Javed Ahmad Ghamidi and Dr. Khalid Zaheer, vide letter No. NBFC-II/AD/AIF/596/2007 dated August 15, 2007.]

7. Letter No. 17/ A-49/ 2006 and 18/ A-49/ 2006 dated November 30, 2006 from Messrs. Hameed Chaudhri & Company, Chartered Accountants, auditors of AISF, confirming the subscription to the Units of AISF by the Core Investors and Pre-IPO Investors;
8. The Commission's letter No. SEC/ NBFC AD/ AISF/ 907/ 2006 dated December 13, 2006 approving this Offering Document;
9. Consents of the Auditors, Shariah Advisors, Legal Adviser and Trustee to their respective appointment and having been named and described as such in this Offering Document.

2.3 Restrictions

This Offering Document does not constitute an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation. No person in any jurisdiction may treat this Offering Document as constituting an invitation to purchase Units unless it is lawful to make such an invitation to such person in the relevant jurisdiction and all registration and other legal requirements have been complied with in that jurisdiction. It is the responsibility of any person wishing to acquire Units to satisfy himself as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental or other consents which may be required or the observance of other formalities which need to be observed or the payment of transfer or other taxes which may be required to be paid in such jurisdiction.

The Management Company may redeem any Units sold in contravention of any of the prohibitions contained in this Offering Document. In addition, the Management Company may with the consent of the Trustee and under intimation to the Commission, compulsorily redeem the Units of any investor at any time if such redemption would be appropriate to protect the Fund from adverse consequences.

PART III - DEFINITIONS

All defined terms used in this Offering Document are those defined in the Trust Deed. Unless the context requires otherwise the following words, terms or expressions, used in this Offering Document, shall have the meaning respectively assigned to them viz:

- i. **"Accounting Date"** means the date, 30th June, in each year and any interim dates at which the financial statements of the Fund are drawn up. Provided, however, that the Management Company may, with the consent of the Trustee and after obtaining approval of the Commission and the Commissioner of Income Tax, change such date to any other date.
- ii. ⁶**"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 first day subsequent to the end of the preceding Accounting Period.
- iii. **"Account Statement"** means statement of transactions in Units in the folio of the Holder.

6. Substituted, vide 3rd Supplement dated December 04, 2009, for **"Accounting Period or Accounting Year"** 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 Deposited Property is first paid or transferred to the Trustee and (in any other case) from the end of the preceding Accounting Period."

- iv. **"AMC"** means Asset Management Company i.e. Atlas Asset Management Limited.
- v. ⁷["**Atlas Islamic Stock Fund**" (formerly Atlas Islamic Fund)], **"Fund"**, **"AISF"**, **"Trust"**, **"Scheme"** or **"Open-end Scheme"** means the Trust constituted by the Trust Deed.
- vi. **"Auditor"** means such audit firms that are appointed as the auditors of this Scheme (auditor will be appointed for such consecutive terms of one year as may be permitted under the NBFC Rules), with the consent of Trustee, as the auditor for the Scheme, who shall be independent of the auditor of the Management Company and the auditor of the Trustee, as provided under the NBFC Rules.
- vii. **"Authorized Branch"** ⁸[means those branches of the Distributors whose addresses have been given in Part XVI of the Offering Document and updated on the website of Atlas Asset Management Limited i.e., www.atlasfunds.com.pk.]
- viii. **"Authorized Dealer"** means a Scheduled Bank appointed by the Management Company under the Foreign Exchange Manual of the State Bank of Pakistan to manage receipts and transfers of payments for subscription and redemption of Units and distributions to offshore investors.
- ix. **"Authorized Investment"** means Shariah Compliant investments transacted, issued, traded or listed in Pakistan and abroad as defined in Sections 7.3 and 7.4 of the Deed and Part V of this Offering Document.
- x. **"Back-end Load"** ⁹[¹⁰ means the charge deducted from the Net Asset Value in determining the Redemption Price; provided however that the Management Company, at its discretion may apply different levels of Back-end Load to different classes of Units, as specified in Annexure "D". The Management Company may charge Back-end Load maximum up to 3% of the NAV per unit. The current level of Back-end Load is specified in Annexure "D".]
- xi. **"Bai Mu'ajjal"** means a credit sales contract in which the seller allows the buyer to make payment at a future date either in lump sum or in installments.
- xii. **"Bai Salam"** means a contract in which advance payment is made for certain defined goods to be delivered later on a fixed date.
- xiii. **"Bank"** means a Scheduled Bank, as defined under the State Bank of Pakistan Act, 1956 and licensed to carry on banking business and shall include a bank incorporated outside Pakistan and carrying on banking business in Pakistan as a Scheduled Bank.
- xiv. **"Bank Account"** means those accounts of the Trust opened and maintained by the Trustee with one or more Banks, the beneficial ownership of which shall vest in the Unit Holders.
- xv. **"Business Day/ Dealing Day"** ¹¹ [means a day, from Monday to Friday, on which Banks and Stock Exchanges are open for business in Pakistan].

7. Substituted, vide 3rd Supplement dated December 04, 2009, for "**Atlas Islamic Fund**".

8. Substituted, vide 3rd Supplement dated December 04, 2009, for "means those branches of the Distributors that have been authorized by the Management Company, from time to time, to perform Distribution Functions."

9. Substituted, vide 3rd Supplement dated December 04, 2009, for "means a processing charge or sales costs, not exceeding five percent (5%) of Net Asset Value, deducted by the Management Company from the Net Asset Value in determining the Redemption Price."

10. Substituted, vide 9th Supplement dated May 25, 2018, for "means Load not exceeding five (5) percent of the Net Asset Value deducted by the Management Company from the Net Asset Value in determining the Redemption Price; provided however that different levels of Back-end Load may be applied to different classes of units, as may be determined by the Management Company and shall be disclosed in Annexure 'D' of this Offering Document. The amount of Back end Load shall form part of Deposited Property."

11. Substituted, vide 15th Supplement dated April 14, 2022, means a day (such business hours thereof) when Banks and Stock Exchanges are open for business in Pakistan and such hours for which Management Company is open for business.

- xvi. **"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 the Trust Deed.
- xvii. **"Commission"** means the Securities and Exchange Commission of Pakistan set up under Securities and Exchange Commission of Pakistan Act, 1997.
- xviii. **"Connected Person"** shall have the same meaning as in the Rules.
- xix. **"Connected Broker"** means a broker that is a Connected Person.
- xx. **"Constitutive Document"** means the Trust Deed which is the principal Document governing the formation, management or operation of the Fund, this Offering Document, and all other material agreements in relation to the Trust.
- xxi. **"Core Investors"** of the Fund shall be such initial investors whose subscription shall in aggregate be in compliance of the requirements of Rule 67(2)(f) of the Rules. The Core Investors shall be issued Core Units representing their subscription.
- xxii. **"Core Units"** shall mean such Units of the Fund that are issued to Core Investors with the condition that these are not redeemable for a period of two years from the date of issue. Such Units are transferable with this condition and shall rank *pari passu* with all other Units save for this restriction. Any transfer of these Core Units, during the first two years of their issue, shall be effected only on the receipt, by the Transfer Agent, of a written acceptance of this condition by the transferee.
- xxiii. **"Custodian"**¹²[means a Bank, the Central Depository Company, or any other Depository for the time being appointed by the Trustee to hold and protect the Trust Property or any part thereof as custodian on behalf of the Trustee; the Trustee may also itself provide custodial services for the Fund.]
- xxiv. **"Deed"** means the Trust Deed of AISF which is the principal Document governing the formation, management and operation of the Fund."
- xxv. **"Deposited Property"** means the aggregate proceeds of the sale of all Units at Offer Price and any ¹³[processing charges and] Transaction Costs recovered in the Offer ¹⁴[] Prices ¹⁵[] and any expenses chargeable to the Fund; and includes the Investment and all income, profit, shares, securities, deposits, right and bonus shares, cash, bank balances, dividends, fees, commissions, receivables, claims, contracts, licenses, privileges and other benefits arising there-from and all cash and other assets, movable or immovable, and property of every description, whether accrued or accruing, for the time being, held or deemed to be held upon trust by the Trustee for the benefit of the Unit Holders pursuant to the Trust Deed but does not include any amount standing to the credit of the Distribution Account ¹⁶[, except any profit earned on the Distribution Account.]
- xxvi. **"Distribution Account"** means the account (which may be a current, deposit, or savings account) maintained by the Trustee with a Bank approved by the Management Company in which the amount required for distribution of income to

12. Substituted, vide 1st Supplement dated October 29, 2007, for "means a banking company as defined in the Banking Companies Ordinance, 1962 (LVII of 1962), or a central depository as defined in the Securities and Exchange Ordinance, 1969 or an investment finance company licensed under Rules, having such minimum credit rating as may be specified by the Commission being appointed by the Trustee in consultation with the Management Company and the Commission, to hold and protect the assets of the Trust or any part thereof as custodian on behalf of the Trustee and shall also include the Trustee itself, if it provides custodial services for the Fund."

13. Inserted vide 1st Supplement dated October 29, 2007.

14. Deleted vide 1st Supplement dated October 29, 2007. Before deletion read as "or Redemption".

15. Deleted vide 1st Supplement dated October 29, 2007. Before deletion read as "after deducting therefrom or providing there-against, the value of Redemption, Front-end Load, Back-end Load, Duties and Charges (if included in the Offer Price or Redemption Price) applicable to the issue or redemption of Units".

16. Inserted vide 3rd Supplement dated December 04, 2009.

- Unit Holders shall be transferred. ¹⁷[Income or profit, if any, including those on accruing on unclaimed dividends, in this account shall be transferred to the main account of the Fund from time to time, as part of the Fund property for the benefit of the Unit Holders.]
- xxvii. **"Distributor"** ¹⁸[] mean a ¹⁹[person who performs distribution function for Collective Investment Scheme] and shall include the Management Company, itself, if it performs the Distribution Function.
- xxviii. **"Distribution Function"** means the functions with regard to:
- (a) Receiving applications for the issue of Units and the aggregate Offer Price for Units applied for by such applications;
 - (b) Interfacing with and providing services to the Holders including receiving redemption/transfer applications, conversion notices and applications for change of address or issue of duplicate certificates for immediate transmission to the Management Company or the Transfer Agent, as appropriate;
 - (c) Issuing receipts in respect of (a) and (b) above; and
 - (d) Accounting to the ²⁰[Management Company] for (i) ²¹[payment instrument] received from applicants for the issuance of Units; (ii) ²²[payment instrument delivered] to the Unit Holders on redemption of Units; (iii) expenses incurred in relation to the Distribution Function.
- xxix. **"Duties and Charges"** means, in relation to any particular transaction or dealing, all stamp and other duties, taxes, Government charges, transfer fees, registration fee and other duties and charges in connection with the issue, sale, transfer, redemption or purchase of Units or, in respect of the issue, sale, 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 Front-end or Back-end Load or 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.
- xxx. **"Financial Institution"** means a Scheduled Bank or development finance institution, a company registered under the Rules, a member of a stock exchange registered with the Commission or an institution registered to provide financial services including banking or brokerage outside Pakistan.
- xxxi. **"Formation Cost"** means all preliminary and floatation expenses of the Fund including expenses in connection with authorization of the Scheme and its application fee payable to the Commission, execution and registration of the Constitutive Document, issue, legal costs, printing, circulation and publication of the Offering Document, announcements describing the Fund, inviting investment therein and all expenses incurred during the period leading up to the initial issue of Units.
- xxxii. **"Front-end Load"** ²³[means the Sales load which may be included in the offering

17. Inserted vide 1st Supplement dated October 29, 2007.

18. Deleted vide 8th Supplement dated June 02, 2017. Before deletion read as " , "Distribution Company" , "Distribution Companies".

19. Substituted, vide 8th Supplement dated June 02, 2017, for "company or companies, firm, or bank appointed by the Management Company, *(under intimation to) the Trustee, for performing any or all of the Distribution Functions." * The text was inserted vide 3rd Supplement dated December 04, 2009.

20. Substituted, vide 1st Supplement dated October 29, 2007, for "Trustee".

21. Substituted, vide 3rd Supplement dated December 04, 2009, for "money".

22. Substituted, vide 3rd Supplement dated December 04, 2009, for "payments made".

23. Substituted, vide 9th Supplement dated May 25, 2018, for "means the sales and processing charges or commission (excluding duties and charges) not exceeding five percent (5%) of the NAV payable to the Management Company, which are included in the Offer Price of Units."

price of the Units; provided however that different levels of Front-end Load may be applied to different investors, as specified in Annexure "D". The Management Company may charge Front-end Load maximum up to 3% of the NAV per unit. The current level of Front-end Load is specified in Annexure "D".]

- xxxiii. **"Fund's Auditors"** mean the Auditors.
- xxxiv. **"Halal"** ²⁴[means anything permitted under the Shariah and categorized as Halal by the Shariah Advisor.]
- xxxv. **"Haram"** ²⁵[means anything prohibited under the Shariah and categorized as Haram by the Shariah Advisor.]
- xxxvi. **"Holder" or "Unit Holder"** means the investor, for the time being, entered in the Register as owner of a Unit or part thereof, including investors jointly registered pursuant to the provisions of the Deed.
- xxxvii. **"Initial Offer Price"** means the price per Unit, during the Initial Period, determined by the Management Company.
- xxxviii. **"Initial Period or Initial Offering Period"** means a period as set out in this Offering Document during which the "Core Units" and other Units will be offered at the Initial Offer Price.
- xxxix. **"Investment"** means any Authorized Investment forming part of the Deposited Property.
 - xl. **"Istisna'a"** means a contractual agreement for manufacturing goods and commodities, allowing cash payment in advance and future delivery or a future payment and future delivery.
 - xli. **"Modaraba"** means a form of partnership where one partner provides funds, while another provides expertise and management.
 - xl.ii. **"Musharika"** means a relationship established under a contract by the mutual consent of the parties for sharing of profit and losses arising from a joint venture. All providers of capital are entitled to participate in management, but not necessarily required to do so. The profit is distributed among the partners in pre-agreed ratios, while the loss is borne by each partner strictly in proportion to respective capital contributions.
 - xl.iii. **"Net Assets"** means the excess of assets over liabilities of the Fund, such excess being computed in the manner specified ²⁶[under the Rules.]
 - xliv. **"Net Asset Value or NAV"** means per Unit Value of the Fund arrived at by dividing the Net Assets by the number of Units Outstanding.
 - xl. v. **"Offer Price"** means the sum to be paid by the investor for the purchase of one Unit, such price to be determined pursuant to Section 8.2 of the Trust Deed and as stated in Para 7.5 of the Offering Document.
 - xlvi. **"Offering Document"** means the prospectus, advertisements or other documents ²⁷[issued by the Management Company with the consent of the Trustee and] approved by the Commission that contain the investment and distribution policy and all other information in respect of the Fund, as required by the Rules and is calculated to invite offers by public to invest in the Fund.
- ²⁸[xlvi. A **"Open End Scheme"** means a collective Investment Scheme which offers units for

24. Substituted, vide 3rd Supplement dated December 04, 2009, for "means anything permitted by the Shariah."

25. Substituted, vide 3rd Supplement dated December 04, 2009, for "means anything prohibited by the Shariah."

26. Substituted, vide 1st Supplement dated October 29, 2007, for "in Section 8.1 of the Deed and Para 7.4 of this Offering Document."

27. Inserted vide 1st Supplement dated October 29, 2007.

28. Inserted vide 8th Supplement dated June 02, 2017.

sale based on net asset value on continuous basis without specifying any duration for redemption and which entitles the holder of such units on demand to receive his proportionate share of the net assets of the scheme less any applicable charges on redemption or revocation.]

- xlvi. **"Ordinance"** means Companies Ordinance, 1984.
- xlvi. **"Par Value"** means the face value of a Unit that shall be Rupees five hundred (Rupees 500) or such other amount as may be determined by the Management Company in consultation with the Trustee from time to time.
- xlix. **"Personal Law"** means the law of inheritance and succession as applicable to the individual Unit Holder.
 - i. **"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 Section 8.3 of the Trust Deed and as stated in Para 7.7 of the Offering Document.
 - ii. **"Redemption Form"** means the redemption form as defined in the Offering Document.
 - iii. **"Register"** means the Register of the Holders kept pursuant to the Rules and the Trust Deed.
 - liii. **"Registrar Functions"** means the functions with regard to:
 - (a) Maintaining the Register;
 - (b) Receiving applications for issue, redemption and transfer/ transmission of Units directly from Unit Holders or legal representatives or through Distributors;
 - (c) Processing requests for issue, transfer and transmission of Units and requests for recording of lien or for recording of changes in data with regard to the Unit Holders;
 - (d) Dispatching income distribution advice and bank transfer intimations;
 - (e) Issuing Accounts Statement to the Unit Holders;
 - (f) Issuing Certificates, including Certificates in lieu of undistributed income, to Unit Holders and, re-issuing;
 - (g) Cancelling Certificates on redemption or replacement;
 - (h) Maintaining record of lien/ pledge/ charge;
 - (i) Keeping record of change of addresses/other particulars of the Unit Holders; and
 - (j) Allocating Units to the Unit Holders for re-investments.
- liv. **"Reporting Currency or Base Currency"** means the currency used in presenting the financial statements, which will be the Pakistani Rupee.
- lv. **"Rules or NBFC Rules"** means the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003, as amended or replaced from time to time.
- ²⁹[lvA. **"Regulations"** means the Non-Banking Finance Companies and Notified Entities Regulations, 2008, as amended from time to time; (In this Offering Document, where reference is made to Rules, it shall be construed that it also refers to Regulations).]
- lvi. **"Sales Agent"** means an individual, firm, corporate or other entity appointed by the Management Company to identify, solicit and assist investors in investing in

29. Inserted vide 3rd Supplement dated December 04, 2009.

the Fund. The Management Company shall compensate Sales Agents out of the Sales Load collected by it in the Offer Price.

- ³⁰[Ivi A. **"Service Provider"** means a company to whom functions related to Collective Investment Scheme (CIS) are delegated by the Management Company.]
- Ivii. **"Shariah or Islamic Shariah"** means divine guidance in the law as given by the Holy Quran and the Sunnah of Prophet Muhammad (Peace Be Upon Him).
- Iviii. ³¹ **"Shariah Advisor" or "Shariah Advisory Board"** means either an Islamic financial institution, a body of Islamic scholars or an individual appointed by the Management Company under intimation to the Trustee and the Commission, having knowledge of Islamic finance, to supervise and monitor the activities of the Scheme and to ensure that all its activities comply with Shariah.
- lix. ³²
- Ix. **"Shariah Code"** means the rules framed by the Management Company in consultation with Shariah Board that govern the function of the Fund so as to enable it to be in conformity with the principles of Islamic Shariah.
- Ixi. **"Shariah Compliance"** shall mean any activity that is approved by the Shariah Board to be in accordance with the Islamic Shariah.
- Ixii. **"Stock Exchange"** means Karachi Stock Exchange, Lahore Stock Exchange or Islamabad Stock Exchange or any other stock exchange registered under the Securities and Exchange Ordinance 1969 and shall also include a stock exchange in an offshore country at which Units of the Scheme are listed with the permission of the Commission, the State Bank of Pakistan and other appropriate authorities.
- Ixiii. **"Subscription Day"** means every Business Day, on which stock exchanges are open in Pakistan, provided that the Management Company may, with the prior written consent of the Trustee, and upon giving not less than 7 days' notice in at least two widely circulated newspapers, declare any particular Business Day not to be a Subscription Day.
- Ixiv. **"Sukuk Islamic Bond"** means a type of Islamic bond that are backed by assets of the issuer that earn profit or rent.
- Ixv. **"Supplementary Offering Document"** means a document issued by the Management Company, ³³[] with the ³⁴[consent of] Trustee after seeking approval of the Commission, including describing the special features of new type of Units and offering investment in the Scheme.
- Ixvi. **"Transaction Costs"** means the costs incurred or estimated by the Management Company to cover the costs (such as, but not limited to, brokerage, Trustee charges, taxes or levies on transaction, etc.) related to the investing or disinvesting activities of the Fund'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 element of Transaction Costs taken into account in determining the prices and collected so, shall form a part of the Deposited Property.
- Ixvii. **"Transfer Agent"** means a company, including a Bank, that the Management Company shall appoint for performing the Registrar Function. The Management Company may itself perform the Registrar Function.

30. Inserted vide 6th Supplement dated March 24, 2015.

31. Substituted vide 13th Supplement dated June 01, 2020

32. Deleted vide 13th Supplement dated June 01, 2020

33. Deleted vide 1st Supplement dated October 29, 2007. Before deletion read as "n consultation".

34. Inserted vide 1st Supplement dated October 29, 2007.

- lxviii. **"Trust"** means an open-end scheme, scheme, or Fund constituted by the Trust Deed of AISF for continuous offers for sale of Units.
- lxix. **"Unit"** means one undivided share in the Fund and, where the context so indicates, a fraction thereof.
- lxx. **"Zakat"** has the same meaning as in the Zakat and Ushr Ordinance (XVIII of 1980), 1980.

Words and expressions used but not defined herein shall have the meanings assigned to them in the NBFC Rules or applicable laws. Words importing persons include corporations, words importing the masculine gender include the feminine gender, words importing singular include plural words, "written" or "in writing" include printing, engraving, lithography, or other means of visible reproduction.

PART IV - CONSTITUTION OF THE SCHEME

4.1 Constitution

AISF is constituted by a Trust Deed entered into at Karachi on September 12, 2006 between:

1. Atlas Asset Management Limited (AAML), a company incorporated under the Companies Ordinance 1984, with its registered office at Ground Floor, Federation House, Sharae Firdousi, Clifton, Karachi - 75600 as the establisher and the Management Company; and
2. Central Depository Company of Pakistan Limited (CDC), a company incorporated under the Companies Ordinance, 1984, with its registered office at CDC House, 99-B, Block 'B', S.M.C.H.S, Main Sharah-e-Faisal, Karachi - 74400, as the Trustee.

4.2 Objectives and Investment Policy

The Fund has been formed to enable Unit Holders to participate in a diversified, professionally managed investment portfolio of Shariah Compliant securities, such as equities, debt securities, and other Shariah Compliant instruments including Shariah Compliant securities available outside Pakistan. The Management Company shall, in consultation with well-known Shariah experts, lay down the criteria for Shariah compliance to be called the Shariah Code and shall comply with the Shariah Code in making Investments for the Trust. The Shariah Code may be modified from time to time, in consultation with the Shariah Board, which shall be notified to the Unit Holders in accordance with the provisions of the Trust Deed. The Management Company will manage the Fund with the objective of maximizing Unit Holders returns on their Investments while at all times observing prudent Investment practices, the highest professional standards, all applicable laws, and the Shariah Code.

4.3 Trust Deed

The Trust Deed is subject to and governed by the laws of Pakistan, including the Ordinance, the Rules and all other applicable laws and regulations and shall be deemed for all purposes, whatsoever, to incorporate the provisions required to be contained in a trust deed by the Rules as a part and parcel hereof, and in the event of any conflict between the Deed and the provisions required to be contained in a Trust Deed by the Rules, the latter shall supersede and prevail over the provisions contained in the Deed. ³⁵[In the event of any conflict between this Offering Document and the

35. Inserted, vide 3rd Supplement dated December 04, 2009.

Trust Deed of the Fund, the later shall supersede and prevail over the provisions contained in this Offering Document.] Furthermore, all Investments of the Deposited Property shall be in accordance with the Islamic Shariah as advised by the Shariah Board. The Fund shall also be subject to the rules and the regulations framed by the State Bank of Pakistan with regard to the foreign investments made by the Fund and investments made in the Fund from outside Pakistan in foreign currency.

The terms and conditions of the Trust Deed and any deed supplemental thereto shall be binding upon each Unit Holder.

The Trustee and the Management Company, acting together with the approval of the Commission, shall be entitled, by supplemental deed, to modify, alter, or add to the provisions of the Trust Deed on any of the following grounds:

- a) To the extent required to ensure compliance with any applicable laws and regulations;
- b) To enable the provisions of the Trust Deed to be more conveniently or economically managed;
- c) To enable the Units to be listed on the Stock Exchange;
- d) To otherwise benefit the Unit Holders; or
- e) To comply with the provisions of the Shariah.

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

4.4 Duration

The duration of the Fund is perpetual. However, it can be wound up by the Commission or the Management Company on the occurrence of events stated in Part XIV of this Offering Document under the heading "TERMINATION OF THE SCHEME".

4.5 Open-End Fund

AISF is an open-end Fund ³⁶[Shariah Compliant Equity Fund]. It shall offer Units on a continuous basis. There is no upper or lower limit set on the Units to be issued to a single Unit Holder or on the total number of Units to be issued to the public. However, the Management Company may impose, from time to time, certain amounts of minimum monetary investment limits to facilitate economical and efficient management of investors' accounts. Fractional Units will be issued to enhance economical and efficient handling. Units may be redeemed for cash pursuant to the Redemption Procedures. Units are also transferable. Units will be registered and will be confirmed to investors by means of an ³⁷[electronic] Account Statement issued by the Transfer Agent ³⁸[Management Company]. Certificates, being the definitive certificate acknowledging the number of Units registered in the name of the Holder, shall be issued at the request of the Unit Holder.

4.6 Initial Public Offer

Units with a value of Rs. 258.615 million have been subscribed by the Core Investors.

36. Inserted, vide 3rd Supplement dated December 04, 2009.

37. Inserted vide 8th Supplement dated June 02, 2017.

38. Inserted vide 8th Supplement dated June 02, 2017.

In addition, certain investors have subscribed to Units of the Fund on a Pre-IPO basis. Please see section 6.13 for details. The Initial Offer is made during the Initial Period, which will be starting in the banking hours on January 15, 2007 and shall close on January 19, 2007 (January 18, 2007 for overseas banks/ investors). During the Initial Period, Units shall be offered at the Initial Price of Rs. 500/- with no Front-end Load or Transaction Costs. No Units will be redeemable during the Initial Period.

4.7 Transactions in Units after the Initial Public Offer

After the Initial Public Offer, the public sale of Units at the Initial Price shall be discontinued; the Units can then be purchased at the Offer Price and redeemed at the Redemption Price, which shall be calculated on the basis of the NAV. The Offer and Redemption Prices shall be calculated and the Units will be available for purchase and redemption on each Dealing Day. Please see Part VII 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 dematerialized Units registered with the depository will 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 Part VII.

4.8 Offering Document

This Offering Document is governed by the provisions of the Trust Deed and the Rules and the Islamic Shariah as advised by the Shariah Board. It sets forth the information about the AISF that a prospective investor should know before investing in any Unit. Atlas Asset Management Limited accepts responsibility for the accuracy of the information herein contained as of the date of publication.

No person is authorized to give any information or to make any representation in connection with the issue of Units, which is not contained or referred to herein. Neither the delivery of this Offering Document nor the offer, issue or sale of Units shall constitute a representation that the information contained in this Offering Document is correct as at any time subsequent to the date hereof. This Offering Document will be updated to take account of any relevant material changes of law or fact relating to the Fund. Any such amendments will be approved in advance by the Commission and notified to Unit Holders in the subsequent periodic reports issued by the Management Company and published on the website of the Management Company. Any changes in the Trust Deed approved by the Commission and agreed by the Trustee will affect the Offering Document as well and no further approval from Unit Holders will be required for such corresponding changes in this Offering Document. Any changes in the Offering Document will also be binding on existing Unit Holders.

PART V - INVESTMENT OBJECTIVES AND RESTRICTIONS

5.1 INVESTMENT OBJECTIVE

The Fund has been formed to enable Unit Holders to participate in a diversified portfolio

of Shariah Compliant securities such as equities, ³⁹[cash and/or near cash Shariah Compliant instruments including cash in bank accounts (excluding TDRs) and Shariah compliant government securities not exceeding 90 days maturity.] The Management Company will manage the Fund with the objective of maximizing Unit Holders' returns on their Investments while at all times observing prudent Investment practices, the highest professional standards, all applicable laws, and the Islamic Shariah as advised by the Shariah Board.

⁴⁰**5.1A PERFORMANCE BENCHMARK**

The Performance Benchmark for Atlas Islamic Stock Fund shall be ⁴¹[KMI-30 Index.]]

5.2 INVESTMENT POLICY

5.2.1 The Scheme shall make Investments only in Shariah Compliant Authorized Investments and shall offer Shariah Compliant returns to investors in the Units of the Scheme. No investments of the Deposited Property or any portion thereof shall be made in any security or instrument, or deposited in any account, that is inconsistent with Islamic Shariah as advised by the Shariah Board.

5.2.2 ⁴²[The Fund may be invested in the following asset classes:

- (a) Current and saving deposits with Shariah Compliant Banks, excluding TDR;
- (b) Shares/Stocks of listed companies;
- (c) Shariah Compliant Short term Government Securities not exceeding 90 days maturity;
- (d) Investment in any equity security not listed on the Stock Exchange, where application for listing has been accepted by the stock exchange;
- (e) Shariah Compliant investments outside Pakistan, including international listed securities and foreign currency bank deposits (excluding TDR), subject to such conditions as imposed by SECP and with prior approval of SECP and SBP;
- (f) Any other securities or instruments that may be permitted by the Commission and the Shariah Board;

39. Substituted, vide 3rd Supplement dated December 04, 2009, for "profit bearing securities and other Shariah Compliant securities available outside Pakistan."

40. Inserted, vide 3rd Supplement dated December 04, 2009.

41. Substituted, vide 4th Supplement dated June 23, 2010, for "'Dow Jones – JS Pakistan Islamic Index'."

42. Substituted, vide 3rd Supplement dated December 04, 2009, for "The Fund may be invested in the following asset classes:

- a) Equity including depository receipts such as Global Depository Receipts and American Depository Receipts;
- b) Participation Term Certificates;
- c) Modaraba Certificates;
- d) Musharika and Term Finance Certificates;
- e) Sukuk Islamic Bonds issued by the Government and other types of sovereign Islamic bonds;
- f) Any other non-Riba based securities;
- g) Contracts, securities, instruments issued by companies, organizations, and establishments issued on the principles of Bai' Mu'ajjal, Bai' Salam, Istisna'a, Modaraba, and Musharika;
- h) Mutual funds and other regulated schemes outside Pakistan;
- i) Any other securities or instruments that may be permitted by the Commission and the Shariah Board;
- j) The above and other Shariah Compliant Investments available outside Pakistan.

The Fund may also hold assets in the form of Riba-free cash deposits including deposits in foreign currencies with Banks and Financial Institutions offering Shariah Compliant accounts."

The rating of any Bank or DFI with which Funds are placed should not be lower than A- (A minus). Further, the Fund shall not take exposure to ⁴³[Margin Trading System (MTS).]

At least 70% of the Fund's net assets shall remain invested in listed equity securities during the year based on quarterly average investment calculated on daily basis.]

5.2.3 Some modes of investments to be utilized by AISF are given below:

Equities - Shariah Compliant Investments in equities would meet the following five criteria which have been researched upon and approved by the Shariah Board.

⁴⁴[a) **Business of the Investee Company:**

The business of the investee company should be Halal. Accordingly investments in shares of conventional banks, insurance companies, leasing companies, Mudarabah companies, companies dealing in alcohol etc., are not permissible.

b) **Debt to Total Assets:**

The total debt of the investee company should not exceed 40% of the total assets. The debt here includes all interest based debt and interest based financing.

c) **Illiquid to Total Assets**

The total illiquid assets of the investee company as a percentage of the total assets should at least be 20%.

d) **Investment in non Shariah compliant activities and income from non-Shariah compliant investments:**

The following two conditions must be observed for share screening purposes:

- The total investment of the investee company in non-Shariah compliant business should not exceed 33% of the total assets.
- The income from non-Shariah compliant investment should not exceed 5% of the gross revenue. (Gross revenue means net sales plus other income). Subsequently, giving the proportionate portion of non-compliant income to charity is required to purify the dividend income from these stocks. However, capital gain on these stocks needs not to be purified. (*This practice is also being followed by Dow Jones Islamic Index*).

e) **Net Liquid Assets versus Share Price:**

The net liquid assets [**Net Liquid Assets = Total Assets – (Tangible Fixed**

43. Substituted, vide 8th Supplement dated June 02, 2017, for "Continuous Funding System (CFS)."

44. Substituted, vide 2nd Supplement dated March 06, 2008, for

"a) **Business of the Investee Company:**

The basic business of the investee company should be Halal. Accordingly, investment in shares of conventional banks, insurance companies, leasing companies, companies dealing in alcohol, tobacco, pornography, etc. are not permissible.

b) **Debt to Total Assets:**

The total debt of the investee company should not exceed 45% of the total assets.

c) **Illiquid to Total Assets:**

The total illiquid assets of the investee company as a percentage of the total assets should be at least 10%.

d) **Investment in Shariah non-compliant Activities and Income from Shariah non-compliant Investments:**

The following two conditions will be observed for screening purposes:

- The total investment of the investee company in Shariah non-compliant business should not exceed 33% of its total assets;
- The income from Shariah non-compliant investment should not exceed 5% of the gross revenue of the investee company. (Gross revenue means net sales plus other income).

e) **Net liquid assets vs. share price:**

The net liquid assets (current assets minus current liabilities) per share should be less than the market price of the share."

Assets + Inventory) – Liabilities] per share should be less than the market price of the share.]

- 5.2.4** During and prior to the commencement of the Initial Period, the Trustee shall hold the Deposited Property on deposit in a separate Shariah Compliant account with a Bank of good standing (having an Investment grade rating, or in the absence of a rating, with the approval of the Commission) approved by the Management Company, or in Shariah Compliant Money Market Investments as advised by the Management Company. After the Initial Period, all Deposited Property, except in so far as such cash may, in the opinion of the Management Company, be required for transfer to the Distribution Account or to be kept for meeting the redemption requirements, shall be applied by the Trustee from time to time in such Authorized Investments as may (subject always to the provisions of the Deed, the Offering Document, the Rules, and the Islamic Shariah as advised by the Shariah Board) be directed by the Management Company.
- 5.2.5** Any Investment may at any time be disinvested 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 Deed or in order to retain the proceeds of sale in a bank account with the Trustee or on deposit as aforesaid or any combination of the aforesaid. Any Investment, which ceases to be an Authorized Investment, shall be disinvested and the net proceeds of disinvestment shall be applied in accordance with this Section, provided that such disinvestment may, subject to the Rules, be postponed, for such period as the Management Company and the Trustee determine to be in the best interest of the Unit Holders.
- 5.2.6** ⁴⁵[The purchase or sale of any Investment in listed securities for the account of the Trust shall be made on the Stock Exchange through a broker who must be a member of the Stock Exchange, unless the Management Company is satisfied that it is possible and permissible under the rules and regulations to make such purchase or sale more advantageously in some other manner. The broker will be appointed from time to time by the Management Company under intimation to the Trustee and in accordance with the criteria developed for the appointment of broker.]
- 5.2.7** ⁴⁶[The Deposited Property shall be subject to such exposure limits as are provided in the Regulations as amended from time to time and any directives issued by the Commission in this respect.]
- 5.2.8** ⁴⁷[In the event the exposure of the Scheme exceeds the limits specified in the Offering Document and the Rules and Regulations, because of corporate actions including taking up rights or bonus issue or due to market price increase or decrease

45. Substituted, vide 3rd Supplement dated December 04, 2009, for "The purchase or sale of any Investment in domestic listed securities for the account of the Trust shall be made on a stock exchange through a broker who must be a member of the 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. Save as allowed under the law, the Management Company shall not nominate, directly or indirectly, as a broker any of its directors, officers or employees or their family members (which term shall include their spouse, parents, children, brothers and sisters) or a person who beneficially owns, whether individually or in association with close relative(s), 10% (ten percent) or more of the equity or other securities with voting rights, if any, issued by the Management Company, without the prior approval of the Commission."

46. Substituted, vide 3rd Supplement dated December 04, 2009, for "The Deposited Property shall be subject to such exposure limits as are provided in the Rules, provided that the Trustee and the Management Company will have a period of three months to bring the Fund into compliance with the exposure limits if the deviation is due to appreciation or depreciation of any Investment or disposal of any Investment."

47. Substituted, vide 3rd Supplement dated December 04, 2009, for "If and, so long as the value of the holding in a particular company shall exceed the limit imposed by the Rules, the Trustee shall not make any further Investments in such company. However, this restriction on purchase shall not apply to any offer of right shares or any such other offering, if the Management Company is satisfied that accepting such offer is in the interest of the Unit Holders. However, the Management Company shall bring the Fund into compliance with exposure limits within three months as mentioned in 5.2.7."

in net assets, the excess exposure shall be regularized within ⁴⁸[four] months of the breach of limits. ⁴⁹[] But in any case the Management Company shall not invest further in such shares or sectors while the deviation exists.]

5.2.9 The Deposited Property shall not be invested in any security of a company if any director or officer of the Management Company ⁵⁰[] owns more than five percent of the total nominal amount of the securities issued or if the directors and officers of the Management Company ⁵¹[] collectively own more than ten percent of those securities.

5.2.10 ⁵²[]

⁵³**5.2.10 A** The Fund can enter into spread transactions as approved by Shariah Advisor.]

5.2.11 The Fund shall not purchase from or sell any security to the Management Company or to any director, officer or employee of the Management Company or to any person who beneficially owns ten per cent or more of the equity of the Management Company, save in the case of such party acting as an intermediary.

For the purposes of above sub-sections, the term director, officer or employee shall include their relatives including the spouse, parents, children, brothers and sisters.

5.3 INVESTMENTS OUTSIDE PAKISTAN

5.3.1 Investments outside Pakistan will enable the Fund to diversify risk as well as avail opportunities for higher returns in markets that are undervalued. The State Bank of Pakistan has allowed, vide FE Circular No. 11 of 2005 dated August 12, 2005, locally established mutual funds to invest abroad for the purposes of diversification of their asset classes/ portfolio, subject to the limits specified below and as per the procedures specified in the said Circular, and the Commission has endorsed foreign investment by the Fund up to the following limits:

48. Substituted, vide 8th Supplement dated June 02, 2017, for "three".

49. Deleted vide 8th Supplement dated June 02, 2017. Before deletion read as "unless the said period of three months is extended by the Commission on an application by the Management Company."

50. Deleted vide 3rd Supplement dated December 04, 2009. Before deletion read as "or any of its Connected Persons".

51. Deleted vide 3rd Supplement dated December 04, 2009. Before deletion read as "and any of its Connected Persons".

52. Deleted vide 3rd Supplement dated December 04, 2009. Before deletion read as "The Fund may engage in sale/ repurchase transactions of sovereign risk securities and listed securities provided that the transactions are regulated by a Stock Exchange or take place with a Financial Institution as counter-party or done through a Financial Institution acting as an intermediary. Such Shariah compliant Investments will be subject to approval of the Commission/ SBP/ Shariah Board. The Fund will follow risk management parameters framed under clause 73(1) of the Rules with regard to such transactions:
Risk Management with regard to securities under sale/ repurchase

(a) There will be no limit with regard to repurchase of sovereign risk securities with a term of one year or less. Not more than 40% of the Net Assets of the Fund will be exposed at any one time to sovereign risk securities with a term of more than one year;

(b) Not more than 10% of the Net Assets of the Fund will be exposed to any one issuer of securities;

(c) Not more than 25% of the Net Assets of the Fund will be exposed to any one sector as defined by a stock exchange;

Risk Management with regard to counterparty under sale/ repurchase

(d) There will be no limit with regard to Fund exposure to counterparties if the sale/ repurchase transaction are regulated and/ or guaranteed by a stock exchange;

(e) For repurchase transactions with a Financial Institution as counterparty, where the Financial Institution has an 'AA' rating or better (from a domestic rating agency licensed by the Commission), the maximum exposure of the Fund to such Financial Institution will not exceed 20% of the Net Assets of the Fund and where the Financial Institution has an 'A' rating, it will not exceed 10% of the Net Assets of the Fund. In all other cases, it will not exceed 2.5% of the net assets of the Fund. Transactions outside Pakistan will be limited to financial institutions having at least investment grade rating from Standard and Poors (or equivalent rating from reputable international rating agency) and in any case will not exceed 10% of the NAV with any one institution;

Further Restrictions

(f) The Management Company, at its sole discretion, may impose additional risk management parameters/ restrictions."

53. Inserted vide 1st Supplement dated October 29, 2007.

- a) 30% of the Net Assets of the Fund;
- b) The above percentage is subject to a cap of US\$ 15 million.

At some time in the future, the Management Company may expand this limit after seeking permission from the Commission and the State Bank of Pakistan.

The limit to international Investment will apply at the time of Investment and it will not be necessary for the Trustee to sell any Investment merely because, owing to appreciation or depreciation of any Investment, change in foreign exchange parities, disposal of any Investment or change in limit due to increase or decrease in Units, such limit shall be exceeded.

In case, due to the relative movement of the value of foreign Investment and/ or change in the limit, the value of foreign Investment exceeds the above limit, the Management Company will have three months to bring the Fund into compliance.

5.3.2 Deposited Property can be invested in international Investments including the following:

- a) International listed equities;
- ⁵⁴[b)
- c)]
- ⁵⁵{b) Foreign currency Shariah Compliant bank deposits ⁵⁶[excluding TDRs;]
- c) Foreign currency Shariah Compliant bank accounts in Pakistan;
- d)} Mutual funds;.

Provided that the above investments are Shariah Compliant as per the Shariah Advisors of the respective jurisdiction and accepted by the Shariah Board. ⁵⁷[All foreign investments shall be subject to the approval of SECP and SBP.]

5.3.3 While investing in international equities, ⁵⁸[] the Management Company will invest through its foreign counterpart unless it has built in-house capacity to manage international Investments and provided evidence of the same to the Trustee. However, for jurisdiction where foreign counterpart does not have operations, the Management Company may invest through following agencies:

- (a) Mutual funds;
- (b) Index funds or securities that give exposure to international equity indices;
- (c) Individually managed accounts with a reputable international fund manager; or
- (d) After acquiring the services of a reputable international fund manager through a joint venture or a service agreement.

The Management Company may build-up its capacity to manage Investments in a limited number of countries/ markets and may start to manage Investments directly in those countries/ markets after providing evidence of the capacity to the Trustee while

54. Deleted vide 3rd Supplement dated December 04, 2009. Before deletion read as "b) International profit bearing securities; c) International money markets;"

55. Bullet points renumbered.

56. Substituted, vide 3rd Supplement dated December 04, 2009, for "& certificates of investments;"

57. Inserted vide 3rd Supplement dated December 04, 2009.

58. Deleted vide 3rd Supplement dated December 04, 2009. Before deletion read as "international profit-bearing securities and international money markets,"

using the above means to manage Investments in other countries/ markets.

The fee charged directly by an international fund manager(s) on investments outside Pakistan will be the responsibility of the Management Company and any fees paid out of Deposited Property will be netted-off from the fees paid to the Management Company.

The Management Company will reduce its own fee by up to fifty percent on the Deposited Property invested in international mutual funds managed by a third party.

- 5.3.4** While investing internationally, Deposited Property will not be placed in any Investment that has the effect of leveraging the Fund and if any such instrument/ security is used, it must be supported by Investment in spot or money market Investment such that the effect of leverage is cancelled out.
- 5.3.5** Associated companies and companies in parent-subsidary relationship shall be treated as group companies, even if registered/ listed in different countries and any prescribed limit on group exposure shall apply to such companies.
- 5.3.6** ⁵⁹[]
- 5.3.7** Not more than 50% of allowable limit of international investment will be placed in any one country.
- 5.3.8** The Management Company may use derivatives only to hedge existing exposure of the Fund in foreign currencies, provided they are cleared by the Shariah Board. The derivatives used may also hedge the US Dollar, however, the Management Company will attempt to hedge, in all cases where hedging is desirable, to the Base Currency if cost-effective and practical. No other use of derivatives is permissible and only currency derivatives will be used and only up to the limit of the Fund's exposure to foreign currency.

5.4 RESTRICTIONS

The Fund will not at any time:

- 5.4.1** Make any Investments that are not compliant with the Shariah as advised by the Shariah Board or which are not subject to Shariah compliance in other jurisdictions.
- 5.4.2** Merge with, acquire or take over any scheme, unless it has obtained the prior approval of the Commission in writing to the scheme of such merger, acquisition or take over.
- 5.4.3** Pledge any of the securities held or beneficially owned by it, except for its own benefit.
- 5.4.4** Make a loan or advance money to any person except in connection with the normal business of the Scheme, subject to the limits specified under the Rules.
- 5.4.5** Participate in a joint account with others in any transaction.
- 5.4.6** Apply any part of its assets to real estate (save and except that the Management Company may invest in securities secured by real estate or interest therein or equity securities issued by companies that invest in real estate or have interest therein).

59. Deleted vide 3rd Supplement dated December 04, 2009. Before deletion read as "Direct investments of the Fund in debt securities will only take place in 'investment grade' securities and 'sovereign risk' securities. Only up to 50% of the allowed limit of international investments shall be placed in sovereign risk securities of countries outside Pakistan and only up to 20% of the allowed limit of international investments in sovereign risk securities of any one country with the sovereign risk portion, if fully invested, divided among five different countries. The above limit will be applicable only to direct investments by the Fund."

- 5.4.7** Make an Investment in a company which has the effect of vesting the management or control over the affairs of such company, in the Scheme.
- 5.4.8** ⁶⁰[The Management Company shall not enter, on behalf of the Scheme, into transactions with any broker that exceed ⁶¹[fifteen] per cent of the commission paid by the Scheme in any one accounting year; Provided that this limit shall not be applicable in case of money market instruments.]
- 5.4.9** ⁶²[Take exposure to any single entity, in excess of an amount equal to 15% of the Net Asset Value of the Fund or an amount sufficient to acquire 15% of issued capital of that entity. The above limit shall not apply to cash and Shariah Complaint Government Securities.]
- 5.4.10** Invest more than ⁶³[30%] of the Net Asset Value of the Fund in securities of any one business sector as per classification of the stock exchange in which such security is listed.
- 5.4.11** The limits given in 5.4.9 and 5.4.10 above are based on the current limits defined in the Rules and may be modified based on any change in the Rules and any exemptions/ clarifications given by the Commission.
- 5.4.12** Engage in short sale of a security, whether listed or unlisted.
- 5.4.13** Lend, assume, guarantee, endorse or otherwise become directly or contingently liable for or in connection with any obligation or indebtedness of any person. This provision where applicable, shall not apply to sale and repurchase transactions of Government securities or those regulated by a stock exchange or those in which the counterparty is a Financial Institution or the transaction takes place through a Financial Institution.
- 5.4.14** Engage in leveraged transactions or borrow, except ⁶⁴[with the approval of trustee and] that the Fund may borrow as provided by the Rules to meet redemption requests, provided the borrowing complies with the Shariah. ⁶⁵[The borrowing shall not exceed fifteen per cent or such other limit as specified by the Commission of the

60. Deleted vide 3rd Supplement dated December 04, 2009. Before deletion read as "Employ as a broker, directly or indirectly, any director, officer or employee of the Fund or its Management Company or any Connected Person or member of the family of such person and enter into transactions with any Connected Broker, which shall equal or exceed 10% of the transactions of the Fund in any one Accounting Year of that Fund, subject, however, that such connected broker shall not have a common director or officer or employee with the investment adviser or asset management company or investment company;

Provided that the Commission may, in each case on merits, permit the 10% limit to be exceeded if the connected broker offers advantages to the Fund not available elsewhere.

Explanation: For the purposes of this section the term "family" includes spouse, lineal ascendants and descendants and brothers and sisters."

61. Substituted, vide 8th Supplement dated June 02, 2017, for "thirty".

62. Substituted, vide 3rd Supplement dated December 04, 2009, for "^{*}{Invest in any company, at any time, shall not exceed an amount equal to 10% of the Net Assets of the Fund or an amount sufficient to acquire 10% of issued capital of the company. The above limit does not apply not apply to Pakistan Government securities and as such the Fund can invest more than 10% of its Net Assets in a particular Pakistan Government security or in Pakistan Government securities in general with Pakistan Government Securities defined to exclude securities issued by provincial, local or municipal government, government-owned corporations and government guaranteed securities issued by government sponsored agencies.}"

^{*} The clause was earlier substituted, vide 1st Supplement dated October 29, 2007, for "Invest in any company, at any time, in excess of an amount equal to 10% of the Net Asset Value of the Fund or an amount sufficient to acquire 10% of issued capital of the company. The limit of 10% of issued capital will apply individually to the various kinds of equity and debt instruments issued by the company and the Fund's Investment in any single type of security will not exceed 10% of the total issue of that type of security. The above limit does not apply to Pakistan Government securities and as such the Fund can invest more than 10% of its Net Asset Value in a particular Pakistan Government security or in Pakistan Government securities in general with Pakistan Government Securities defined to exclude securities issued by provincial, local or municipal government, government owned corporations and government guaranteed securities issued by government sponsored agencies."

63. Substituted, vide 3rd Supplement dated December 04, 2009, for "25%".

64. Inserted vide 8th Supplement dated June 02, 2017.

65. Inserted vide 8th Supplement dated June 02, 2017.

total net asset value of Fund at the time of borrowing. The maximum period of borrowing shall be 90 days however; any net cash flows during interim period shall be utilized for repaying of borrowing.]

⁶⁶[5.4.15 The Management Company on behalf of the Fund shall not at any time rollover the investments, if in the opinion of trustee, the Fund would not be able to issue payment instrument for the redemption money to the unit holder within time period stipulated in the Regulations.

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

5.5 EXCEPTIONS TO INVESTMENT RESTRICTIONS

5.5.1 ⁶⁷[]

5.5.2 ⁶⁸[In the event Exposure limits are exceeded due to corporate actions including taking up rights or bonus issue and owing to appreciation or depreciation in value of any Investment, disposal of any Investment or Redemption of Units, the excess exposure shall be regularized within ⁶⁹[four] months of the breach of limits. ⁷⁰[]]

5.6 BORROWING

5.6.1 Subject to any statutory requirements for the time being in force and to the terms and conditions herein contained, the Trustee may at any time, at the request of the Management Company, concur with the Management Company in making and varying Shariah Compliant arrangements with Banks or Financial Institutions for borrowing by the Trustee for the account of the Fund for the purpose of meeting redemption request(s), provided that the charges payable to such Bank or Financial Institution are not higher than the prevailing market rates.

Provided further that the maximum borrowing for the account of the Trust shall not exceed the limit provided in the Rules at any time and shall be repayable within a period of ninety (90) days but if subsequent to such borrowing, the Net Assets are reduced as a result of depreciation in the market value of the Deposited Property or redemption of Units, the Management Company shall not be under any obligation to reduce such borrowing.

5.6.2 Neither the Trustee, nor the Management Company shall be required to issue any guarantee or provide security over their own assets for securing such borrowings from Banks and Financial Institutions. The Trustee or the Management Company shall not in any manner be liable in their personal capacities for repayment of such

66. Inserted vide 3rd Supplement dated December 04, 2009.

67. Deleted vide 3rd Supplement dated December 04, 2009. Before deletion read as "The Commission, vide its letter No. SEC/NBFC-II/AD-Jam/AISF/727/2006, dated October 10, 2006, has relaxed the limit of investment in any single company from 10% to 15% of the Net Asset Value of the Fund or the issued capital of the investee company, whichever is lower. Likewise, the Commission, vide its abovementioned letter, has also relaxed the sector limit from 25% of the Net Asset Value of the Fund in securities of any one business sector as per classification of the stock exchange in which such security is listed, to 30%."

68. Substituted, vide 3rd Supplement dated December 04, 2009, for "In the event the weightage of *{investment} exceeds the limits laid down in the Offering Document, **{Trust Deed} or the Rules as a result of the relative movement in the market prices of the Investments and corporate actions, including bonus shares and subscription to right shares, the Management Company shall bring the exposure within the prescribed limits within three months of the event. But, in any case, the Management Company shall not invest further in such shares or sectors while the deviation exists. However, this restriction on purchase shall not apply to any offer of right shares or any such other offering if the Management Company is satisfied that accepting such offer is in the interest of the Trust."

* The text was substituted, vide 1st Supplement dated October 29, 2007, for "shares".

** The text was inserted vide 1st Supplement dated October 29, 2007.

69. Substituted, vide 8th Supplement dated June 02, 2017, for "three".

70. Deleted vide 8th Supplement dated June 02, 2017. Before deletion read as "unless the said period of three months is extended by the Commission on an application by the Asset Management Company."

loans or advances.

5.6.3 For the purposes of securing any such borrowing the Trustee may with the approval of the Management Company mortgage, charge or pledge in any manner all or any part of the Deposited Property provided that the aggregate amount secured by such mortgage, charge or pledge shall not exceed the limit provided in the Rules.

5.6.4 Neither the Trustee nor the Management Company shall incur any liability by reason of any loss to the Trust or any loss that a Unit Holder may suffer by reason of any depletion in the Net Asset Value that may result from any borrowing arrangement made hereunder.

5.7 TRANSACTIONS WITH CONNECTED PERSONS

⁷¹[**5.7.1** AISF shall not be invest in any security of a company if any director or officer of the Management Company individually owns more than five per cent (5%) of the total amount of securities issued, or, the directors and officers of the Management Company collectively own more than ten per cent (10%) of those securities.

5.7.2 The Management Company on behalf of the Scheme shall not without the prior approval of ⁷²[its Board of Directors in writing and consent of Trustee], purchase from, or sell any security to, any connected person or employee of the Management Company. ⁷³[Provided that above shall not be applicable for sale and redemption of units.]

5.7.3 For the purpose of paragraph 5.7.1 and 5.7.2 above, the terms director, officer and employee shall include spouse, lineal ascendants and descendants, brothers and sisters.

5.7.4 Cash forming part of the property of the Scheme shall be placed as deposits with the Trustee or an institution licensed to accept deposits.

5.7.5 Money shall be borrowed from the Financial Institutions provided that the charges are not higher than the normal bank charges.]

⁷⁴[**5.7.6** The Management Company may undertake transactions involving sale and purchase of securities between the Collective Investment Schemes managed by it where the:-

(a) Sale and purchase decisions are in the best interest of the Schemes involved;

(b) Transactions are executed on an arm's length and fair basis; and

71. Substituted, vide 3rd Supplement dated December 04, 2009, for

"5.7.1 All cash forming part of the Deposited Property shall be deposited by the Trustee in a separate account to be opened in the name of the Trustee, as a nominee of the Fund, with a Bank(s), authorized by the regulatory authority whether based in Pakistan or abroad, of 'investment grade' rating approved by the Management Company. Such bank shall be required to allow Shariah based profit thereon in accordance with the rules prescribed by such bank or the financial institution for sharing of profits on deposits maintained in such account or under any other arrangement approved by the Management Company.

5.7.2 Neither the Trustee or the Custodian (if Trustee has appointed another person as Custodian) nor the Management Company or any of their Connected Persons shall sell or purchase or deal in the sale of any Investment or enter into any other transaction with the Trust save in the capacity of an intermediary.

5.7.3 Subject to the Rules, any transaction between the Trust and the Management Company or any of their respective Connected Persons as principal shall only be made with the prior written consent of the Trustee."

72. Substituted, vide 8th Supplement dated June 02, 2017, for "the Commission in writing".

73. Inserted vide 8th Supplement dated June 02, 2017.

74. Inserted vide 8th Supplement dated June 02, 2017.

- (c) Rationale for undertaking such transactions is documented prior to the execution.]

5.8 RISK

It should be clearly understood that portfolio of AISF is subject to market fluctuations and risks inherent in all such Investments. The value of Units in AISF may appreciate as well as depreciate, and the Fund may or may not declare a dividend. Past performance does not necessarily indicate future performance.

Investments will primarily be in equity securities. Such Investments carry a risk that is considered higher than that to which fixed income or debt securities are subject to. This risk emanates from various factors including, but not limited to, the following:

- Change in business cycles affecting the business of the company in which Investment is made;
- Change in business circumstances of the company, its business sector, industry, and/ or economy in general;
- Mismanagement of the investee company, third party liability, whether through class action or otherwise, or occurrence of such other events as strikes, fraud, etc. in the investee company;
- Breakdown of law and order, war, natural disasters, etc;
- Senior rights of creditors, over the shareholders, in the event of winding up of the investee company;
- Volatility of share prices resulting from their dependence on market sentiment, speculative activity, supply and demand for shares, and liquidity in the market;
- The possibility of default of the participants or failure of the stock exchanges, the depositories, the settlement system, or the clearing system;
- Any governmental or court orders restraining payment of capital income.

- ⁷⁵[▪ There may be times when a portion of the investment portfolio of the Scheme is not compliant either with the investment policy or the minimum investment criteria of the assigned 'Category'. This non-compliance may be due to various reasons including, adverse market conditions, liquidity constraints or investment – specific issues. Investors are advised to study the latest Fund Manager Report specially portfolio composition and Financial statements of the Scheme to determine what percentage of asset of the scheme, if any, is not in compliance with the minimum investment criteria of the assigned Category. The latest monthly Fund Manager Report as per the format prescribed by Mutual Funds Association of Pakistan (MUFAP) is available on the website of the Atlas Asset Management Company (AAML) and can be obtained by calling/writing to AAML.]

The Fund will also invest outside Pakistan and such investments outside Pakistan may be exposed to certain additional risks including political, economic and exchange rate risks that may reduce the value of the investments. However, studies show that diversifying internationally would tend to reduce the overall volatility of a portfolio and thus may reduce risks for investors.

75. Inserted vide 7th Supplement dated September 29, 2016.

Investment in AISF is suitable for investors who have the ability to bear the risks associated with stock market investments. Capital invested in the stock market could in extreme circumstances lose its entire value. However, studies show that diversification of the Investment reduces the risk associated with investing in the stock market.

All Investments made by AISF will be made in adherence with the principles of Shariah as advised by the Shariah Board. It is possible that the effect of the Shariah compliance on Investments of the Fund will result in AISF performing differently from other funds with similar objectives, but that are not subject to Shariah compliance.

⁷⁶[]

The forward contracts, derivative transactions and currency hedging will only be undertaken after a Shariah compliant procedure duly approved by the Shariah Board has been developed for these transactions and which will form the guidelines for undertaking these transactions.

5.9 DISCLAIMER

The Units of AISF are not bank deposits and are neither issued by, insured by, obligations of, nor otherwise supported by the Commission, any Government agency, the Trustee (except to the extent specifically stated in this document and 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.

PART VI - OPERATORS AND PRINCIPALS

6.1 MANAGEMENT COMPANY

Atlas Asset Management Limited is registered with the Commission as an asset management company under the Rules. AAML started operations by offering its first fund with a seed capital of Rs. 300 million in March 2004. AAML, which offers both close and open-end collective investment schemes, as at June 30, 2006 manages in excess of Rs. 4,800 million of assets. AAML has set-up a network of branches and Sales Agents that gives it outreach into major cities of Pakistan. It currently operates two open-end and one closed-end mutual funds.

6.1.1 COMPLIANCE AND TRANSPARENCY

- AAML has established an ongoing (daily), compliance monitoring function. The compliance function ensures compliance with:
 - NBFC Rules 2003 (imposed by the Commission);
 - Trust Deed;
 - Offering Document; and
 - Internal policies and processes.
- The Management Company also ensures that assets in the all open-end as well as closed-end funds are marked to market on a daily basis. This includes the fund's investments in all available asset classes;

76. Deleted vide 3rd Supplement dated December 04, 2009. Before deletion read as "AISF may also invest in Shariah compliant debt instruments on a profit/ loss basis, and there is a possibility that the net result from such Investments may be a loss."

- The offer and redemption prices of open-end funds and NAV of closed-end fund are daily published on AAML's website.

AAML regularly publishes a monthly fund managers' report. The report is designed to ensure transparency and investor confidence by seeking to explain the fund manager's decisions and views.

6.1.2 RATING OF MANAGEMENT COMPANY AND FUNDS

Management Company/ Funds	Rating Agency	Rating	Rating Reflects
Atlas Asset Management Limited	PACRA	AM3+	The rating reflects the company's capacity to manage the risk inherent in the asset management. The rating recognizes the notable improvement in the qualification and prospective capabilities of the asset manager. The intrinsic capacity has been strengthened by setting up some important support system in addition to already implemented policies and processes.
Atlas Income Fund	PACRA	4-Star	The rating reflects a superior performance relative to its peers. The rating is a composite measure of three factors namely: a) returns, b) risk associated with the returns measured by Sharpe Ratio, and c) credit quality of the assets.
Atlas Stock Market Fund	PACRA	4-Star	Rating reflects a superior performance relative to its peers. The rating is a composite measure of two factors namely: a) returns, and b) risk associated with the returns measured by Sharpe Ratio.
Atlas Fund of Fund	PACRA	4-Star	Rating reflects a superior performance relative to its peers. The rating is a composite measure of two factors namely: a) returns, and b) risk associated with the returns measured by Sharpe Ratio.

6.2 OPEN-END FUNDS

Name	Atlas Income Fund
Date of Launch	March 22, 2004
Nature of Fund	Fixed Income Fund
Fund Size (June 30, 2006)	Rs. 2,676 million
Par Value of Unit	Rs. 500/-
NAV June 30, 2006 (ex-bonus)	Rs. 500.29
Return (Year ended June 30, 2006)	11.46%
Distribution (Year ended June 30, 2006)	11.50% (Bonus)

Name	Atlas Stock Market Fund
Date of Launch	November 23, 2004
Nature of Fund	Stock Market Fund
Fund Size (June 30, 2006)	Rs. 1,535 million
Par Value of Unit	Rs. 500/-
NAV June 30, 2006 (ex-bonus)	Rs. 537.79
Return (Year ended June 30, 2006)	32.52%
Distribution (Year ended June 30, 2006)	25% (Bonus)

6.3 CLOSED-END FUND

Name	Atlas Fund of Funds
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Date of Launch	December 13, 2004
Nature of Fund	Fund of Funds
Fund Size (June 30, 2006)	Rs. 550 million
Par Value of Unit	Rs. 10/-
NAV June 30, 2006 (ex-dividend)	Rs. 10.47
Return (Year ended June 30, 2006)	19.39%
Distribution (Year ended June 30, 2006)	15% (cash)

6.4 FINANCIAL HIGHLIGHTS OF MANAGEMENT COMPANY

Year Ended June 30	2005-06	2004-05	2003-04	2002-03
Authorized Capital	250,000,000	250,000,000	250,000,000	30,000,000
Paid-up Capital	250,000,000	120,000,000	120,000,000	30,000,000
Total Equity	248,802,582	102,704,800	119,919,459	30,464,551
Total Assets	261,519,507	109,864,479	120,222,904	30,861,972
Revenue	87,091,379	28,921,167	8,231,249	1,645,417
Expenses	71,341,924	45,769,657	8,797,273	830,415
Profit/(Loss) after Tax	14,117,369	(16,981,407)	(545,092)	464,551

6.5 DETAILS OF SHAREHOLDING OF MANAGEMENT COMPANY

No.	Name	Percentage Holding
1	Shirazi Investments (Pvt.) Limited	88%
2	Atlas Bank Limited	12%

6.6 DUTIES AND POWERS OF MANAGEMENT COMPANY

- 6.6.1** The responsibilities of the Management Company are to invest and manage the assets of the Fund according to the provisions of the Deed, this Offering Document, the Rules and Islamic Shariah (as advised by the Shariah Board) in good faith, to the best of its ability, and without gaining any undue advantage for itself or any Connected Persons or its officers. The Management Company may appoint investment advisors to assist in investing and managing the assets of the Fund or to invest and manage part or whole of the assets of the Fund both locally and abroad, at its own cost and discretion.
- 6.6.2** The Management Company has the responsibility to facilitate investments and disinvestments by investors in the Scheme and to make adequate arrangements for receiving and processing applications in this regard.
- 6.6.3** The Management Company shall comply with the provisions of the Rules and the Deed for any act or matter to be done by it in the performance of its duties and such acts or matters may also be performed on behalf of the 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 the purposes of the Trust Deed to be the act of the Management Company.
- 6.6.4** 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.
- 6.6.5** The Management Company shall account to the Trustee for any loss in value of the Deposited Property where such loss has been caused by its negligence, reckless or

willful act and/ or omission or by its officers, officials or agents.

6.6.6 The Management Company shall manage the Deposited 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 Deed and the Rules. Any purchase or sale of Investments made under any of the provisions of the Deed shall be made by the Trustee according to the instructions of the Management Company, unless such instructions are in conflict with the provisions of the Deed or the Rules. The Management Company shall not be liable for any loss caused to the Fund or to the value of the Deposited Property due to any elements or circumstances beyond its reasonable control.

6.6.7 The Management Company shall maintain at its principal office, proper accounts and records to enable a complete and accurate view to be formed of the assets and liabilities and the income and expenditure of the Scheme, all transactions for the account of the Scheme and amounts received by the Scheme in respect of issues of Units and paid out by the Scheme on redemption of Units ⁷⁷[including front-end or back-end load deducted] and by way of distributions.

6.6.8 ⁷⁸[The Management Company shall within three months of closing of the accounting period of the Open End Scheme transmit or make available on its website to the unit or certificate holders, and submit to the trustee, the Commission and stock exchanges, on which the units or certificates of the scheme are listed, the annual report as per the requirements set out in Schedule V including,

- (i) copy of the balance sheet and income statement;
- (ii) cash flow statement;
- (iii) statement of movement in unit holders' or certificate holders' fund or net assets or reserves; and
- (iv) the auditor's report of the Open End Scheme or Closed End Scheme;

The Management Company shall make the printed copy of the said accounts available to any certificate or unit holder, free of cost, as and when requested.]

6.6.9 ⁷⁹[Within one month of the close of first and third quarters and within two months of the close of second quarter, prepare and transmit ⁸⁰[or make available on its website,] 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;

77. Inserted vide 1st Supplement dated October 29, 2007.

78. Substituted, vide 8th Supplement dated June 02, 2017, for "The Management Company shall prepare and transmit the annual report, together with a copy of the balance sheet, income and expenditure account and the auditor's report of a scheme within *{three} months of closing of the accounting period to the **{Trustee and the} Unit Holders, and the balance sheet and income and expenditure account shall comply with requirements set out in Schedule *{V}."

* Substituted, vide 1st Supplement dated October 29, 2007, for "four". ** Inserted vide 1st Supplement dated October 29, 2007.

* Substituted, vide 3rd Supplement dated December 04, 2009, for "IV of the Rules".

79. Substituted, vide 3rd Supplement dated December 04, 2009, for "Within one month of the close of the first and the third quarter of its year of account, prepare and transmit, through its website *{ } to the Unit Holders, ** {Trustee} and the Commission, balance sheet as on the end of that quarter, profit and loss account, cash flow statement and a statement of changes in equity for that quarter, whether audited or otherwise.

*The text was deleted vide 1st Supplement dated October 29, 2007. Before deletion read as "with the permission of the Commission,"

** The text was inserted vide 1st Supplement dated October 29, 2007.

80. Inserted vide 8th Supplement dated June 02, 2017.

- (iii) cash flow statement;
- (iv) statement of movement in unit holders' or certificate holders' fund or net assets or reserves; 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 the value (at carrying and at market) and the percentage in relation to its own net assets and the issued capital of person whose securities are owned for that quarter, whether audited or otherwise.]

⁸¹[Provided that the Management Company may transmit or make available the said quarterly accounts to the unit or certificate holders by placing them on its website and the Asset Management Company shall make the printed copy of the said accounts available to any certificate or unit holder, free of cost, as and when requested.]

6.6.10 ⁸²[]

6.6.11 The Management Company shall maintain a register of Unit Holders of the Scheme (either in physical or electronic form) and inform the Commission and the Trustee of the address where the register is kept. 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. However, the Management Company may appoint a Transfer Agent, as its agent, to maintain the register and may from time to time remove or replace the Transfer Agent.

6.6.12 The Management Company shall furnish a copy of the annual report together with copies of the balance sheet, income and expenditure account and the auditor's report of the scheme to the Commission within four months of the close of the Accounting Period together with a statement containing the following information, namely:-

- I. Total number of Unit Holders; and
- II. Particulars of the pertinent personnel (executive, research and other) of the asset management company.

6.6.13 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.

6.6.14 The Management Company shall not be under any liability except such liability as may be expressly assumed by it under the Rules and the Deed 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 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 Deed, the Management Company shall not be under any liability therefore or thereby and it shall not incur any liability by reason of any

81. Inserted vide 8th Supplement dated June 02, 2017.

82. Deleted vide 3rd Supplement dated December 04, 2009. Before deletion read as "The Management Company shall within two months after the close of the first half of its year of account, prepare and transmit to the Unit Holders *{Trustee} and the Commission a profit and loss account for and balance sheet as at the end of that half year, whether audited or otherwise, in accordance with the Rules."

*The text was inserted vide 1st Supplement dated October 29, 2007.

error of law or any matter or thing done or suffered or omitted to be done in good faith hereunder.

- 6.6.15** The Management Company shall, ⁸³[under intimation to] the Trustee, from time to time appoint, remove or replace one or more Distribution Company(ies) for carrying out the Distribution Function at one or more locations both locally and abroad, on terms and conditions to be incorporated in the Distribution Agreement(s) to be entered into between the Distribution Company(ies) and the Management Company. Provided the Management Company and its affiliates may also perform Distribution Function and act as a Distribution Company(ies).
- 6.6.16** The Management Company shall appoint, with the consent of the Trustee, at the establishment of the Scheme and upon any vacancy, an Auditor of the Scheme who shall be a chartered accountant and independent of the auditor of AAML and CDC and such auditor shall not be appointed for more than such consecutive terms of one year as specified under the NBFC Rules and contents of the auditor's report shall be in accordance with the provisions of the Rules. The Auditors will also act as Shariah Compliance Auditors, and will complete a Shariah Compliance Audit of the Scheme for each Accounting Period within four months from the relevant accounting data becoming available and will issue a Shariah Compliance audit report. The report will assess the compliance of the Fund with the investment guidelines issued by the Shariah Board.
- 6.6.17** The Management Company shall, from time to time, advise the Trustee of the settlement instructions relating to any investment/ disinvestment transactions entered into by it on behalf of the Scheme. The Trustee shall carry out the settlements in accordance with the dictates of the specific transactions. The Management Company shall ensure that the settlement instructions are given promptly after entering into the transactions so as to facilitate the timely settlement and the Trustee, on its side, shall ensure that the settlement is handled in a timely manner in accordance with the dictates of the transaction.
- 6.6.18** The Management Company shall set a specific criteria to provide for a diverse panel of brokers at the time of offering of the Scheme and shall also ensure that it has been diligent in appointing brokers to avoid undue concentration of business with any single broker.
- ⁸⁴**6.6.19** The Management Company shall ensure that no entry and exit to the scheme (including redemption and reissuance 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.]
- ⁸⁵**6.6.20** The Management Company shall send an investment account statement to each unit/certificate holder on the registered mailing address provided by the unit holder at least once in a year. An Asset Management Company shall provide the account statement to the investors within 7 working days from the

83. Substituted, vide 1st Supplement dated October 29, 2007, for "after obtaining approval of".

84. Inserted vide 3rd Supplement dated December 04, 2009.

85. Inserted vide 8th Supplement dated June 02, 2017.

receipt of such request.]

- ⁸⁶[**6.6 A** The Management Company has delegated its Back Office Accounting Function in line with SECP Circular No. 24/2013 dated December 06, 2013, as amended from time to time.]

6.7 DIRECTORS OF THE MANAGEMENT COMPANY

Name, Occupation and Address	Other Directorships
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86. Inserted vide 6th Supplement dated March 24, 2015.

<p><u>Chairman</u></p> <p>Mr. Yusuf H. Shirazi Business, 2, Khayaban-e-Ghazi, Phase V, DHA, Karachi.</p>	<p>Allwin Engineering Industries Limited Atlas Bank Limited (formerly Dawood Bank Limited) Atlas Battery Limited Atlas Foundation (formerly Shirazi Foundation) Atlas Honda Limited Atlas Insurance Limited (formerly Muslim Insurance Co. Limited) Honda Atlas Cars (Pakistan) Limited Shirazi Capital (Pvt.) Limited Shirazi Investments (Pvt.) Limited Shirazi Trading Co. (Pvt.) Limited</p>
<p><u>Vice Chairman & Chief Executive</u></p> <p>Mr. M. Habib-ur-Rahman Business Executive 65/ III 25th Street, Khyaban-e-Badban Phase V, DHA, Karachi - 75500.</p>	<p>NIL</p>
<p><u>Directors</u></p> <p>Mr. Peter A. Smyth Business Executive 1/F, 24A, Repulse Bay Road, Repulse Bay, Hong Kong.</p>	<p>Amfas Pty Limited ANZ Insage Pty Limited Athelas Pty Limited ING Australia Holding Limited ING Australia Limited ING Asia/ Pacific Limited ING Corporation Service Pty Limited ING Funds Berhad ING Insurance Berhad ING Management Holdings (Malaysia) Sdn. Berhad ING Mauritius Holdings ING Mauritius Investments I ING Mauritius Investments II ING Pension Services Limited ING Pension Trust Limited ING Vysya Bank Limited ING Vysya Life Insurance Co. (Pvt.) Limited Insurance Brokers Hotline Pty Limited Kelso King Endowment Fund Pty Limited MAFG Pty Limited Mercantile Mutual Insurance Equities Pty Limited NNA Pty Limited Prosaf Investments Pty Limited</p>
<p>Mr. Jawaid Iqbal Ahmed Business Executive C-106, Shalimar Estates, 129 Clifton, Karachi.</p>	<p>Allwin Engineering Industries Limited Atlas Foundation (formerly Shirazi Foundation) Atlas Insurance Limited (formerly Muslim Insurance Co. Limited) Honda Atlas Cars (Pakistan) Limited</p>
<p>Mr. Tariq Amin Business Executive 34/ II, Khayaban-e-Badar, Phase V, DHA, Karachi.</p>	<p>Barret Hodgson (Pvt.) Limited Rhodia Pakistan (Pvt.) Limited</p>
<p>Mr. M.P. Bhandara Business House No.1, Murree Brewery Estate,</p>	<p>Murree Brewery Co. Ltd. D.P.Edulji & Co. (Pvt.) Ltd.</p>

National Park Road, Rawalpindi.	
<u>Executive Director</u> Ali H. Shirazi Business 2, Khayaban-e-Ghazi, Phase V, DHA, Karachi.	Allwin Engineering Industries Limited Arabian Sea Country Club Shirazi Capital (Pvt.) Limited Shirazi Investments (Pvt.) Limited
Mr. Michael Ferrer Alternate Director to Mr. Peter A. Symth 2/F, 1-3 Homestead Road, The Peak, Hong Kong.	ING Asia Pacific (Singapore) Limited ING Investment Management Asia Pacific (Hong Kong) Limited ING Investment Management (I) Pvt. Limited Sequoia Realty Holdings and Development INC.
<u>Company Secretary</u> Ms. Lilly R. Dossabhoy D/20-A, Z.C.H.S., Cyrus Minwala Colony, Mahmoodabad, Karachi 75460	

6.7.1 PARTICULARS OF DIRECTORS AND COMPANY SECRETARY

Mr. Yusuf H. Shirazi - Chairman

Mr. Shirazi is the Chairman of Atlas Group of Companies. He is the founder member of the Karachi and Lahore Stock Exchanges, International Chamber of Commerce & Industry, Management Association of Pakistan, Lahore University of Management Sciences, GIK Institute of Science and Technology and Al-Shifa Trust. He has been President of Karachi Chamber of Commerce twice.

Mr. Shirazi did an Advance Management Program (AMP) from Harvard Business School, USA. He has been on the Board of Harvard Business School Alumni Association, Boston, USA. He is the Founder President of Harvard Club of Pakistan and Harvard Business School Club of Pakistan. He is also a visiting speaker at National Defence College, Naval College of War, Pakistan Administrative Staff College, IBA, LUMS and Harvard Business School. He is on the Board of Governors of LUMS, Ghulam Ishaq Khan Institute of Science & Technology (GIK) and Fauji Foundation Institute of Management and Computer Sciences and Member of the Senate of Pakistan Space & Upper Atmosphere Research Commission.

Mr. M. Habib-ur-Rahman - Vice Chairman & Chief Executive

Mr. M. Habib-ur-Rahman is an FCA from the Institute of Chartered Accountants in England & Wales and has attended management level programme PMD from Harvard Business School. He played an instrumental role in setting up the first open-end mutual fund in the private sector in Pakistan and was the Chairman & Chief Executive of JS ABAMCO Limited (formally ABAMCO Ltd.), till December 2003. He was a founding member and Vice Chairman of the Mutual Funds Association of Pakistan. He has been the Commission's nominee on the Board of the Karachi Stock Exchange in 2000, 2001, & 2003, and has also been a member of the Commission's Advisory Group on Capital Markets, and the Commission's Enquiry Committee on management of Exposure Rules by KSE/ LSE.

Mr. Peter A. Smyth - Director

Mr. Peter Smyth is currently the Regional General Manager for ING Insurance Asia/Pacific,

with specific responsibilities for the insurance, funds management and pension activities in Australia, India, Malaysia, New Zealand and Thailand.

Mr. Smyth joined ING in May 1997 in charge of the operations in Korea and Taiwan, before expanding his portfolio to include Australia, various functional responsibilities and the identification of potential business opportunities in the region, including India. With the acquisition of Aetna in July 2000 and the subsequent reorganization of the company's activities due to the increased scale of the business, he took over management of the Australia, India, Malaysia and New Zealand units, with responsibility for Thailand added in March 2006.

Joining ING from Legal & General, Mr. Smyth started his career in 1970 and served in a variety of support and managerial roles in the actuarial, business development and marketing, before focusing on Asia.

Mr. Smyth is a Fellow of the Institute of Actuaries (London) and holds a Bachelor of Arts in Actuarial Studies (Sydney).

Mr. Jawaid Iqbal Ahmed - Director

Mr. Jawaid Iqbal Ahmed, has attended the advanced management program (AMP) from Harvard Business School, Boston, USA, and IPBM from IMD Lussanne, Switzerland. He is also an MBA from IBA, Karachi. He has been working in the Atlas Group in various capacities and has over 35 years of experience in the field of industrial and financial markets of Pakistan. He spearheaded joint venture partnerships of Atlas Group with Honda Japan, JSB Japan, Bank of Tokyo, Asian Development Bank and ING.

Mr. Tariq Amin - Director

Mr. Tariq Amin is the Chairman of Rhodia Pakistan (Pvt.) Limited, a leading multinational company dealing in chemicals. He is also the Deputy Chairman of Barrett Hodgson Pakistan (Pvt.) Limited. He is a law graduate from the University of Karachi, and also holds a Masters degree in English from the University of Karachi, and a Postgraduate Diploma in Development Administration from the University of Leeds. Mr. Amin has been a past Chief Executive and Country Manager of Rhone Poulenc, Chairman of the SITE Association of Industry and Trade, President Pakistan France Business Alliance, President Overseas Investors Chamber of Commerce and Industry, Director Karachi Stock Exchange, and a member of the Pay and Pensions Committee, Public Accounts Committee, Sindh, in addition to participating in numerous other corporate and social forums.

Mr. M.P. Bhandara - Director

Mr. M.P. Bhandara has graduated in Commerce from the Punjab University and read PPE (Philosophy, Politics & Economics) at Brasenose College, Oxford. He has attended the 81st session of the Advanced Management Program (AMP) from the Harvard Business School USA. He has been working as the Chief Executive of Murree Brewery Group since 1961. Under his leadership, the Murree Brewery Company Limited branched in the manufacture of food products, fruit juices and glass containers. The traditional activities of the Company extend to brewing of beers and distilling of fine liquors.

Mr. Bhandara is presently serving as an elected Member of the National Assembly of Pakistan since October 2002. He has previously served as a Member of the National Assembly of Pakistan from 1985 to 1988. He was the Adviser to the President of Pakistan on Minorities Affairs with the rank and status of a Minister of State from 1982 to 1985. He

has previously been the member of Pakistan Delegation to the 37th Session of the U.N. General Assembly, member of Majlis-e-Shura, member of the unofficial Parliamentary delegation to India in May 2003, member of Pakistan Parliamentary Delegation to the Russian Federation in October 2003 and member of the President of Pakistan's delegation to USA/UK in September 2006.

Mr. Ali H. Shirazi - Executive Director

Mr. Ali Shirazi is heading the Sales and Investor Services Departments at AAML. He graduated in Political Science from Yale University, thereafter completed his Masters in Law from Bristol University, UK in 2005. He has worked with the Bank of Tokyo-Mitsubishi in New York as well as American Honda in Torrance, California.

Ms. Lilly R. Dossabhoy - Company Secretary

Ms. Lilly R. Dossabhoy is a Fellow Chartered Accountant from the Institute of Chartered Accountants of Pakistan. She joined the Company in May 2005 as the Chief Financial Officer & Company Secretary, bringing along versatile experience in accounting, auditing and taxation matters gained mainly in A. F. Ferguson & Co., Chartered Accountants, Karachi, a member firm of Price water house Coopers. Earlier, she was associated with M/s. A. F. Ferguson & Co. for over twelve years.

6.8 FINANCIAL SUMMARY OF LISTED ASSOCIATED COMPANIES

6.8.1 Atlas Investment Bank Limited (Merged into Atlas Bank Limited, formerly Dawood Bank Limited with effect from July 29, 2006)

Year Ended June 30	2005	2004	2003	2002	2001
Shareholders' Equity (Rs. in million)	851	697	552	449	177
Total Assets (Rs. in million)	7,117	6,140	5,027	3,543	1,336
Earnings Per Share (Rupees)	4.49	4.21	2.92	1.10	1.80
Cash Dividend	10%	10%	10%	-	-
Stock Dividend	20%	20%	10%	-	-
Market Value Per Share (Rupees)	25.30	27.85	13.50	5.95	6.50
Breakup Value Per Share (Rupees)	20.19	19.84	17.27	14.05	14.95

6.8.2 Atlas Insurance Limited (formerly Muslim Insurance Co. Limited)

Year Ended December 31	2005	2004	2003	2002	2001
Shareholders' Equity (Rs. in million)	371	202	140	112	112
Total Assets (Rs. in million)	843	510	406	337	283
Earnings Per Share (Rupees)	20.80	6.80	4.70	1.50	2.30
Cash Dividend	70%	20%	15%	15%	10%
Stock Dividend	30%	20%	15%	-	10%
Market Value Per Share (Rupees)	116.60	37.00	28.00	19.10	20.00
Breakup Value Per Share (Rupees)	30.3	19.90	15.80	12.70	13.90

6.8.3 Atlas Honda Limited

Year Ended June 30	2006	2005	2004	2003	2002
Shareholders' Equity (Rs. in million)	2,608	2,078	1,646	1,077	792
Total Assets (Rs. in million)	7,630	6,091	4,112	2,657	1,832
Earnings Per Share (Rupees)	18.92	16.70	21.30	16.70	10.60
Cash Dividend	60%	60%	75%	70%	60%
Stock Dividend	15%	40%	25%	-	-

Market Value Per Share (Rupees)	221.10	305.00	175.00	80.00	40.05
Breakup Value Per Share (Rupees)	72.90	58.10	64.40	42.10	31.00

6.8.4 Atlas Battery Limited

Year Ended June 30	2006	2005	2004	2003	2002
Shareholders' Equity (Rs. in million)	264	235	213	130	108
Total Assets (Rs. in million)	563	506	376	304	305
Earnings Per Share (Rupees)	7.82	8.80	25.40	13.70	2.00
Cash Dividend	30%	25%	60%	60%	10%
Stock Dividend	15%	15%	40%	15%	5%
Market Value Per Share (Rupees)	73.90	77.00	154.00	86.00	21.50
Breakup Value Per Share (Rupees)	50.00	51.00	65.10	45.40	39.60

6.8.5 Honda Atlas Cars (Pakistan) Limited

Year Ended March 31	2006	2005	2004	2003	2002
Shareholders' Equity (Rs. in million)	2,705	2,094	1,932	1,702	1,503
Total Assets (Rs. in million)	9,174	11,793	6,999	2,985	2,453
Earnings Per Share (Rupees)	16.79	3.90	9.70	8.20	10.30
Cash Dividend	-	22.5%	42.5%	35%	45%
Stock Dividend	70%	-	-	-	-
Market Value Per Share (Rupees)	112	74.00	89.00	55.00	28.00
Breakup Value Per Share (Rupees)	64.00	50.00	46.00	41.00	36.00

6.8.6 Allwin Engineering Industries Limited

Year Ended June 30	2006	2005	2004	2003	2002
Shareholders' Equity (Rs. in million)	270	254	214	189	185
Total Assets (Rs. in million)	904	715	501	411	405
Earnings Per Share (Rupees)	2.36	3.74	2.60	1.30	(1.10)
Cash Dividend	10%	10%	10%	5%	5%
Stock Dividend	-	-	-	-	-
Market Value Per Share (Rupees)	39.70	33.00	25.90	15.00	6.50
Breakup Value Per Share (Rupees)	12.29	10.93	7.96	5.88	5.93

6.9 MAIN SPONSORS

The main sponsor of the Management Company is Shirazi Investments (Pvt.) Limited (SIL). SIL, the parent company of the Atlas Group, started operations in 1962. It is engaged in capital markets, fund management, under-writing, real estate, warehousing and venture capital investments. SIL took on the key role in sponsoring the acquisition of many Group companies. Atlas Autos Limited, now Atlas Honda Limited, was the first company that was sponsored by Shirazi Investments in 1963. Subsequently, Atlas Battery Limited was sponsored in 1966 and Shirazi Trading Company (Pvt.) Limited in 1973. SIL also played its role in the acquisition of Muslim Insurance Company Limited, now Atlas Insurance Limited in 1980 and Allwin Engineering Industries Limited in 1981 among other ventures. In 1992, SIL sponsored Honda Atlas Cars (Pakistan) Ltd. in coordination with Honda Motor Co. to manufacture Honda Cars. The association was further strengthened by the establishment of Honda Atlas Power Product (Private) Limited in 1997.

SIL has also sponsored ventures in the financial sector, Atlas Lease Limited in

collaboration with The Bank of Tokyo-Mitsubishi Limited, National Investment Trust and the Atlas Group in 1989 and Atlas Investment Bank Limited in collaboration with Asian Development Bank, The Bank of Tokyo Mitsubishi Limited and the Atlas Group in 1990. Atlas Lease Limited was merged with Atlas Investment Bank Limited in 2001 and SIL took over the shares of the joint venture partners after the merger. In 2002, SIL sponsored the Atlas Asset Management Limited to float closed and open-end mutual funds. In 2005, the Atlas Group acquired controlling shares of Dawood Bank Limited and a new bank under the title of Atlas Bank Limited was formed after the merger of Dawood Bank Limited and Atlas Investment Bank Limited with transfer of all brokerage and related businesses of Atlas Investment Bank Limited to Atlas Capital Markets (Pvt.) Limited.

6.10 TRUSTEE

The Trustee for the Scheme is the Central Depository Company of Pakistan Limited (CDC), a company incorporated in 1993 under the Companies Ordinance, 1984 and registered with the Securities & Exchange Commission of Pakistan (the Commission) as a Central Depository Company, with its registered office at CDC House, 99-B, Block 'B', S.M.C.H.S., Main Shahrah-e-Faisal, Karachi, Pakistan.

CDC was formed inter alia, for facilitating efficient, risk free and cost effective settlement of securities transactions in accordance with the international standards to cope up with the ever rising volume of trading in securities at the Stock Exchanges in Pakistan. Given CDC's significance, the legislature enacted a special law, known as Central Depositories Act, 1997 and the Commission has also approved the Regulations made pursuant to the said Act governing the operational and other aspects of the Central Depository System. The Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (Rules) allow CDC to act as the Trustee of closed-end and open-end schemes set up under the Rules. The Commission has approved appointment of CDC as Trustee of AISF vide its letter No.SEC/NBFC-JD-II/AIF/569/2006 dated August 28, 2006.

6.10.1 Shareholders

The major shareholders of CDC include the Karachi Stock Exchange (Guarantee) Limited, Lahore Stock Exchange (Guarantee) Limited, Islamabad Stock Exchange (Guarantee) Limited, National Investment Trust Limited, Investment Corporation of Pakistan, Citibank Overseas Investment Corporation, MCB Bank Limited (formerly Muslim Commercial Bank Limited), Habib Bank Limited and Pakistan Industrial Credit & Investment Corporation Limited.

6.10.2 Professional and Independent Management

CDC is run by professional management and most of the Directors on Board of CDC represent their respective investor institutions, without any personal stake in the Company.

6.10.3 Trustee Division

CDC has set up a separate Trustee Division with senior professionals responsible for its day to day functions. The Trustee Division has the benefit of CDC's structure.

6.10.4 CDC's Mission Statement

CDC is committed to provide secured and dependable services to the capital and

financial markets in an efficient and cost effective manner comparable to best international practices.

6.11 DUTIES AND RESPONSIBILITIES OF THE TRUSTEE

- 6.11.1 The Trustee shall comply with the provisions of the Deed and the Rules, for any act or matter to be done by it in the performance of its duties and such acts or matters may also be performed on behalf of the Trustee by any officer or responsible official of the Trustee or by any nominee or agent appointed by the Trustee, under intimation to the Management Company. Provided that the Trustee shall be responsible for the acts and omissions of all persons to whom it may delegate any of its duties, as if these were its own acts and omissions and shall account to the Trust for any loss in value of the Deposited Property where such loss has been caused by negligence or any reckless act and/ or omission of the Trustee or any of its directors, officers, nominees or agents.
- 6.11.2 The Trustee shall exercise all due diligence and vigilance in carrying out its duties and in protecting the interests of the Unit Holders. The Trustee shall not be under any liability on account of anything done or not done by the Trustee 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 Deed or the Rules. Whenever, pursuant to any provision of the 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, 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.
- 6.11.3 The Trustee shall not be liable for any loss caused to the Fund or to the value of the Deposited Property due to any elements or circumstances beyond its reasonable control.
- 6.11.4 The Trustee shall ensure that the sale, issue, repurchase, redemption and cancellation of Units effected by the Scheme are carried out in accordance with the provisions of the Constitutive Documents.
- 6.11.5 The Trustee shall ensure that the methods adopted by the Management Company in calculating the value of Units are adequate to ensure that the sale, issue, repurchase, redemption and cancellation prices are calculated in accordance with the provisions of the Constitutive Documents.
- 6.11.6 The Trustee shall carry out the instructions of the Management Company in all matters including investment and disposition of the Deposited Property, unless such instructions are in conflict with the provisions of the Deed or the Rules or law.
- 6.11.7 The Trustee shall ensure that the investment and borrowing limitations set out in the constitutive documents and the conditions under which the Scheme was authorized are complied with.
- 6.11.8 ⁸⁷[The Trustee shall issue a report to be included in the annual and quarterly reports

87. Substituted, vide 3rd Supplement dated December 04, 2009, for "The Trustee shall issue a report to be included in the annual report to be sent to Unit Holders whether, in the Trustee's opinion, the asset management company has in all material respects managed the Scheme in accordance with the provisions of the Constitutive Documents, and if the asset management company has not done so, the respects in which it has not done so and the steps which the Trustee has taken in respect thereof."

to be sent to the Unit Holders which shall include:

- (1) Statement of opinion whether the Asset Management Company has managed the Collective Investment Scheme in accordance with provisions of the constitutive documents and other regulatory requirements
- (2) Statement on the shortcoming(s) that may have impact on the decision of the existing or the potential unit holders remaining or investing in the Collective Investment Scheme; and
- (3) Disclosure of the steps taken to address the shortcoming(s) or to prevent the recurrence of the shortcoming(s).]

6.11.9 The Trustee shall ensure that Unit Certificates are not issued until subscription money have been paid.

6.11.10 ⁸⁸[]

6.11.11 ⁸⁹[]

6.11.12 Subject to the Rules, any transaction between the Trust and the Management Company or any of their respective Connected Persons as principal shall only be made with the prior written consent of the Trustee.

6.11.13 The Trustee shall, in consultation with the Management Company, from time to time, appoint, remove or replace one or more Custodian(s) 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.

6.11.14 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 Deposited Property and all other matters relating to the Trust.

6.11.15 The Trustee shall be entitled to require the Auditors to provide such reports as may be agreed between the Trustee and the Management Company as may be considered necessary to facilitate the Trustee in issuing the certification required under the Rules. The Trustee shall endeavor to provide the certification at the earliest date reasonably possible.

6.11.16 The Trustee shall, if requested by Management Company, and may, if it considers necessary for the protection of Deposited Property or safeguarding the interest of Unit Holders, institute or defend any suit, proceeding, arbitration or inquiry or any corporate or shareholders' action in respect of the Deposited 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 ⁹⁰[] legal fees) incurred in

88. Deleted vide 1st Supplement dated October 29, 2007. Before deletion read as "The Management Company shall, under intimation to the Trustee, from time to time appoint, remove or replace one or more Distribution Company(s) for carrying the Distribution Function at one or more locations, on terms and conditions to be incorporated in the Distribution Agreement to be entered into between the Distribution Company and the Management Company."

89. Deleted vide 1st Supplement dated October 29, 2007. Before deletion read as "Neither the Trustee or the Custodian (if Trustee has appointed another person as Custodian) nor the Management Company or any of their Connected Persons shall sell or purchase or deal in the sale of any Investment or enter into any other transaction with the Trust save in the capacity of an intermediary."

90. Deleted vide 3rd Supplement dated December 04, 2009. Before deletion read as "reasonable".

instituting or defending any such action shall be borne by the Trust and the Trustee shall be indemnified against all such costs, charges and expenses, provided that no such indemnity shall be available in respect of any action taken against the Trustee for negligence or breach of fiduciary duties in connection with its duties as the Trustee under the Deed or the Rules. For the avoidance of doubt it is clarified that, notwithstanding anything contained in this Deed, the Trustee and the Management Company shall not be liable in respect of any losses, claims, damages or other liabilities, whatsoever, suffered or incurred by the 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 Fund.

6.11.17 The Trustee shall not be under any liability, except such liability as may be expressly assumed by it under the Rules and the Deed, nor shall the Trustee (save as herein otherwise provided) be liable 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 Deed, the Trustee shall not be under any liability therefore or hereby 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.

⁹¹[6.11.18 The Trustee shall not invest in the Units of the Fund.

6.11.19 The Trustee shall immediately inform the Commission if any action of the Asset Management Company contravenes the Ordinance, the Rules, the Regulations, Constitutive Documents, guidelines, codes, circulars, directives or any other applicable laws.]

6.12 DISTRIBUTION COMPANIES

⁹²[The list of authorized branches designated for acceptance of applications for issuance, redemption, conversion and transfer of units of AISF is provided in Part XVI of the Offering Document and updated on the website of Atlas Asset Management Limited i.e. www.atlasfunds.com.pk. The Management Company shall receive the said applications only at such designated points as updated on the website.]

6.13 CORE INVESTORS

The Core Investors of AISF, and details of their investments in the Fund is as under:

Core Investors	No. of Units	Rupees
Atlas Insurance Limited	100,000	50,000,000
Atlas Honda Limited	100,000	50,000,000
Atlas Honda Limited Employees Provident Fund	55,355	25,000,000
Bank Al Habib Limited	50,000	25,677,429
National Bank of Pakistan	50,000	25,000,000

91. Inserted vide 3rd Supplement dated December 04, 2009.

92. Substituted, vide 3rd Supplement dated December 04, 2009, for "The Fund shall be distributed through the distribution companies and their branches authorized for this purpose including the main office and branches/ representative offices of the Management Company.

A list of the authorized branches of the Management Company is given in **Annexure A** updated up to the issue date of this Offering Document. This list is based on the current addresses of the area offices of the Management Company and can be changed due to relocation of offices or addition or deletion of authorized branches."

The Bank of Punjab	50,000	25,000,000
MCB Bank Limited	20,000	10,000,000
Soneri Bank Limited	20,000	10,000,000
Mr. Saquib H. Shirazi	16,000	8,000,000
Mr. Ali H. Shirazi	14,000	7,000,000
Pakistan Kuwait Investment Company (Pvt.) Limited	10,000	5,000,000
Service Industries Limited	10,000	5,000,000
JDW Sugar Mills Limited Employees Provident Fund Trust	3,000	1,500,000
Nishat Mills Limited Employees Provident Fund Trust	3,000	1,500,000
Allwin Engineering Limited - Employees Provident Fund	2,000	1,000,000
Arif Habib Investment Management Limited	2,000	1,000,000
D.G. Khan Cement Company Limited Employees Provident Fund Trust	2,000	1,000,000
Mr. Aamir H. Shirazi	2,000	1,000,000
Mr. M. Habib-ur-Rahman	1,000	500,000
Mr. Raffat Iqbal	1,000	500,000
Mr. Muhammad Nadeem	600	300,000
Haji Abdul Aziz	400	200,000
Mr. M. Jamil Asghar Khan	400	200,000
Mr. Saeed Ud Din	400	200,000
Mr. Safdar Hussain	256	128,000
Chaudhry Muhammad Zulfiqar Ateeq	200	100,000
Mr. Ather H. Medina	200	100,000
Mr. Iqbal Ahmad	200	100,000
Mr. Muhammad Irfan	200	100,000
Mr. Shaukat Alam	200	100,000
Mr. Sultan Ahmed	200	100,000
Ms. Mashmooma Zehra Majeed	200	100,000
Mr. Muhammad Hussain	120	60,000
Mr. Ajaz Ur Rahim	100	50,000
Mr. Ameer Ali Bawa	100	50,000
Mr. Irshad Ahmed	100	50,000
Mr. Jan Mohammad	100	50,000
Mr. Javed Iqbal	100	50,000
Mr. Mohammad Imran	100	50,000
Mr. Muhammad Naeem Khan	100	50,000
Mr. Nurul Huda	100	50,000
Mr. Riaz Ahmad Butt	100	50,000
Mr. Suhail Ahmed	100	50,000
Mr. Syed Jawad Akhtar	100	50,000
Mr. Shoaib Ahmed	50	25,000
Mr. Adeel Sartaj	40	20,000
Mr. Mansoor Jamil Khan	40	20,000
Mr. Mohammad Arshad Siddiqi	40	20,000
Mr. Mohammad Saqlain Mirza	40	20,000
Mr. Mohammad Siddiq	40	20,000
Mr. Adeel Aijaz Bhatti	30	15,000
Mr. Habib ud din Baqai	30	15,000
Mr. Saqib Mateen	30	15,000
Mr. Shaukat Javaid Chohan	30	15,000
Mr. Muhammad Kamran Ahmed	29	14,571
Mr. Abdul Sattar	20	10,000
Mr. Asif Ali	20	10,000
Mr. Imtiaz Ahmed Sheikh	20	10,000
Mr. Khalil ur Rehman	20	10,000
Mr. Khawaja Shuja Uddin	20	10,000
Mr. Manzoor Qadir	20	10,000
Mr. Mohammad Faheem	20	10,000
Mr. Muhammad Asif	20	10,000
Mr. Muhammad Ilyas	20	10,000
Mr. Muhammad Kashif Jilani	20	10,000
Mr. Rizwan Anjum	20	10,000
Mr. Shahbaz Ahmad	20	10,000
Mr. Shakil Ahmed	20	10,000
Syed Safdar Imam	20	10,000

Mr. Abdul Majeed	10	5,000
Mr. Afzal Ahmed Farooqui	10	5,000
Mr. Asif Tanveer	10	5,000
Mr. Bukhtiar A. Shaheen	10	5,000
Mr. Ehtesham ul Islam	10	5,000
Mr. Faisal Latif	10	5,000
Mr. Ghulam Jaffer Bhatti	10	5,000
Mr. Iftikhar Ahmed	10	5,000
Mr. Imran Idrees	10	5,000
Mr. Imtiaz Ali	10	5,000
Mr. Irshad Ali	10	5,000
Mr. Izhar Ahmed	10	5,000
Mr. Jamil Ahmed	10	5,000
Mr. Kashif Saeed	10	5,000
Mr. Khurram Iqbal	10	5,000
Mr. M. Ehsan Iqbal	10	5,000
Mr. Maher Ali	10	5,000
Mr. Majid Badar Siddiqui	10	5,000
Mr. Misbah Uddin Ahmed	10	5,000
Mr. Mohammad Ariff	10	5,000
Mr. Mohammad Furqan Khan	10	5,000
Mr. Mohammad Ilyas	10	5,000
Mr. Mohammad Ramzan	10	5,000
Mr. Mohammad Safdar	10	5,000
Mr. Mohammad Shahid	10	5,000
Mr. Mohammad Tariq Zubair	10	5,000
Mr. Mohammad Zeeshan Mehdi	10	5,000
Mr. Muhammad Adeel Nisar	10	5,000
Mr. Muhammad Ashraf Malik	10	5,000
Mr. Muhammad Farooq Imran	10	5,000
Mr. Muhammad Hameeduddin	10	5,000
Mr. Muhammad Imran Muzaffer	10	5,000
Mr. Muhammad Kashif Aqil	10	5,000
Mr. Muhammad Kashif Qudwai	10	5,000
Mr. Muhammad Nadeem	10	5,000
Mr. Muhammad Shoaid	10	5,000
Mr. Muhammad Shujahuddin Farhan	10	5,000
Mr. Mushtaq Hussain	10	5,000
Mr. Najmus Seher	10	5,000
Mr. Nawaid Ali Khan	10	5,000
Mr. Raza UL Mustafa	10	5,000
Mr. Shakeel Ahmed	10	5,000
Mr. Zia Ahmed Ansari	10	5,000
Mr. Zulfiqar Abbas	10	5,000
Ms. Slomica Naveed	10	5,000
Syed Ali Arshad Rizvi	10	5,000
Syed Irfan Ali	10	5,000
Syed Kalb-E-Hussain Rizvi	10	5,000
Syed Naimatullah	10	5,000
Syed Shabih Ahmed	10	5,000
TOTAL SEED CAPITAL	517,230	258,615,000

Core Investors have agreed to hold their investments for a minimum period of two years from the date of issue in full of such Units. The Units can be transferred, subject to the condition that these will not be redeemed during the remaining period of two years.

In addition to the Core Investors, the following investors have agreed to subscribe to the Units of the Fund on a Pre-IPO basis. A list of the Pre-IPO investors and their subscription is given below:

Pre - IPO Investors	No. of Units	Rupees
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National Bank of Pakistan	50,000	25,000,000
The Bank of Punjab	50,000	25,000,000
Jahangir Siddiqui & Co. Limited	40,000	20,000,000
First International Investment Bank Limited	20,000	10,000,000
Arif Habib Investment Management Limited	18,000	9,000,000
Escort Investment Bank Limited	10,000	5,000,000
ORIX Investment Bank Pakistan Limited	10,000	5,000,000
Dr. Yasir Mehmood	5,000	2,500,000
Engr. Mazhar Rafique	4,000	2,000,000
Haroon Omer (Pvt.) Limited	4,000	2,000,000
Icaro (Pvt.) Limited	4,000	2,000,000
Monell (Pvt.) Limited	4,000	2,000,000
Trust Leasing Corporation Limited	4,000	2,000,000
Mr. Arshad P Rana	3,000	1,500,000
Mr. Sohail Akbar Soofi	2,800	1,400,000
Askari General Insurance Company Limited	2,000	1,000,000
Avari Hotel Limited	2,000	1,000,000
Central Depository Company of Pakistan Limited		
Employees Gratuity Fund	2,000	1,000,000
MLCF Employees Provident Fund Trust	2,000	1,000,000
Packages Limited Employees Provident Fund	2,000	1,000,000
Mr. Sohail Akbar Soofi	800	400,000
Mr. Shaukat Ali	70	35,000
Mr. Abdul Razzaq	20	10,000
Mr. Shakeel Mirza	20	10,000
Syed Munnawar Hassan	10	5,000
TOTAL PRE-IPO	239,720	119,860,000

There are no redemption restrictions on investors subscribing on a Pre-IPO basis.

6.14 EXTERNAL AUDITORS

The Auditors of AISF are:
Hameed Chaudhri & Co.,
Chartered Accountants
Karachi Chambers
Hasrat Mohani Road
Karachi, Pakistan

6.15 ⁹³[]

6.16 TRANSFER AGENT

⁹⁴[By an agreement, the Management Company has appointed ITMinds Limited (having its registered office at 99-B, Block 'B', S.M.C.H.S., Main Shahrah-e-Faisal, Karachi, Pakistan, as the Transfer Agents of AISF.]

93. Deleted vide 3rd Supplement dated December 04, 2009. Before deletion read as "SHARIAH COMPLIANCE AUDITOR
The Auditor of the Fund will also act as a Shariah Compliance Auditor, and will complete a Shariah Compliance Audit of the Scheme for each Accounting Period within four months from the relevant accounting data becoming available, and will issue a Shariah Compliance audit report. The report will assess the compliance of the Fund with the investment guidelines issued by the Shariah Board."

94. Substituted vide 6th Supplement dated March 24, 2015, for "The Management Company has made in-house arrangement for providing transfer agency function to the Unit Holders at its registered office at Ground Floor, Federation House, Sharae Firdousi, Clifton, Karachi. The Management Company has installed the computer software and hardware for managing the system. Additionally, Transfer Agency Function is supported by qualified staff."

6.17 LEGAL ADVISORS

The legal advisors of AISF are:

Mohsin Tayebaly & Company
2nd Floor, Dime Centre, B-C-4, Block 9
Kehkashan, Clifton
Karachi, Pakistan

6.18 ⁹⁵ Shariah Advisor

The Management Company shall, appoint a Shariah Advisor from time to time that shall advise the Management Company regarding Shariah compliance.

Dr. Hassan Ashraf Usmani has been appointed as Shariah Advisor of the Fund. The Shariah Advisor has considerable experience in the field of Islamic Studies.

Dr. Hassan Ashraf Usmani is a renowned figure in the field of Sharia, particularly in Islamic Finance. He holds M.Phil & Ph.D. in Islamic Finance related to AAOIFI Shariah Standards and graduated as scholar (Alimiyyah Degree) and Takhasus (Specialization) in Islamic Fiqh and Fatawa from Jamia Darul-Uloom Karachi. Dr. Hassan Ashraf Usmani has diverse experience of Shariah consultancy to leading audit firms, Islamic bank, family businesses, charitable organizations and Islamic mutual fund. He was associated with A. F. Ferguson & Co (PwC Pakistan) and Grant Thornton Anjum Rahman (GTAR) as Shariah Audit Consultant, where he supervised several Shariah audit projects at various banks.

The Shariah Advisor will be appointed under intimation to the Trustee for a period of Five years, but may be reappointed on completion of the term. The Management Company may at any time, with notice to the Trustee and intimation to the Commission, terminate the Agreement with the Shariah Advisor by giving a notice as per the Agreement with the Shariah Advisor, before the completion of the term, and fill the vacancy under intimation to the Commission and the Trustee.

6.18 A. Duties and Responsibilities of Shariah Advisor

The Shariah Advisor shall advise the Management Company on matters relating to Shariah compliance and recommend general investment guidelines consistent with Shariah. Any verdict issued by the Shariah Advisor in respect of any Shariah related matter would be final and acceptable to the Trustee, the Management Company, the Unit Holders and other parties. In case of any dispute between the Shariah Advisor and the management, the matter may be referred to Shariah Advisory Board ("SAB") of SECP for resolution.

The Shariah Adviser shall do the research as appropriate on the criteria followed by Islamic Unit Trusts all over the world for the purpose of screening of investments. The Shariah Advisor will then decide as to which screening criteria are relevant to be used in the context of Pakistan's capital markets and the instruments available therein, and which need to be modified/added/deleted.

⁹⁵ Substituted vide 13th Supplement dated June 01, 2020

The Shariah Advisor shall provide technical guidance and support on various aspects of Shariah, so as to enable the Management Company to ensure the Fund is Shariah Compliant.

The Shariah Advisor has certified that Investment Policy of the Trust is compliant with the requirements of Shariah. However, in case there is a requirement for any amendment, based on future research for purposes of increasing the Shariah acceptability of the Investment Policy, permission for necessary amendments of the Deed may be sought from the Commission.

The shariah Advisor shall determine an appropriate percentage of income and cash flows included in the income and cash flow of the companies in which the Unit Trust has invested from activities not in accordance with the principles of the Shariah, and will recommend to the Management Company the criteria for selecting the Charities to whom such sums shall be donated, subject to the condition that such approved charity organization is not related to the Shariah Adviser, Management Company or any of their employees.

At the end of each Annual and Semi Annual Accounting Period or such other interval as the Commission may require, the Shariah Advisor shall issue a Shariah compliance certificate to the effect that all the business activities, investments and operations of the preceding years of the Fund are in conformity with principles of Shariah. This report shall be included in the Annual reports or such other required reports of the fund in accordance with the Shariah guidelines issued by the Shariah advisor.

Consult the Commission who may consult the Shariah Advisory Board where there is any ambiguity or uncertainty as to an investment, instrument, system, procedure and/or process. Ensure that the Shariah-compliant funds comply, with any shariah guideline, ruling or decision issued by the Commission.

6.19 BANKERS

The following shall be the bankers of AISF:

Meezan Bank Limited;
Bank Islami Pakistan Limited;
Habib Metropolitan Bank Limited.

In addition, the Management Company may appoint any other Bank from time to time. The Trustee shall operate the account on instructions from the Management Company.

⁹⁶[6.20 Service Provider

6.20.1 The Management Company has signed an agreement with ITMinds Limited (Service Provider) having its registered address at 99-B, Block 'B', S.M.C.H.S., Main Shahrah-e-Faisal, Karachi, to appoint ITMinds Limited as service provider. The appointment has been made after due assessment of Service Provider capacity which includes availability of relevant IT infrastructure and Systems along with competent human resources to undertake the Back Office functions.

⁹⁶. Inserted vide 6th Supplement dated March 24, 2015.

- 6.20.2 The Management Company hereby indemnifies that rights of the Unit Holder either directly or indirectly would not affect due to any action / service performed under the agreement. Further, in the event of any conflict between Service Level Agreement executed between the Management Company and service provider and the provision of the Offering Documents / Trust Deed, NBFC Rules, and NBFC & NE Regulations, the latter shall supersede and prevail over the provisions contained in the Service Level Agreement.
- 6.20.3 The responsibility of the Management Company/Trustee as contained in the Rules/Regulations and Constitutive Documents shall not be affected by the delegation of Back Office functions in line with SECP Circular No. 24/2013, as amended from time to time.]

PART VII - CHARACTERISTICS OF UNITS

7.1 TYPE OF UNITS AND MINIMUM INVESTMENT

- 7.1.1 AISF is divided into Units having a par value of Rs. 500 with the following characteristics:

Minimum Investment: The minimum amount of investment to open an account is Rs.5,000 and the minimum amount for adding to an existing account is Rs.1,000 per transaction. The Management Company may vary this from time to time at its discretion.

⁹⁷[Front-End Load: ⁹⁸[As specified in Annexure "D"]]

Back-End Load: ⁹⁹[As specified in Annexure "D"]]

- 7.1.2 The Management Company may offer additional types of Units or prescribe additional account under any types of Units through Supplementary Offering Documents.

In the event the investment in any investor's account falls below the minimum level as a result of revised limits, changes in valuation, redemption, conversion, transfer or transmission, the Management Company may instruct the Transfer Agent to close such account by redeeming the Units in such accounts at the close of any Accounting Period at the price applicable to redemptions on such date.

There will be no Transaction Costs or Front-end Load on Units subscribed by the Core Investors, Pre-IPO investors and during the Initial Offer Period. There will be no Back-end Load on Units issued to Core and Pre-IPO investors.

97. Substituted, vide 5th Supplement dated September 20, 2013, for "Front-End Load: Up to 1.0%

Back-End Load: The Management Company will recover the load, which will vary with the period the investment is held. If a Holder has invested on various dates, the redemption will be treated on first in first out basis. There will be no Back-end Load on Bonus Units and for the purpose of redemption these will be treated, standing first in queue. The Back-end Load will be chargeable as follows:

1.5% for first year after investment

1.0% for second year after investment

0.5% for third year after investment

Nil for redemptions after completion of 3 years from the date of investment

Distribution Method: These Units will be entitled to get Bonus Units or Cash dividend as decided by the Management Company."

98. Substituted vide 9th Supplement dated May 25, 2018, for "NIL".

99. Substituted vide 9th Supplement dated May 25, 2018, for "NIL".

7.2 LEGAL STATUS

All Units and fractions thereof represent an undivided share in the Fund and rank *pari passu* as to their rights in the Net Assets and earnings. Each Unit Holder has a beneficial interest in the Deposited Property proportionate to the Units held by such Unit Holder. The Units shall be fully paid up before they are issued, notwithstanding that more than one type of Units may be issued, it is clarified that AISF is one Scheme.

7.3 CORE UNITS

Core Units subscribed by the Core Investors shall be offered and issued at the Initial Offer Price and shall not be redeemable for a period of two years from the date of issue. However, these Units are transferable with the condition that the Units may not be redeemable for a period of two years from the date of issue. A mention of such restriction and its termination date shall be entered into the Register and shall be noted on any Certificate issued in respect of such Units. There will be no Back-end Load on Core Units.

7.4 DETERMINATION OF NAV

7.4.1 A security listed on a stock exchange shall be valued at its last sale price on such exchange on the date as of 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 not higher than the closing asked price nor lower than the closing bid price. Where prices of securities are quoted/ available on a dealer system/ electronic board such as NASDAQ or Reuters the quoted price shall be used.

7.4.2 An investment purchased, and awaiting payment against delivery shall be included for valuation purposes as security held and the account of the Fund shall be adjusted to reflect the purchase price, including brokers' commission and other expenses incurred in the purchase thereof but not disbursed as of the valuation date.

7.4.3 An Investment sold, but not delivered pending receipt of proceeds, shall be valued at the net sale price.

7.4.4 The value of any dividends, bonus shares or rights, which may have been declared on securities in the portfolio but not received by the Fund as of the close of business on the valuation date, shall be included as assets of the Fund 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.

¹⁰⁰[7.4.5]

7.4.6 A security not listed or quoted on a stock exchange, and whose price does not appear on an electronic bulletin board trading system, will be valued on basis of its investment value or break-up value as per last audited accounts whichever is later.

7.4.7 Profit accrued on any profit-bearing security in the portfolio shall be included as an asset of the fund if such accrued profit is not otherwise included in the valuation of the security.

¹⁰¹[7.4.8]

100. Deleted vide 3rd Supplement dated December 04, 2009. Before deletion read as "7.4.5 A security bought or sold under a repurchase or reverse repurchase transaction, which has to be settled at a future date, shall be valued by taking the net effect of the complete transaction into account. The value or loss occurring shall be recognized taking into account the allocation of such value or loss over the period between the transaction date and the settlement date."

101 Deleted vide 3rd Supplement dated December 04, 2009. Before deletion read as "7.4.8 A derivative shall be valued at current market price or, if it is an over-the-counter derivative, at the value quoted for it by a financial institution or the inferred value of the

- 7.4.9 The valuation shall be conducted as at the close of the Business Day in Pakistan. For international Investments, valuation will be carried out one hour before the close of the Business Day in Pakistan according to the price of securities at or around that time or, if the price is not available, at the closing price of securities at the end of the last Business Day in the country in which the securities are quoted.
- 7.4.10 All amounts in foreign currencies will be converted into Pakistani Rupees based on the quotations by the National Bank of Pakistan or the Authorised Dealer(s). The conversion will take place at the average of the buy-sell rates.
- 7.4.11 Any other income accrued up to the date on which computation was made, shall also be included in the assets.
- 7.4.12 All liabilities, expenses, taxes and other charges, due or accrued up to the date of computation, which are chargeable under the Trust Deed, shall be deducted from the value of the assets.
- 7.4.13 For any asset class, where no specific method of valuation is prescribed in the Rules, the guidance from the Commission shall be obtained and valuation shall be done accordingly.
- ¹⁰²[7.4.14 The NAV of the Fund shall be announced by the Management Company on all business days as per the direction of SECP from time to time, on its own website as well as submitted to MUFAP for hosting on its website.]

7.5 DETERMINATION OF OFFER PRICE

- 7.5.1 Units offered and issued during the Initial Period shall be issued at Par Value. The Initial Offer Price is Rs. 500 per Unit.
- 7.5.2 After the Initial Period, the Offer Price shall be calculated and announced by the Management Company on the following basis:
- a) The NAV of the Fund will be calculated based on the valuation methodology given in ¹⁰³[Rules and reproduced in Para] 7.4 above as of the close of Business Day;
 - b) The ¹⁰⁴[Net Assets] will be divided by the number of Units outstanding in the Fund to reach the NAV per Unit;
 - c) The NAV per Unit will be adjusted for the following to arrive at the Offer Price per Unit:
 - i) Addition of any Front-end Load;
 - ii) Addition of such amount as the Management Company may consider an appropriate provision for Duties and Charges;
 - iii) Addition of such amount as the Management Company may consider an appropriate provision for Transaction Costs.
 - d) The Offer Price per Unit will be adjusted upwards to the nearest Paisa.

derivative based on the value of the commodity for which it has been written. The valuation of the derivative must be congruous to the valuation of the commodity for which it has been written."

102. Inserted vide 3rd Supplement dated December 04, 2009.

103. Inserted vide 1st Supplement dated October 29, 2007.

104. Substituted, vide 1st Supplement dated October 29, 2007, for "NAV".

- 7.5.3 The Offer Price will be calculated on each Subscription Day.
- 7.5.4 The Management Company may announce different Units with differing levels of Front-end Load and Management Fees. Consequently, the Offer Price may differ for different types of Units issued and for different investors.
- 7.5.5 In the event that the amount paid as provision for payment of Duties and Charges pursuant to sub-section 7.5.2(c)(ii) 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 (except where such excess arises from any Duties and Charges levied with retroactive effect after the date of payment, in which case such excess shall be recovered from the Deposited Property).
- 7.5.6 In the event that the amount paid as provision for payment of Duties and Charges pursuant to sub-section 7.5.2(c)(ii) exceeds the relevant amount of Duties and Charges, the Transfer Agent shall issue additional Units or fractions thereof to the Unit Holder based on the price applicable to the Units issued against the relevant application.
- 7.5.7 The Offer Price determined by the Management Company shall be made available to the public at the office and branches of the Distribution Companies and, at the discretion of the Management Company, may also be published in at least one daily newspaper widely circulated in Karachi and be made available at its website.

7.6 PURCHASE PROCEDURE - ISSUE OF UNITS

7.6.1 Who Can Apply?

Any investor or any related group of investors qualified or authorized to purchase the Units may apply for the issue of Units in the Fund. The investors may ensure that they are qualified/ authorized to invest. The onus for being qualified does not lie with the Management Company, Trustee, Transfer Agent, Distributors and the Sales Agents and they do not accept any responsibility in this regard. Application may be made by persons, pursuant to the procedures described in paragraphs below, including but not limited to:

- a) Citizens of Pakistan resident in Pakistan: In respect of minors below 18 years of age, applications may only be made by their guardians;
- b) Companies, corporate bodies, financial institutions, banks, partners of a firm and societies/ welfare organizations/ charitable trusts, so long as such Investment is permitted under their respective memorandum and articles of association and/ or bye laws. In respect of trusts, the trustees of such trust may make an application to buy the Units;
- c) Provident or other such retirement funds, formed under section 20(h) of the Trusts Act, 1882 and the Employees Provident Fund (Investment in Listed Securities) Rules, 1996, as amended by S.R.O. 261(1)/2002, dated May 10, 2002;
- d) Insurance companies;
- e) 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 the relevant taxation and exchange regulations/ laws. Any person making an application for the issue of Units shall be deemed to have warranted that he is duly authorized to purchase such Units.

- 7.6.2 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.

7.6.3 How Units can be purchased:

- a) At the time of investment, investors are required to fill in the Application Form, attached to this Offering Document and submit it with the full amount of payment, as mentioned in paragraph 7.6.4 below and copies of the documents mentioned in sub-para (c) and (d) below.
- b) Investor may designate a bank account, which shall be used for transferring any dividends and redemption proceeds. The investor may at any subsequent stage change the account to another bank account. If the bank account is not in Pakistan and/ or denominated in Pakistani Rupee then any cost of conversion or transfer will be borne by the Unit Holder.
- c) In case of individual applicants, a photocopy of the Computerized National Identity Card of the applicant or any other form of identification acceptable to the Management Company.
- d) In case of a body corporate or a registered society or a trust, (1) copy of the memorandum and articles of association/ Charter/ Byelaws or rules and regulations (2) copy of the relevant resolution of the board of directors approving the investment (3) copy of power of attorney and/ or relevant resolution of the board of directors delegating any of its officers to invest the funds and/ or to realize the Investment and (4) copy of the Computerized National Identity Card of the officer to whom the authority has been delegated.
- e) The Distribution Company will be entitled to verify the particulars given in the application form. In case of any incorrect information, the application may be rejected if the applicant does not rectify the discrepancy.
- f) If subsequent to receipt of the application by the Distributor, but prior to issue of the Units, the application is found by the Transfer Agent or the Distributor to be incomplete or incorrect in any material manner, the Transfer Agent or the Distributor will advise the applicant in writing to remove the discrepancy, in the meanwhile the application will be held in abeyance for fifteen days and in the event the discrepancy is not removed in the said fifteen days, the amount will be refunded without any interest or mark-up. However, in the event Units have been issued and a material discrepancy is discovered subsequent to that, the Transfer Agent or the Distributor will advise the applicant in writing to remove the discrepancy within fifteen days and if the investor, in the opinion of the Transfer Agent, fails to remove the discrepancy without good cause, the Units shall be redeemed at the Redemption Price fixed on the date the Units are so redeemed. The Unit Holder shall not be entitled to any payment beyond the redemption value so determined.

7.6.4 Payment for the Units must accompany the Application form:

- a) Payment for Units can be made by banker's draft/ pay order, made payable in Karachi, Pakistan to "**CDC - Trustee Atlas Islamic Fund**".

- b) Payments can also be made by cheque drawn on any bank in Pakistan made payable to the **"CDC- Trustee Atlas Islamic Fund"** and crossed "Account Payee only" and must be drawn on a Bank in the same town as the Authorized Branch of the relevant Distribution Company to which the application form has been submitted is located. However, payment by cheques is subject to such conditions that the Management Company may impose from time to time. (The Management Company may impose such limits it deems fit as to the bank branch on which the cheque is drawn and as to the monetary limits on cheques, which may vary for various class of investors).
- c) Payment for Units in cash will not be accepted. **Investors are warned not to pay cash to any one for the issue of Units.**
- d) Applicants must indicate their account folio number in the Investment Application Form except in cases where the Investor Account Opening Form is sent with the Investment Application Form.
- e) The applicant must obtain a copy of the application signed and stamped by an authorized officer of the Distributor acknowledging the receipt of the application, copies of other documents prescribed herein and the demand draft, pay order, or cheque as the case may be. Acknowledgement for applications and payment instruments can only be validly issued by Distributors. **It may be noted that Distributors or Sales Agents are not authorized to receive cash and the Management Company or the Trustee do not accept any responsibility in this respect.**
- f) The Management Company will make arrangements, from time to time, for receiving Application Forms and payments from outside Pakistan and will disclose these arrangements through its website and its Distributors and agents outside Pakistan.
- ¹⁰⁵[g) The Management Company may request the Trustee to accept investment requests electronically (that is, web based), IVR (Interactive Voice Response) or by any other means such as bank auto debit instructions, credit cards and debit cards. The Management Company may also request the Trustee to open bank accounts at different banks to facilitate the investment through the ATM facility. Any such arrangements shall be notified to the Investor as and when introduced by the Management Company.

In case of submission of electronic online investment requests the Investor's user ID and password will authenticate his/her identity.]

7.6.5 All Forms can be obtained from the Management Company or any Distributor or Sales Agent of the Management Company or downloaded from the Management Company's website or requested from the Management Company by mail.

7.6.6 The Investment Application Form can be lodged with any Distributor or Sales Agents or directly lodged with the Management Company. No other person is authorized to accept the forms or payment.

7.6.7 Allocation / Issue of Units:

- a) The Offer Price determined at the end of the Business Day for Units of

105. Inserted vide 8th Supplement dated June 02, 2017.

the Fund shall apply to all Investment application forms, complete in all respects including payment, received by the Management Company at its registered address during business hours on that Business Day. Any Investment request forms received after business hours will be transferred to the next Business Day. Provided that if a Business Day is not a ¹⁰⁶[Subscription] Day the Offer Price calculated on the next ¹⁰⁷[Subscription] Day shall apply to the purchase request.

- b) In the event payment has been accepted by cheque, the payment will be deemed to be completed on the date the cheque is received by the Management Company. However, the Management Company may impose such limits it deems fit as to the bank branch on which it is drawn and as to the monetary limits on cheques, which may vary for various class of investors, and in the event a cheque is returned unpaid, the Management Company may instruct the Transfer Agent to redeem the Units so allocated at the then prevailing redemption price but not exceeding the redemption price fixed on the day the Units were allocated. In the event the Management Company instructs the Transfer Agent to redeem the Units, the investor may be prosecuted for recovery of the shortfall in the issue and redemption price and/ or other punitive action for presenting a cheque that is returned unpaid.
- c) In general, the payments from outside Pakistan will be deemed to be completed on the date the Trustee receives the payments from international investors in its account. However, the Management Company may announce a different policy for payments for different classes of investors from outside Pakistan.

7.6.8 Unit Holders may make changes in their account information by giving the request in writing for the changes in account information including the changes in bank account information.

7.6.9 **Joint Application:**

- a) Joint application can be made by up to four related groups of applicants. Such persons shall be deemed to hold Units on first named Holder basis; however, each person must sign the application form and submit a copy of their Computerized National Identity Card or other identification document.
- b) The first named Holder shall receive all notices and correspondence with respect to the account, as well as proceeds of any redemption, or dividend payments. Such person's receipt or payment into the person's designated bank account shall be considered as a valid discharge by the Trustee of its obligation.
- c) In the event of death of the first Holder, the person first in the order of survivor(s) as stated in the application form, shall be the only person recognized by the Trustee to receive all notices and correspondences with regard to the accounts, as well as proceeds of any redemption requests or dividend. Such person's acknowledgement of receipt of proceeds shall be considered as the valid discharge by the Trustee of its obligations.
- d) Where Units are registered in the name of Joint Holders and subsequently additional Units are purchased by the same Joint Holders but the application is made in different order, such additional Units will be registered under a different account.

106. Substituted, vide 3rd Supplement dated December 04, 2009, for "Dealing".

107. Substituted, vide 3rd Supplement dated December 04, 2009, for "Dealing".

- 7.6.10 The Management Company may frame additional rules and regulations regarding issue of Units in de-materialized form registered with a depository organization.

7.7 REDEMPTION PRICE

- 7.7.1 During the Initial Period the Units shall not be redeemed.
- 7.7.2 After the Initial Period, the Redemption Price shall be calculated according to the following method:
- a) The NAV of the Fund will be calculated based on the valuation methodology given in ¹⁰⁸[the Rules and reproduced in Para] 7.4 above, as of close of the Business Day.
 - b) The ¹⁰⁹[Net Assets] will be divided by the number of Units outstanding in the Fund to reach the NAV per Unit.
 - c) The NAV per Unit will be adjusted for the following to arrive at the Redemption Price per Unit:
 - i) Deduction of any Back-end Load;
 - ii) Deduction of any taxes imposed by the Government;
 - iii) Deduction of such amount as the Management Company may consider an appropriate provision for Duties and Charges; and
 - iv) Deduction of such amount as the Management Company may consider an appropriate provision for Transaction Costs.
 - d) The Redemption Price will be adjusted downwards to the nearest Paisa.
- 7.7.3 The Redemption Price will be calculated on each Subscription Day.
- 7.7.4 The Management Company may announce different types of Units with differing levels of Back-end Load and Management Fees. Consequently, the Redemption Price may differ for different types of Units issued and for different investors.
- 7.7.5 In the event that the amount deducted for payment of Duties and Charges pursuant to sub-section 7.7.2(c)(iii) 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 the provisions.
- 7.7.6 In the event that the amount paid as provision for payment of Duties and Charges pursuant to sub-section 7.7.2(c)(iii) exceeds the relevant amount of Duties and Charges, ¹¹⁰[] the excess amount ¹¹¹[shall become part of the Deposited Property.]
- 7.7.7 The Redemption Price determined by the Management Company shall be made available to the public at the office and branches of the Distribution Companies and, at the discretion of the Management Company, may also

108. Inserted vide 1st Supplement dated October 29, 2007.

109. Substituted, vide 1st Supplement dated October 29, 2007, for "NAV".

110. Deleted vide 1st Supplement dated October 29, 2007. Before deletion read as "the Trustee shall refund such".

111. Substituted, vide 1st Supplement dated October 29, 2007, for "to the relevant Unit Holders with the next income distribution, or if requested by the Unit Holder, or instructed by the Management Company, at any time earlier."

be published in at least one daily newspaper circulating in Karachi and make it available at its website. The Redemption Price will be published in newspaper after adjusting full Back-end Load.¹¹² []

7.8 REDEMPTION PROCEDURE

7.8.1 Unit Holders may redeem any Units held by them at any time using the Redemption Form attached to this Offering Document. Certificates, if issued, must be submitted with the Redemption with an endorsement at the back of the Certificate. Partial redemption of Units covered by a single Certificate is not permitted. However, Holders may apply for a splitting of the Certificate before applying for redemption. Unless the Joint Holders of Units have specified otherwise, all the Joint Holders shall sign the Redemption Form of such Units.

7.8.2 All Forms can be obtained from the Management Company or any Distributor or Sales Agent of the Management Company or downloaded from the Management Company's website or requested from the Management Company by mail.

7.8.3 The Redemption Form can be lodged with any Authorized Branch of the Distributor or with the Sales Agents or directly lodged with the Management Company. No other person is authorized to accept the form. The applicant must obtain a copy of the form signed and stamped by an authorized officer of the Distributor/ Management Company acknowledging the receipt of the form and the Certificates, if any.

7.8.4 The Redemption Price determined at the end of the Business Day for Units of the Fund shall apply to all Redemption Forms, complete in all respects, received by the Management Company at its registered address during business hours on that Business Day. Any Redemption Forms received after business hours will be transferred to the next Business Day.

Provided that if a Business Day is not a ¹¹³[Subscription] Day, the Redemption Price calculated on the next ¹¹⁴[Subscription] Day shall apply to the redemption request.

7.8.5 The Management Company will make arrangements, from time to time, for receiving Redemption Forms from outside Pakistan and payment of redemption amounts outside Pakistan, and will disclose these arrangements through its website and its Distributors and Agents outside Pakistan.

7.8.6 The maximum interval of time between receipt of an original Redemption Form, complete in all respects and payment of redemption amount to the Unit Holder will not exceed six Business Days. The payment of the redemption value shall be made at the option of the Unit Holder by virtue of a transfer to the Unit Holder's (the first named joint Holder if jointly held) designated banker or by cheque made in the name of the Unit Holder (the first named joint Holder if jointly held). The cheque shall be dispatched at the address registered with the Transfer Agent of the Unit Holders (the first named joint

112. Deleted vide 5th Supplement dated September 20, 2013. Before deletion read as "of 1.5% as mentioned in 7.1.1 above. Holders, holding Units for period longer than one year shall be subjected to Back-end Load applicable to them. There will be no Back-end Load on Core Units."

113. Substituted, vide 3rd Supplement dated December 04, 2009, for "Dealing".

114. Substituted, vide 3rd Supplement dated December 04, 2009, for "Dealing".

Holder if jointly held) or it may be handed over to the duly authorized representative of the Unit Holder (the first named joint Holder if jointly held). In case of overseas account Holders the maximum interval of time between receipt of a Redemption Form and payment of redemption amount to the Authorized Dealer for conversion and transmission to the Unit Holder will not exceed six Business Days, however, the actual receipt of the redemption amount by the Unit Holder may be delayed due to time taken for conversion and transmittal of the amount. The Management Company may also specify some other procedure, rather than direct transfer to a bank account, for payment of redemption amount to overseas Unit Holders.

7.8.7 In redeeming Units of the Fund, no money shall be paid to any person except the Unit Holder or his/ her duly authorized representative.

7.8.8 After an existing Unit Holder has redeemed all his Units and collected all his dues, he shall have no further claims against the Fund.

7.8.9 ¹¹⁵[The Management Company may request the Trustee to accept Redemption requests electronically (that is, web based), IVR (Interactive Voice Response) or by any other means. The Management Company may also request the Trustee to open bank accounts at different banks to facilitate the redemption of Units through the ATM facility. Any such arrangements shall be notified to the Investors as and when introduced by the Management Company.

In case of submission of electronic online redemption requests the Investor's user ID and password will authenticate his/her identity.]

7.8.10 The Management Company may frame additional rules and regulations regarding redemption of de-materialized Units registered with a depository organization.

¹¹⁶[7.8.11 The Management Company shall ensure all valid redemption request are paid based on ranking of the request in a queue.]

7.9 TRANSFER, TRANSMISSION AND CONVERSION PROCEDURE

7.9.1 Unit Holders may, subject to the law, transfer any Units held by them to any other account holder. The transfer shall be carried out after the Transfer Agent has satisfied himself that all requisite formalities including the payment of any taxes and has recovered the fee prescribed for the service. A Unit shall be transferable only in its entirety.

7.9.2 Both the transferor and the transferee must sign every instrument of transfer 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. Every instrument of transfer must be duly completed in all respects including affixation of transfer stamps of the requisite value. Where Certificates have been issued the Trustee may dispense with the production of any Certificate where the Certificate has been lost, stolen or destroyed, subject to compliance by the transferor with like requirements

115. Substituted, vide 8th Supplement dated June 02, 2017, for "The procedure hereinabove 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 redemptions through which a Unit Holder may also redeem Units of the Fund to such extent as the Management Company may arrange from time to time through Automated Teller Machines (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."

116. Inserted vide 3rd Supplement dated December 04, 2009.

to those arising in the case of an application by him for the replacement thereof as provided in this Offering Document or the Trust Deed. The Transfer Agent shall retain all instruments of transfer.

7.9.3 The Transfer Agent, with the prior approval of the Management Company and the Trustee, 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 twelve years from the date of registration thereof and all Certificates which have been cancelled at any time after the expiration of six 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 the Transfer Agent and that every Certificate so destroyed was a 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 subsection 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 proviso (i) above are not fulfilled and (iii) reference herein to the destruction of any document includes reference to the disposal thereof in any manner. Transmission of Units to successors in case of inheritance or distribution of the Units of a deceased Unit Holder shall be processed by the Transfer Agent after satisfying himself as to all legal requirements. The legal costs and taxes, if any, shall be borne and paid by the transferees.

7.9.4 ¹¹⁷ []

7.9.5 The person in whose name the Units are transmitted in the event of death of original Unit Holder shall also be entitled to receive all the dividends declared by the Management Company on such Units, which have not been claimed/ encashed by the deceased Unit Holder.

7.9.6 In case of death of a Joint Holder, the surviving Joint Holder or Holders are required to make a joint application for deletion of the name of the deceased Joint Holder. The application should be accompanied by the death certificate. The Transfer Agent shall carry out the deletion of name after satisfying that all the requisite formalities have been completed and payment

¹¹⁷ Deleted vide 14 supplemental dated November 25, 2021. Before deletion 7.9.4 Subject to any Personal Laws that may be applicable to a Unit Holder, a single Unit Holder can nominate a successor to receive the Units upon his death or may request a nomination or change in nomination. Nominee(s) can be nominated only by single Unit Holder when there are no Joint Holders. If there are more than one nominees their respective shares mentioned in percentage may be mentioned against their respective names. If the shares are not mentioned, the Management Company and the Trustee shall assume that all nominees have equal share. The Unit Holder is required to provide the copy of Computerized National Identity Card (passport, or such other document acceptable to the Management Company in case of foreign nationals), address and specimen signature of the nominee in the form desired by the Management Company. Such nomination shall however not preclude the Management Company or the Trustee or the Transfer Agent from demanding succession certificate from appropriate court of law and they shall not be liable in any manner in case of any disputes among the legal heirs of the deceased.

of the applicable taxes and fees, if any, has been made.

- 7.9.7 A Unit Holder may convert the Units held by him in the Unit Trust Scheme/ Administrative Plan managed by the Management Company into Units of another Unit Trust Scheme/ Administrative Plan managed by the Management Company subject to the terms of the respective Offering Documents or the terms stated in the Supplementary Offering Document(s) relating to the respective Administrative Plan (s). The Transfer Agent shall carry out the conversion after satisfying himself that all the requisite formalities have been completed and payment of the applicable taxes and fees, if any, has been received.
- 7.9.8 A Unit Holder may merge the Units when he/ she has invested with two folio numbers and wishes to merge both the Units into one folio number. The Transfer Agent shall carry out the merger after satisfying himself that all the requisite formalities have been completed and payment of the applicable taxes and fees, if any, has been received.
- 7.9.9 Transfer of Units can be carried out by filing the respective Form and submitting it to the Authorized Branch of a Distributor together with any Certificate/ document required. Any change in particulars of Unit Holder can be incorporated in the Unit Holders' Register by giving written application to the Transfer Agent.
- 7.9.10 Any transfers and transmittal of de-materialized Units placed in a depository organization will take place under the rules and regulations of such organization.
- 7.9.11 The Management Company may close the Register ¹¹⁸[under intimation to the Trustee] by giving at least seven days' notice to Holders and for period not exceeding forty five days in a calendar year.¹¹⁹[However, in no case the time period for closure of register for dividend declaration shall exceed six (6) working days at a time.] During the period the Register is closed, transfer applications will not be received.
- ¹²⁰[7.9.11(A) The Management Company may request the Trustee to accept Conversion/Switching requests electronically (that is, web based), IVR (Interactive Voice Response) or by any other means. The Management Company may also request the Trustee to open bank accounts at different banks to facilitate the Conversion/Switching of Units, from one fund to another fund managed by AAML, through the ATM facility. Any such arrangements shall be notified to the Investors as and when introduced by the Management Company.
- In case of submission of electronic online conversion/switching requests the Investor's user ID and password will authenticate his/her identity.]
- 7.9.12 The transfer, transmission and conversion of Units may be subjected to Duty. In such case the Transfer Agent will recover such Duty before recording transfer, transmission and conversion of Units in the Register.

118. Inserted vide 3rd Supplement dated December 04, 2009.

119. Inserted vide 3rd Supplement dated December 04, 2009.

120. Inserted vide 8th Supplement dated June 02, 2017.

¹²¹[7.9A **DATE AND TIME STAMPING**

All designated points for acceptance of applications for issuance, redemption, transfer and conversion of units shall have appropriate date and time stamping mechanism or arrangement for timely acknowledgement of the said applications.

7.9B CUT-OFF TIMINGS FOR DEALING IN UNITS

The Cut-off timings for acceptance of applications for issuance, redemption, conversion and transfer of units dealing in units of AISF are:

- Monday to Friday: 9.00 am to 4.00 pm

The Management Company shall formally forward all the requests for dealing in Units, duly time and date stamped, to the Trustee within 24 hours of the receipt of such requests.]

7.10 DEALING, SUSPENSION, AND DEFERRAL OF DEALING

7.10.1 Deferral of fresh issue or redemption of Units due to lack of price discovery - The Management Company may at any time, subject to the Rules, defer all or part of the issue or redemption of Units to the next Business Day if due to price caps or floors, or for any other reason, if shares representing a significant part of the portfolio of the Fund were not available for trading during the Business Day. This deferral shall continue till the relevant shares become available for trading.

7.10.2 Suspension of fresh issue of Units - The Management Company may at any time, subject to the Rules, suspend issue of fresh Units. Such suspension may however not affect the issue of bonus Units as a result of dividend 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 Commission ¹²²[and the Trustee] if dealing in Units is suspended and shall also have the fact published, immediately following such decision, in at least two newspapers widely circulated in Pakistan in which the Fund's prices are normally published.

7.10.3 Refusal to accept fresh issue/ account opening request - The Management Company or the Distribution Company may at any time refuse to accept a request for account opening/ fresh issue of Units in any of the following cases:

- a) In case the request for fresh issue of Units is contrary to the Know-Your-Customer rules or any other money laundering rules that the Fund may be subject to or that the Management Company may frame for self regulation;
- b) In case the request for fresh issue of Units is contrary to the rules of the foreign jurisdiction that the Fund or the investor may be subject to or if accepting the request for fresh issue of Units may subject the Fund or the Management Company to additional regulation under the foreign jurisdiction;

121. Inserted vide 3rd Supplement dated December 04, 2009.

122. Inserted vide 1st Supplement dated October 29, 2007.

- c) If accepting the request for fresh issue of Units would in any case be contrary to the interests of the Management Company or the Fund.

7.10.4 Deferral of request for fresh issue of Units - The Management Company may at any time suspend or defer the issue of fresh Units if in its opinion the total number or any one request for fresh issue of Units is so large that investing the funds would take some time and be contrary to the interests of the present Unit Holders. In this case the Management Company may accept certain request for fresh issue of Units and may defer part or all of certain request for fresh issue of Units and issue only a limited number of fresh Units. The Units that are issued on a deferred basis, sometime after the request for fresh issue of Units has been received, will be issued at the Offer Price prevailing on the date of such issue.

7.10.5 The redemption of Units may be suspended or deferred ¹²³[, under intimation to trustee and SECP,] during extraordinary circumstances, including war (declared or otherwise), natural disasters, a major break down in law and order, breakdown of the communication system, closure of one or more Stock Exchanges on which any of the Securities invested in by the Fund are listed, closure of the banking system, computer breakdown or strikes or other events that render the Management Company or the Distributors unable to function, or the existence of a state of affairs which, in the opinion of the Management Company, constitutes an emergency, as a result of which disposal of any investment would not be reasonably practicable or might seriously prejudice the interest of the Fund or of the Unit Holders or a break down in the means of communication normally employed in determining the price of any Investment or when remittance of money cannot be carried out in reasonable time and if the Management Company is of the view that it would be detrimental to the remaining Unit Holders to redeem Units at a price determined in accordance with the Net Asset Value. 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. In the event of a large number of redemption requests accumulating, the requests may be processed in a Queue System and, under extreme circumstances, the Management Company may decide to wind up the Fund. Details of the procedure are given in Section 7.10.7 and 7.10.8 below.

¹²⁴[The Management Company shall ensure that in case of suspension of redemption of units of the scheme due to extra ordinary circumstances, as stated above and as per the provisions of the Regulations, the issuance of fresh units shall also be kept suspended until and unless the redemption of units is resumed.]

7.10.6 Such suspension or Queue System shall end on the day following the first Business Day on which the conditions giving rise to the suspension or Queue System shall, in the opinion of the Management Company, have ceased to exist and no other condition, under which suspension or queue system is authorized under the Deed, exists. In case of suspension and invoking of a Queue System and end of suspension and Queue System, the Management Company shall immediately notify the Commission and publish the same in at least two daily newspapers each circulating at Karachi, Lahore and Islamabad.

123. Inserted vide 3rd Supplement dated December 04, 2009.

124. Inserted vide 3rd Supplement dated December 04, 2009.

7.10.7 Queue System - In the event redemption requests on any day exceed 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 up to 10% of the Units in issue. The Management Company shall proceed to sell adequate assets of the Fund and/ or arrange borrowing, as may be permissible under the Rules as it deems fit, in the best interest of the Unit 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 others received on the same Business Day, such requests shall be processed on a proportional basis, proportionate to the size of the requests. The requests in excess of the 10% shall be treated as redemption requests qualifying for being processed on the next Business Day at the price to be determined for such redemption requests. However, if the carried over requests and the fresh requests received on the next Business Day still exceed 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 (10%) of the Units then in issue.

7.10.8 Winding up in view of major redemptions - In the event the Management Company is of the view that the quantum of redemption requests that have built up shall result in the Fund being run down to an unmanageable level or it is of the view that the sell-off of assets is likely to result in a significant loss in value for the Unit Holders who are not redeeming, it may announce winding up of the Fund under intimation to the Commission and the Trustee. In such an event, the queue system, 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.

7.11 CONSOLIDATION OF UNITS

By a deed supplemental to the Deed, the Management Company may at any time, with the approval of the Trustee, on giving not less than 21 days previous notice in writing to each Unit Holder, subdivide or consolidate the whole or any part of the Units and the Unit Holder shall be bound accordingly. The Management Company shall require in such notice that each Unit Holder to whom Certificates have been issued, (who shall be bound accordingly) deliver 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 the Certificates shall not delay or otherwise affect any such sub-division or consolidation.

7.12 ISSUANCE OF CERTIFICATES

7.12.1 Upon being satisfied that the Initial Offer Price for each Unit has been received in full from the successful applicant, the Transfer Agent¹²⁵[Management Company] shall issue an¹²⁶[electronic] Account Statement that will constitute evidence of the number of Units registered in the name of the Unit Holder.

7.12.2 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 to be set by

125. Inserted vide 8th Supplement dated June 02, 2017.

126. Inserted vide 8th Supplement dated June 02, 2017.

the Management Company from time to time. The proceeds of such fee will accrue to the Management Company.

- 7.12.3** Account Statements ¹²⁷[in electronic form or if requested by the account holder, in physical form,] or Certificates, as the case may be, shall only be issued against full payment of the subscription money.
- 7.12.4** Unit Holders must specify in the application form for Purchase of Units, the denomination and number of Certificates required to be issued against their holding in the Fund. The form, duly completed, must be lodged in the Authorized Branch of a Distributor or with the Management Company.
- 7.12.5** Certificates shall be issued as herein provided not later than 21 Business Days after the date of request. The Certificate may be sent to the Unit Holder ¹²⁸ [] at his own risk by registered post or by courier service.
- 7.12.6** In the case of Units held jointly, the Transfer Agent shall not issue more than one Certificate for the Certificates held by such joint Unit Holders and delivery of such Certificate to the Unit Holder named first therein shall constitute sufficient delivery to all joint Unit Holders.
- 7.12.7** Certificates shall be issued in such form as may, from time to time, be agreed between the Management Company and the Trustee. A Certificate shall be dated, shall bear the name and address of the Management Company and the Trustee, shall bear a serial number and shall specify the number of Units represented thereby and the name and address of the Unit Holder as appearing in the Register.
- 7.12.8** Certificates may be engraved or lithographed or printed as the Management Company may determine from time to time with the approval of the Trustee and shall be signed on behalf of the Trustee by a duly 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 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 in which event all or any of such signatures may be effected by the method so adopted. The Certificates shall also bear the signature of the authorized representative of the Transfer Agent, which shall always be autographic. No Certificate shall be of any force or effect until signed as hereinabove mentioned. Certificates so signed shall be valid and binding notwithstanding that before the date of delivery thereof the Trustee or the Management Company or the Transfer Agent or any person whose signature appears thereon as a duly authorized signatory may have ceased to be the Trustee, Management Company, Transfer Agent or an authorized signatory.
- 7.12.9** The issue of certification or receipt in lieu of physical Certificate or any other record of dematerialized Units placed in a depository organization will take place under the rules and regulations of such organization.
- 7.12.10** Subject to the provisions of the 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 Unit Holder shall be entitled

¹²⁷. Inserted vide 8th Supplement dated June 02, 2017.

¹²⁸ Deleted vide 14 supplemental dated November 25, 2021. Before deletion authorized nominee

to exchange upon surrender of any or all of his existing Certificates for one or more Certificates of such denominations as he may require representing the same aggregate number of Units.

- 7.12.11** In case any Certificate shall be lost, stolen, mutilated, defaced or destroyed, the Transfer Agent, with the approval of the Management Company, may issue to the person entitled a new Certificate in lieu thereof. No such new Certificate shall be issued unless the applicant shall previously have (i) returned the mutilated or defaced Certificate or furnished to the Trustee/ Transfer Agent evidence satisfactory to the Management Company of the loss, theft or destruction of the original Certificate, (ii) paid all expenses incurred in connection with the investigation of the facts; and (iii) furnished such indemnity as the Management Company and the Trustee may require. Neither the Management Company nor the Trustee nor the Transfer Agent shall incur any liability for any action that they may take in good faith under the provisions of this sub-section. Provided further that the Trustee and/ or the Management Company may also require issuance of public notices in newspapers and/ or provision of such indemnification as the Management Company and the Trustee may deem appropriate, at the cost of the pertinent Unit Holder, before issuing any new Certificates.
- 7.12.12** Before the issuing of any Certificate under the provisions of this sub-section, the Transfer Agent may require from the applicant for the Certificate the payment to it of a fee to be set by the Management Company, from time to time, together with a sum sufficient in the opinion of the Management Company to cover any Duties and Charges, if any, payable in connection with the issue of such Certificate.

7.13 PLEDGE OF UNITS

- 7.13.1** Any Unit Holder or all joint Unit Holders may request the Transfer Agent to record a pledge of all or any of his/ their Units in favor of any third party legally entitled to invest in such Units in its own right. The Transfer Agent shall register a pledge on any Units in favor of any third party with the specific authority of the Management Company.
- 7.13.2** The pledge, once registered, shall be removed by the authority of the party in whose favor the pledge has been registered or through an order of a competent court. Neither the Trustee, nor the Management Company, nor the Transfer Agent, shall be liable for ensuring the validity of any such pledge. The disbursement of any loan or undertaking of any obligation against the constitution of such pledge by any party shall be at the entire discretion of such party and neither the Trustee nor the Management Company nor the Transfer Agent take any responsibility in this matter.
- 7.13.3** Payments of dividends or the issue of bonus Units for Units under pledge shall be made to the Unit Holder.

PART VIII - DISTRIBUTION POLICY

8.1 DISTRIBUTION POLICY AND DATE

- 8.1.1** The Fund shall annually distribute an amount that is required under the tax laws and other regulations in force and that may be beneficial for its Unit Holders. The entire amount available for distribution may be distributed as cash dividend, bonus, partially cash/ bonus or in any other form acceptable to the Commission (such as bonus units) that may qualify under the tax laws. The Fund will comply with regulatory and taxation requirements and the distribution policy may be amended accordingly.
- 8.1.2** The Management Company shall decide as soon as possible, but not later

than 45 days after the Accounting Date, whether to distribute among Unit Holders, profits, if any, available for the distribution at the end of the Accounting Period and shall advise the Trustee of the rate of such distribution per Unit.

- 8.1.3** ¹²⁹[The Management Company on behalf of the Scheme shall, for every accounting year, distribute by way of dividend to the unit holders not less than ninety per cent of the accounting income available for distribution of the Scheme received or derived from sources other than capital gains as reduced by such expenses as are chargeable to the Scheme under these Regulations and such other adjustment as the Management Company may determine in consultation with the Auditors.]

“Explanation - For the purpose of this Clause the expression “accounting income” means income calculated in accordance with the requirements of International Financial Reporting Standards (IFRS) as are notified under the Companies Act, 2017, the Regulations and the directives issued by SECP. Wherever the requirement of Regulations or the directives issued by SECP differs with the requirement of IFRS, the Regulations and the said directives shall prevail.]

- 8.1.4** The proceeds of sales of rights and all other receipts deemed by the Management Company, after consulting the Auditors, to be in the nature of capital accruing from Investments, shall not be regarded as available for distribution but shall be retained as part of the Deposited Property, provided that such amounts out of the sale proceeds of the Investments and out of the sale proceeds of the rights, bonus shares and all other receipts as deemed by the Management Company, after consulting the Auditors, to be in the nature of the net realized appreciation, may be distributable to the Unit Holders by the Trustee and shall, thereafter, cease to form part of the Deposited Property, once transferred to the Distribution Account. ¹³⁰[]

- 8.1.5** ¹³¹ [The amount available for distribution in respect of any Accounting Period shall be the sum of all income (realized / unrealized), from which shall be deducted:

- the expenses, as stated in this Offering Document; and
- any taxes of the Fund]

- 8.1.6** The Management Company may also distribute an amount, through cash or bonus, for an interim period that is not a full Accounting Period.

- 8.1.7** The Management Company may announce different Units with reduced levels of management fee. In such cases the difference between the normal management fee and the reduced management fee applicable to such Units will not be paid to the Management Company but will accrue in a special reserve account(s) to which only that class(es) of Units are entitled. On

¹²⁹. Substituted, vide 8th Supplement dated June 02, 2017, for “The amount available for distribution in respect of any Accounting Period shall be determined by the Management Company after consulting the Auditors and shall be the sum total of:

- a) The total income earned on the Deposited Property during such Accounting Period, including all amounts received and accrued in respect of dividend, mark-up, profit and fee;
- b) Whole or part of the net realized and net unrealized appreciation, at the option of the Management Company;
- c) From the above amounts shall be deducted expenses and such other adjustment as the Management Company may determine in consultation with the Auditors.”

¹³⁰. Deleted vide 8th Supplement dated June 02, 2017. Before deletion read as “The Management Company may also elect to distribute the net unrealized appreciation as bonus Units.”

¹³¹ Substituted vide 14th supplemental dated November 25, 2021.

the dates the management fee is paid to Management Company the reserve account(s) will be capitalized as bonus Units at Net Asset Value and will be paid to the relevant classes of Units only notwithstanding the condition of overall income, reserves and retained earnings of the Fund and the income available for distribution in the Fund, if any. Notwithstanding the above, the Management Company may at its option prescribe another way of compensating such classes of Units through the Offering Document.

- 8.1.8** The Management Company, in consultation with the Shariah Board, shall decide what portion of the income of the Fund is Haram, if any, ¹³²[it should be marked to charity by the fund manager in order to purify the whole income.] The Trustee ¹³³[] ¹³⁴[on the instructions of the Management Company will] pay any part of cash dividend or encash bonus Units ¹³⁵[] equivalent to the Haram income ¹³⁶[] to charities. The list of charities to which the Management Company will pay the Haram income will be decided in consultation with the Shariah Board ¹³⁷[and will be disclosed in the annual accounts.] The charities, which may be selected shall be engaged in public welfare and having no affiliation with any political and religious group ¹³⁸[or Management Company or group company or director or employee or any connected person.]

8.2 DISTRIBUTION OF INCOME

- 8.2.1** ¹³⁹[After the fixing of the rate of bonus distribution per Unit, the Management Company will inform the same to the Trustee and the Management Company shall issue additional Units in the name of the Unit Holders as per the bonus ratio.]
- 8.2.2** ¹⁴⁰[Within 45 days of the Accounting Date, the Management Company shall instruct the Trustee to issue payment instruments or to transfer to the Distribution Account such amount of cash as required to effect the cash distribution of income to the Unit Holders net of re-investment of dividend as provided by 8.2.5 below. The amount standing to the credit of the Distribution Account, excluding any profit earned on dividends, shall not be treated as part of the Deposited Property but shall be held by the Trustee upon trust to distribute to Unit Holders as herein provided.]
- 8.2.3** After the fixing of the rate of cash distribution per Unit, ¹⁴¹[unless otherwise advised by the unit/certificate holders, all dividends to which a unitholder is

132. Substituted, vide 2nd Supplement dated March 06, 2008, for “and shall inform the Unit Holders of the proportion of Haram and Halal income of the Fund so that they are able to purify it. Certain Unit Holders may authorize the Management Company to pay any Haram income as charity to purify it.”

133. Deleted vide 2nd Supplement dated March 06, 2008. Before deletion read as “in such cases”.

134. Substituted, vide 1st Supplement dated October 29, 2007, for “is authorized to”.

135. Deleted vide 1st Supplement dated October 29, 2007. Before deletion read as “and pay an amount”.

136. Deleted vide 1st Supplement dated October 29, 2007. Before deletion read as “to the Management Company for onward transmission”.

137. Inserted vide 1st Supplement dated October 29, 2007.

138. Inserted vide 2nd Supplement dated March 06, 2008.

139. Substituted, vide 3rd Supplement dated December 04, 2009, for “After the fixing of the rate of bonus distribution per Unit, the Management Company will inform the Trustee who shall cause to have additional Units issued in the name of the Unit Holders as per the bonus ratio.”

140. Substituted, vide 3rd Supplement dated December 04, 2009, for “On each Accounting Date or interim distribution date the Management Company shall instruct the Trustee to transfer to the Distribution Account such amount of cash as required to effect the cash distribution of income to the Unit Holders net of re-investment of dividend as provided by 8.2.5 below. The amount standing to the credit of the Distribution Account shall not be treated as part of the Deposited Property but shall be held by the Trustee upon trust to distribute to Unit Holders as herein provided.”

141. Substituted, vide 8th Supplement dated June 02, 2017, for “cash distribution payments shall be made by transfer to the Unit Holders’ designated bank accounts,”

entitled, shall be credited by the AMCs in the bank account of the unit holder provided by him/her on the application for investment or otherwise,] or in the case of joint Unit Holders, to designated bank account of the joint Unit Holder first named on the Register. The receipt of funds by such designated bankers shall be a good discharge thereof. The Management Company may propose any other procedure for the payment of cash distribution, such as through dividend warrant made in the name of Unit Holder.

- 8.2.4** Before making any payment 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 Holder the certificate in respect of such deduction in the prescribed form or in a form approved by the concerned authorities.
- 8.2.5** ¹⁴²[Certain Unit Holders may opt to re-invest any cash distributions from the Fund into Units of the Fund. The Management Company, in such cases will not pay cash distribution but will arrange to issue Units of the Fund out of the relevant cash distribution net of any deductions as may be required by law in respect of any Zakat, income or other taxes, charges or assessments. Issue of the account statement by the Transfer Agent showing an increase in Units shall be a good discharge of the obligation to pay dividends. In such cases, the Units will be issued at Net Asset Value less any Duties and Charges and will not attract any Front-end Load or Transaction Cost.]
- 8.2.6** A Unit Holder may elect to receive the cash value of the bonus Units provided such Unit Holder opts for such an arrangement at the time of applying for the Units or requests the Transfer Agent in writing prior to the distribution declaration for any relevant period.
- 8.2.7** Payments of dividends or the issue of bonus Units for Units under pledge shall be made to the Unit Holder.

8.3 DISTRIBUTION OF LIQUIDATION PROCEEDS

- 8.3.1** 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 Deposited Property and shall repay any borrowing effected by the Trust together with any mark-up remaining unpaid.
- 8.3.2** The Trustee, on the recommendation of the Management Company, shall, from time to time, distribute to the Unit Holders pro rata to the number of Units held by them, respectively, all net cash proceeds derived from the realization of the Deposited Property after making payment as mentioned in sub-section 8.3.1 above and retaining such sum as considered or

142. Substituted, vide 3rd Supplement dated December 04, 2009, for "Certain Unit Holders may authorize the Trustee to re-invest any cash distributions from the Fund into additional Units of the Fund. The Trustee, in such cases will not pay cash distribution but will issue such Units and pay for such Units out of the relevant cash distribution net of any deductions as may be required by law in respect of any Zakat, income or other taxes, charges or assessments. Issue of the Account Statement by the Transfer Agent showing an increase in Units shall be a good discharge of the obligation to pay dividends. In such cases, the additional Units will be issued at Net Asset Value less any duties and charges and will not attract any Front-end Load or transaction charges. Deductions in respect of any Zakat, income or other taxes, charges or assessments shall be paid as cash to the relevant Government agencies and the Unit Holder will be issued a certificate in respect of such deduction in the prescribed form or in a form approved by the concerned authorities."

apprehended by the Management Company for all costs, charges, expenses, claims and demands.

- 8.3.3 In case the Trust is terminated by the Commission on the grounds given in the Rules, the Commission may appoint a liquidator in consultation with the Trustee.

PART IX - FEES AND CHARGES

9.1 MANAGEMENT COMPANY'S REMUNERATION

- ¹⁴³9.1.1 Current level Management Fee is disclosed in Annexure "B". Any increase in the current level of Management Fee, provided it is within allowed expense ratio limit shall be subject to giving a prior notice to the Unit Holders and the Unit Holders shall be given an option to exit at the applicable NAV without charge of any exit load as specified in the Regulations.

The accrued remuneration due to the Management Company shall be paid monthly in arrears within thirty days after the end of each calendar month.

- 9.1.2 The remuneration shall begin to accrue from the close of the Initial Offer Period. Such remuneration shall be prorated on the basis of the actual number of days for which such remuneration has accrued.
- 9.1.3 The remuneration due to the Management Company shall be calculated and accrued on a daily basis but paid monthly.
- 9.1.4 Any advisory, management or consultancy fee charged directly to the Fund by an international fund manager/ advisor on the Fund's investments abroad will be the responsibility of the Management Company, and any fees paid out of Deposited Property will be netted-off from the fees paid to the Management Company.
- 9.1.5 The Management Company will reduce its own fee by up to fifty percent on the Deposited Property invested in international mutual funds managed by third party. This reduction will apply on the net management fee of the fund (after excluding rebates/ reduction given to certain types of Units).
- 9.1.6 In consideration of the foregoing, and save as aforesaid, the Management Company shall be responsible for the payment of all expenses incurred by the Management Company from time to time in connection with its responsibilities as Management Company of the Fund. The Management Company shall not make any charge against the Unit Holders or against the Deposited Property or against the Distribution Account for its services or for its expenses, except such expenses as are expressly authorized under the provisions of the Rules and this Offering Document or the Trust Deed to be payable out of Deposited Property.

¹⁴³ Replaced vide 11th Supplement dated November 25, 2019, before replacement read as, The Management Company shall be entitled to receive a remuneration of an amount not exceeding 143[2% of average annual net assets of the Fund that has been verified by the trustee and is paid in arrears on monthly basis.

Provided that the Management Company may charge performance based or fixed fee or the combination of both which shall not exceed the limit prescribed in the regulation and such fee structure shall be disclosed in the offering document.]

- 9.1.7 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 this Offering Document or the Trust Deed.

9.2 TRUSTEE'S REMUNERATION

- 9.2.1 The Trustee shall be entitled to a monthly remuneration out of the Deposited Property based on an annual tariff of charges ¹⁴⁴[given in Annexure 'C'], which shall be applied to the average annual Net Assets of the Fund during such calendar month. The remuneration shall begin to accrue from the date of payment in full by the Management Company in respect of the subscription of the initial Units of the Fund. For any period other than a full calendar month such remuneration will be prorated on the basis of the actual number of days for which such remuneration has accrued.

¹⁴⁵[]

- 9.2.2 Such remuneration shall be paid to the Trustee in arrears within thirty days after the end of each calendar month.
- 9.2.3 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 their duties as Trustee of the Trust. The Trustee shall not make any charge against the Unit Holders or against the Deposited Property or against the Distribution Account for their services or for their expenses, except such expenses as are expressly authorized to be paid out of the Deposited Property under the provisions of the Rules and this Offering Document or the Trust Deed.
- 9.2.4 The Trustee 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 this Offering Document or the Trust Deed.
- 9.2.5 Any increase in the remuneration of the Trustee agreed to by the Management Company shall require the approval of the Commission.

9.3 FORMATION COST

- 9.3.1 Formation Cost that will not exceed 1.0% of the pre-public offer investment in the Fund (including Core Units and Pre-IPO Units) and shall be borne by the Fund and amortized over a period not ¹⁴⁶[less than] five years.

9.4 ALLOCATION OF FRONT-END ¹⁴⁷[] LOAD

- 9.4.1 The remuneration of Distribution Companies and Sales Agents shall be paid

144. Substituted, vide 8th Supplement dated June 02, 2017, for "below."

145. Deleted vide 8th Supplement dated June 02, 2017. Before deletion read as "

Amount of Funds Under Management (Average NAV)	Tariff per annum
Up to Rs.1,000 million	Rs.0.7 million or 0.20% p.a. of NAV, whichever is higher.
On an amount exceeding Rs.1,000 million	Rs.2.0 million plus 0.10% p.a. of NAV exceeding Rs.1,000 million

146. Substituted, vide 3rd Supplement dated December 04, 2009, for "exceeding."

147. Deleted vide 3rd Supplement dated December 04, 2009. Before deletion read as "/ BACK-END".

exclusively from any Front-end ¹⁴⁸[] Load received by the Trustee and no charges shall be made against the Deposited Property or the Distribution Account in this respect. The remainder of any Front-end ¹⁴⁹[] Load after such disbursement shall be paid by the Trustee to the Management Company as distribution support and processing charges for their services for the Fund. If the Front-end ¹⁵⁰[] Load received by the Trustee is insufficient to pay the remuneration of the Distribution Companies and Sales Agents, the Management Company shall pay to the Trustee the amount necessary to pay in full such remuneration.

- 9.4.2 Such payments shall be made to the Distribution Companies and Sales Agents and the Management Company by the Trustee ¹⁵¹[on the instructions of the Management Company] or by the Management Company to the Trustee on monthly basis in arrears within thirty days of the end of the calendar month.
- 9.4.3 A Distributor located outside Pakistan may, if so authorized by the Trustee and the Management Company, retain such portion of the Front-end Load as is authorized by the Management Company and transfer the net amount to the Trustee, subject to the law for the time being in force.
- 9.4.4 Management Company may also issue Units at a reduced or no Sales and Processing Charge. The issue price applicable to Bonus Units issued by way of dividend distribution or issue of units in lieu of cash distribution shall not include any sales or processing charge.
- 9.4.5 Units issued to an existing Account holder through conversion from another scheme run by the Management Company shall be issued at a price based on the Net Asset Value applicable on that date.

9.5 PAYMENT OF UNITS IN FOREIGN CURRENCY

- 9.5.1 The Management Company shall appoint one or more scheduled bank(s) as the Authorized Dealer(s) to manage Offer and Redemption of Units from outside Pakistan in foreign currency under the provisions of the Foreign Exchange Manual of the State Bank of Pakistan.
- 9.5.2 Payments made in foreign currency to purchase Units shall be converted into Pakistani Rupees through the Authorized Dealer using his quoted rates and any conversion cost shall be deducted from the payment before Units are issued.
- 9.5.3 At the option of the Management Company, payments made in foreign currency for Units purchased may directly be made part of Deposited Property without conversion into Pakistani Rupees, after deduction of the relevant duties, charges, Transaction Costs and Front-end Load. The Units issued will be denominated in Pakistani Rupees using as conversion rate, the rates quoted by the Authorized Dealer at the issue date of the Units (buying rate for the relevant currency).
- 9.5.4 Payments to be made in foreign currency on redemption of Units shall be

148. Deleted vide 3rd Supplement dated December 04, 2009. Before deletion read as "/ Back-end".

149. Deleted vide 3rd Supplement dated December 04, 2009. Before deletion read as "/ Back-end".

150. Deleted vide 3rd Supplement dated December 04, 2009. Before deletion read as "/ Back-end".

151. Inserted vide 1st Supplement dated October 29, 2007.

converted from Pakistani Rupees through the Authorized Dealer using his quoted rates and any conversion cost shall be deducted from the payment to be made.

- 9.5.5 At the option of the Management Company, payments to be made in foreign currency for Units redemption may directly be paid from foreign currency dominated bank account that are part of Deposited Property after deduction of the relevant duties, charges, Transaction Costs and Back-end Load. As the Units redeemed will be denominated in Pakistani Rupees, the conversion rate will be the rates quoted by the Authorized Dealer at the redemption date of the Units (selling rate for the relevant currency).

9.6 OTHER FEES AND CHARGES

¹⁵²[Other fees and charges shall include:

- a) Brokerage and transaction costs related to investing and dis-investing of the Deposited Property;
- b) Legal and related costs (with the consent of the Trustee) incurred in protecting or enhancing the interests of the Fund or the collective interest of the Unit Holders;
- c) Bank charges, foreign currency conversion commission & buy-sell spreads, fund transfer costs and borrowing/financial costs;
- d) Audit Fees;
- e) Annual ¹⁵³[non-refundable] Fee payable to the Commission;
- f) Custody charges including Central Depository Company of Pakistan charges and cost of custodial services for overseas investments;
- g) Hedging costs including forward cover, forward purchase or option purchase costs;
- h) Taxes, fees, cess, duties and other charges levied by foreign jurisdictions on investments outside Pakistan and any domestic taxes, fees, cess, duties and other charges;
- i) Charges and levies of Stock Exchange and National Clearing and Settlement Company;

152 Substituted, vide 3rd Supplement dated December 04, 2009, for "Other fees and charges shall include:

- a) Brokerage and transaction costs related to investing and dis-investing of the Deposited Property;
- b) Legal and related costs *(with the consent of Trustee)) incurred in protecting or enhancing the interests of the Fund or the collective interest of the Unit Holders;
- c) Bank charges, foreign currency conversion, commission & buy-sell spreads, fund transfer cost and borrowing/ financial costs;
- d) Audit Fees;
- e) Taxes applicable to the Trust on its income, turnover, assets or otherwise;
- f) Annual Fee payable to the Commission;
- g) Fees and expenses of the Shariah Board;
- h) Custody charges including Central Depository Company of Pakistan charges and cost of custodial services for overseas Investments;
- i) Fees and deposits for registration with a depository organization such as the Central Depository Company of Pakistan;
- j) Hedging costs including forward cover, forward purchase or option purchase costs;
- k) Taxes, fees, cess, duties and other charges levied by foreign jurisdictions on investments outside Pakistan and any domestic taxes, fees, cess, duties and other charges; and
- l) Other charges and fees such as rating fees, listing fees of the exchange, associate membership fee in the stock exchanges, etc."

* The text was inserted vide 1st Supplement dated October 29, 2007.

153. Inserted vide 8th Supplement dated June 02, 2017.

- j) Printing Cost; and
 - ¹⁵⁴¹⁵⁵[(k) Fees and expenses related to registrar services, accounting, operation and valuation services related to CIS.
 - (l) Shariah advisory fee;
 - ¹⁵⁶(m) Selling and marketing expenses for the purpose of opening and maintenance of branches; payment of salaries/commission to sales team and distributors; advertising and publicity expense; development of alternate delivery/distribution channels for CIS; or as may be amended from time to time.
 - ¹⁵⁷[(n)] Any other expense or charge as may be allowed by the Commission
 - ¹⁵⁸(o) Total Expense ratio: Total Expense ratio shall be capped up to 4.5% of the Net Assets of the Fund or any other limit as may be directed by SECP from time to time.
- ¹⁵⁹[]]

PART X: TAXATION

10.1 TAXATION ON INCOME OF AISF

The following is a brief description of the Income Tax Ordinance, 2001, applicable in respect of AISF. This section is for advise only and potential investors should consult their tax experts for their liability with respect to taxation from investment in the Fund. This part does not cover tax liability of non Pakistan resident investor with respect to taxes in their own jurisdiction.

10.1.1 Liability for Income Tax of the Fund

Under the income tax laws of Pakistan, AISF is regarded as a public company for tax purposes. The income of the Fund is taxable at the tax rate applicable to a public company, which is presently as under:

- (a) Dividend Income: 5%.
- (b) Capital gains arising on sale of securities listed on any stock exchange in Pakistan are exempt from tax up to June 30, 2007.
- (c) Return from all other sources/ instruments is taxable at the rate of 35% applicable to a public company.

10.1.2 Liability for Income Tax if 90% of Income is distributed

Notwithstanding the tax rates stated under Section 10.1.1 above, the income of AISF will 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

154. Inserted vide 8th Supplement dated June 02, 2017.

155 Substituted, vide 10th Supplement dated September 05, 2019, for "Fees and expenses related to registrar services, accounting, operation and valuation services related to the scheme maximum up to 0.1% of average annual net assets of the scheme or actual whichever is less;".

156 Substituted, vide 10th Supplement dated September 05, 2019, for "Expenses incurred in connection with selling and marketing expenses subject to such amount and conditions as specified by the Commission; and]

157. Substituted vide 8th Supplement dated June 02, 2017, for "k".

158. Inserted, vide 10th Supplement dated September 05, 2019

159. Deleted vide 8th Supplement dated June 02, 2017. Before deletion read as "Any cost associated with sales, marketing and advertisement of the Fund shall not be charged to the Fund."

calculated after excluding realized and unrealised capital gains. AISF will comply with the requirements of tax exemption and distribute at least 90% of the income, calculated after excluding realized and unrealized capital gains to the Unit Holders.

10.1.3 Withholding Tax

Income from dividend, return from Shariah compliant Term Finance Certificates, return on Riba-free deposits with banks/ financial institutions, return from contracts, securities or instruments of companies, organizations, and establishments issued on the principles of Bai'Muajjal, Bai'Salam, Istisna', Modaraba, Musharika or shares will not be subjected to any withholding tax.

10.1.4 Capital Value Tax

Under Finance Act, 1989 (V of 1989) as amended by Finance Act, 2004 (II of 2004), read with Circular No. 06 of 2004 dated July 01, 2004 a Capital Value Tax (CVT) at the rate of 0.01% of the purchase value of modaraba certificates or any instrument of redeemable capital as defined in the Companies Ordinance, 1984 (XLVII of 1984) or shares of a public company listed on a registered stock exchange in Pakistan was levied on purchase of the same. Subsequently, the rate of CVT was increased from 0.01% to 0.02% through Finance Bill, 2006. This tax will be collected by the stock exchange concerned.

10.1.5 Zakat

AISF is Saheb-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 Ramzanul- Mubarak will be subjected to deduction to 2.5% Zakat.

10.2 TAXATION OF UNIT HOLDERS AND LIABILITY OF ZAKAT

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

10.2.1 Income Tax: Dividend paid to Unit Holders of the Fund shall be subject to income tax as under according to the present rates, which may be changed in future:

	Withholding Tax
Provident Funds Welfare Organization	-
Public Company, Insurance Company or any other Resident Company	5%
Others	10%

The portion of dividends paid out of capital gains on sale of listed securities shall not be subject to income or withholding tax, till such time the capital gains are exempted from tax.

10.2.2 Tax Credit: The individual Unit Holders shall be entitled to a tax credit in Pakistan under Section 62(1) and (2) of the Income Tax Ordinance, 2001 on purchase of new Units. The amount on which tax credit will be allowed shall be the lower of: (a) amount invested; (b) 10% of the taxable income of the Unit Holder; and (c) Rs. 200,000 and will be calculated by applying the average rate of tax of the Unit Holder for the tax year. If the Units so acquired are disposed within 12 months, the amount of tax payable for the tax year shall be increased by the amount of the tax credit allowed.

- 10.2.3 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 Par Value of the Units, except those exempted under the said Ordinance. Zakat will be deducted at source from the dividend amount or from the redemption payment, if Units are redeemed during the Zakat year before payment of dividend.

PART XI: REPORTS AND ACCOUNTS

11.1 ACCOUNTING PERIOD

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 Deposited Property is first paid or transferred to the Trustee and (in any other case) from the end of the preceding Accounting Period.

11.2 ACCOUNTING DATE

Accounting Date means the date 30th June in each year and any interim dates at which the financial statements of the Fund are drawn up. Provided, however, that the Management Company may, with the consent of the Trustee and after obtaining approval of the Commission and the Commissioner of Income Tax, change such date to any other date.

11.3 AUDIT

11.3.1 The first Auditors of the Trust shall be Hameed Chaudhri & Co., Chartered Accountants Karachi, Pakistan. Thereafter, the Management Company shall, in consultation with the Trustee, appoint as auditor a firm of chartered accountants who shall be independent of the auditor of the Management Company and the Trustee. The Management Company may at any time, with the concurrence of the Trustee, and shall, if directed by the Commission, remove the Auditors and appoint other Auditors in their place.

11.3.2 The Auditors shall hold office until transmission of the annual report and accounts but may be re-appointed for up to such number of consecutive terms of one year each as may be permitted under the NBFC Rules. Thereafter, the Auditors shall only be eligible for appointment after the lapse of at least one year. The following persons shall not qualify to be the Auditors of the Trust:

- (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 or Connected Person 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.

- 11.3.3** 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.
- 11.3.4** 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 or elsewhere and shall be entitled to require from the Management Company, the Trustee and their directors, officers and agents, such information and explanations as considered necessary for the performance of audit.
- 11.3.5** The Auditor shall keep track of the foreign investment by the Fund and will ensure that the Fund complies with the foreign investment limit set by the State Bank of Pakistan in view of the clauses governing the limit in this Deed and the Offering Document.
- 11.3.6** 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 and considered necessary to facilitate the Trustee in issuing the certification required under the Rules.
- 11.3.7** The Auditors shall prepare a written report to the Unit Holders on the accounts and books of accounts of the Trust and the balance sheet and income and expenditure account and on every other document forming part of the balance sheet and income and expenditure account, including notes, statements or schedules appended thereto.
- 11.3.8** The contents of the Auditors report shall be as required in the Rules.
- 11.3.9** The Management Company shall:
- (a) Within four months of closing of the Accounting Period, prepare and transmit the annual report together with a copy of the balance sheet, income and expenditure account, together with the Auditor's report for the Accounting Period, to the Commission and Unit Holders in accordance with the Rules.
 - (b) Within two months after the close of the first half of its year of accounts, prepare and transmit to the Unit Holders, and the Commission, a profit and loss account for and balance sheet as at the end of that half year, whether audited or otherwise, in accordance with the Rules.
 - (c) Within a month after the close of the first and the third quarter, prepare and transmit quarterly report to the Unit Holders, the Trustee and the Commission, along with a balance sheet and income and expenditure account as at the end of the pertinent quarter, whether audited or otherwise, in accordance with the Rules.

The regularity of reporting will change if so required under the Rules and the Companies Ordinance, 1984 and the regulations of the Stock Exchange, where AISF is listed.

PART XII: WARNINGS

If you are in any doubt about the contents of this Offering Document, you should consult your stock broker, bank manager, legal advisor, or other financial advisor. The price of the Units of this Fund and the income of this Fund (from which

distribution to Unit Holders is made) may increase or decrease.

PART XIII: GENERAL INFORMATION

13.1 CONSTITUTIVE DOCUMENTS

The constitutive documents of AISF are:

- (a) Trust Deed, dated September 12, 2006, executed between AAML and the CDC;
- (b) This Offering Document;
- (c) Consents of the Auditor, Shariah Board, Legal Adviser and Trustee to their respective appointments and having been named and described as such in this Offering Document;
- (d) Letter No. NBFC-II/AAML/AMC-03/2006 dated June 14, 2006 and Letter No. NBFC- II/21/AAML/IA/08/2006 dated August 01, 2006 from the Commission, licensing AAML to undertake Asset Management and Investment Advisory Services, under Non- Banking Finance Companies (Establishment and Regulation) Rules 2003;
- (e) Letter No. SEC/NBFC-JD-II/AIF/569/2006 dated August 28, 2006 from the Commission to AAML, approving CDC to act as Trustee of AISF under the Non-Banking Finance Companies (Establishment and Regulation) Rules 2003;
- (f) Letter No. NBFC-II/AD-JAM/AIF/672/2006 dated September 22, 2006 from the Commission to AAML, authorizing an open-end scheme named Atlas Islamic Fund under the Non-Banking Finance Companies (Establishment and Regulation) Rules 2003;
- (g) Letter No. SEC/NBFC-II/AD/JAM/727/2006 dated October 10, 2006 from the commission to AAML approving the relaxation in investment limits prescribed under Sub-Rule (3)and(4) of Rule 71 of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003.
- (h) Letter No. SEC/ NBFC AD/ AISF/ 907/ 2006 dated December 13, 2006 from the Commission to AAML, approving this Offering Document under the Non-Banking Finance Companies (Establishment and Regulation) Rules 2003.

¹⁶⁰[The copies of constitutive documents, such as the Deed and the Offering Document, can be inspected free of charge at the addresses given below, however such documents shall also be available on the web site of Atlas Asset Management Limited i.e., www.atlasfunds.com.pk.

HEAD OFFICE

Atlas Asset Management Company Limited Ground Floor,
Federation House, Sharae Firdousi, Clifton, Karachi-75600.
Telephone # (92-21) 5379505-08
Fax # (92-21) 5379280

¹⁶⁰. Substituted vide 8th Supplement dated June 02, 2017, for "The constitutive documents of AISF can be inspected at the head office of the Management Company."

TRUSTEE OFFICE

CDC-House, 99-B, Block 'B', S.M.C.H.S. Main Shahra-e-Faisal,
Karachi-74000.

Telephone # 0800 23275 (Toll free)]

13.2 DATE OF PUBLICATION OF THIS OFFERING DOCUMENT

The date of publication of this Offering Document is December 15, 2006.

13.3 STATEMENT OF RESPONSIBILITY

Atlas Asset Management Limited accepts responsibility for the accuracy of the information herein contained as of the date of publication.

PART XIV: TERMINATION OF THE SCHEME**14.1 TERMINATION AND LIQUIDATION OF TRUST**

14.1.1 The Management Company may terminate the Fund if the Net Assets, at any time, after the Initial Period, fall below Rupees fifty million. The Management Company shall give at least three months' notice to Unit Holders ¹⁶¹[under intimation to the Trustee] and shall disclose the grounds of its decision. The

Management Company may announce winding up of the Fund without notice in the event redemption requests build up to a level where the Management Company is of the view that the disposal of the Deposited Property to meet such redemption would jeopardize the interests of the remaining Unit Holders and that it would be in the best interest of all the Unit Holders that the Fund be wound up.

14.1.2 In the event the Management Company is of the view that the quantum of redemption requests that have built up shall result in the Fund being run down to an unmanageable level or it is of the view that the sell-off of assets is likely to result in a significant loss in value for the Unit Holders who are not redeeming, it may announce winding up of the Fund without notice.

14.1.3 The Trust may also be terminated by the Commission on the grounds given in the Rules.

14.1.4 This Offering Document or the Trust Deed may be terminated in accordance with the conditions specified in the Rules if there is any breach of the provisions of this Offering Document or the Trust Deed or any other agreement or arrangement entered into between the Trustee and Management Company regarding the Trust.

PART XV: SIGNATORIES TO THE OFFERING DOCUMENT

Name	Position on the Board of the Management Company	Signatures
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161. Inserted vide 1st Supplement dated October 29, 2007.

Mr. Yusuf H. Shirazi	Chairman	s/d
Mr. M. Habib-ur-Rahman	Vice Chairman & Chief Executive Officer	s/d
Mr. Peter A. Smyth	Director	s/d
Mr. Jawaid Iqbal Ahmed	Director	s/d
Mr. Tariq Amin	Director	s/d
Mr. M. P. Bhandara	Director	s/d
Mr. Ali H. Shirazi	Executive Director	s/d

Dated: December 12, 2006

Place: Karachi

Witness: Ms. Lilly R. Dossabhoy

CNIC No.: 42301-0990986-4

PART XVI - ANNEXURES

Annexure A

¹⁶²[The current address of the Head Office, authorized branches/saving centers and distribution offices are as given below. The updated list of Authorized Branches/Saving Centers and Distribution Offices can be found on the website of Atlas Asset Management Limited i.e., www.atlasfunds.com.pk.]

Atlas Asset Management Limited

Karachi

Head Office

Ground Floor, Federation House, Sharae Firdousi, Clifton,
Karachi-75600.

Phone: (92-21) 111-MUTUAL (6-888-25), 5379501-4 Fax: (92-21) 5379280

¹⁶³[

Savings Center Karachi

Faiyaz Centre,
Ground Floor,
Shahra-e-Faisal
(opp. FTC building),
Karachi-74400.
Ph: (92-21) 34522601-02

Lahore Office

C/o. Atlas Battery Ltd.
Building 64/1, Block-XX,
Khayaban-e-Iqbal, DHA,
Lahore.
Cell: 0321-4181292

Rawalpindi Office

C/o. Atlas Honda Limited,
60, Bank Road,
Saddar,
Rawalpindi.
Ph: (92-51) 5856411

Distributors

Savings Center Islamabad

Ground Floor, East End Plaza,
Plot No. 41, Sector F-6/G6,
Ataturk Avenue, Blue Area,
Islamabad.
Ph: (92-51) 280 1140

Faisalabad Office

C/o. Atlas Honda Ltd,
Customer Care Centre,
1st Floor, Meezan Executive Tower,
4-Liaqat Road,
Faisalabad.
Ph: (92-41) 2541013

Savings Center Abbottabad

Office # 5,
First Floor,
Al- Fateh Shopping Center
(opp Radio Station),
Abbottabad.
Ph : (92-992) 408186

¹⁶². Substituted vide 8th Supplement dated June 02, 2017, for "This list is based on the current address of the Area Offices of the Management Company and can be changed due to relocation of office or additions or deletions."

¹⁶³. Substituted vide 8th Supplement dated June 02, 2017, for

SCHEDULE OF CHARGES:

¹⁶⁵ { Management Company shall be entitled to an accrued remuneration equal to an amount not exceeding ¹⁶⁶ [3.5%] of average Annual Net Assets, within allowed expense ratio limit.

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

¹⁶⁷

Front-end Load	Nil
Back-end Load	Nil

Any change in Load structure shall be done through an addendum to the Offering Document after seeking prior approval of the Commission

¹⁶⁴. Inserted vide 3rd Supplement dated December 04, 2009.

¹⁶⁵ Replaced vide 11th supplement dated November 25, 2019 before replacement read as, ¹⁶⁵[Management Fee: 2.0% (Any increase in the management fee will be with the approval of the Commission)

¹⁶⁶ Substituted vide 14th supplemental dated November 25, 2021 for 2.5.

¹⁶⁷ Deleted vide 14th supplemental dated November 25, 2021

TRUSTEE'S REMUNERATION

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

NET ASSETS (Rs.)	TARIFF
Up to Rs.1,000 million	Rs.0.7 million or 0.20% p.a. of NAV, whichever is higher.
On an amount exceeding Rs.1,000 million	Rs.2.0 million plus 0.10% p.a. of NAV exceeding Rs.1,000 million

]

168. Inserted vide 8th Supplement dated June 02, 2017.