

**Supplement to the  
Offering Document of  
Atlas Income Fund**

**Dated: June 21, 2005**



**Supplement I dated June 21, 2005 to  
Offering Document of Atlas Income Fund (AIF) issued on  
March 09, 2004**

**(Managed by Atlas Asset Management Limited (Formerly Atlas Asset Management Company Limited), as an asset management company registered under the Asset Management Companies Rules, 1995 now replaced by the Non Banking Finance Companies (Establishment and Regulation) Rules, 2003)**

Established in Pakistan under the Trusts Act 1882 (11 of 1882) by a Trust Deed dated February 20, 2003 and as amended vide Deed of Change of Trustee and First Supplemental Trust Deed dated June 11, 2005 and authorized under Rule 67 of the Non Banking Finance Companies (Establishment and Regulation) Rules, 2003 (Rules).

Effective from June 21 2005, the following paragraphs in the Offering Document are revised. It is also mentioned for clarification that the information contained in paragraphs 6.1 (a), (b) & (c) and 6.5 of the Offering Document are as of March 22, 2004 and are not amended through this Supplement to Offering Document. For latest information, please refer to latest financial reports or visit the web site [www.atlasfunds.com.pk](http://www.atlasfunds.com.pk)

**1. Amendment in PART - I (a) INTRODUCTION:**

This paragraph has been deleted and replaced as under:

- a) "Atlas Income Fund (AIF) has been established in Pakistan by a Trust Deed, dated February 20, 2003 between Atlas Asset Management Limited (AAML) (formerly Atlas Asset Management Company Limited), as the management company and Muslim Commercial Financial Services (Private) Limited (MCFSL), as the trustee, and as amended vide Deed of Change of Trustee and First Supplemental Trust Deed dated June 11, 2005 between the Management Company and Central Depository Company of Pakistan Limited, (as the new Trustee appointed by the Management Company with the approval of the Commission on the retirement of MCFSL) and authorized under Rule 67 of the NBFC Rules, 2003."

**2. Amendment of Paragraph 2.2:**

At the end of the paragraph 2.2, following has been added:

- a) The Transfer Agent Agreement dated August 21, 2003 between the Management Company and Muslim Commercial Bank Limited has been terminated w.e.f. April 16, 2005. The Management Company is performing this function from its place of business.
- b) In addition to the documents at serial (1) to (8), mentioned in paragraph 2.2, following documents can be inspected at the place of business of the Management Company and Trustee, during business hours.
- (i) The Commission's letter no. NBFC-II/JD-II/AIF/308 dated April 20, 2005 approving the appointment of Central Depository Company of Pakistan Limited (CDC), as the trustee of AIF;
- (ii) Deed of Change of Trustee and First Supplemental Trust Deed of AIF dated June 11, 2005 between Atlas Asset Management Limited, as the management company and Central Depository Company of Pakistan Limited (CDC), as the trustee, appointing CDC as new Trustee in place of MCFSL;
- (iii) The Commission's letter no. NBFC-II/JD-II/AIF/397 dated May 27, 2005 approving this Supplemental Offering Document.

**3. Amendment of Paragraph 3.9 (a):**

In Paragraph 3.9 (a), after the word "(GDR)", the following words are added:

"Convertible debt securities till such time they are not converted into equity securities, redeemable preference shares, Certificate of Musharika (COM) issued by a Modaraba having minimum investment grade credit rating"



For the sake of clarity, it is stated that after the said amendment, Paragraph 3.9 (a) is read as under:

**Amended Paragraph 3.9(a):**

- (a) “Bonds, debentures, debenture stock, participation term certificates, term finance certificates, Euro bonds, Global Deposit Receipts (GDR), Convertible debt securities till such time they are not converted into equity securities, redeemable preference shares, Certificate of Musharika (COM) issued by a Modaraba having minimum investment grade credit rating and other asset backed or mortgaged backed securities. Such investments shall include those for ready as well as those for future settlements”.

**4. Amendment of Paragraph 3.50(f):**

In sub-clause “f” after the word “warrants” the following text is added:

“and distributing bonus Units or partly both”

For the sake of clarity, it is stated that after the said amendment, Paragraph 3.50 (f) is read as under:

**Amended Paragraph 3.50(f):**

- (f) “Dispatching income distribution warrants and distributing bonus Units or partly both and allocating Units to Holders on re-investment of dividends as per Clause 30.4 of the Trust Deed”;

**5. Amendment of Paragraph 3.58:**

At the end of the text the following line is added:

“The Management Company may itself perform the Registrar Function”.

For the sake of clarity, it is stated that after the said amendment, Paragraph 3.58 is read as under:

**Amended Paragraph 3.58:**

“3.58 “Transfer Agent” means a company including a Bank that the Management Company may appoint for performing the Registrar Function. The Management Company may itself perform the Registrar Function”.

**6. Amendment of Paragraph 4.1**

At the end of the paragraph following sentences are added.

“Muslim Commercial Financial Services (Private) Limited resigned as the trustee w.e.f from June 11, 2005 and the Management Company appointed Central Depository Company of Pakistan Limited, a company incorporated under the Companies Ordinance, 1984, with its registered office at 8th Floor, Stock Exchange Building, Stock Exchange Road, Karachi 74000 as the trustee. The resignation of outgoing Trustee and appointment of new Trustee was approved by the Commission under the provisions of the Rules”.

**7. Amendment of Paragraph 5.8:**

Following third line after the full stop is removed:

“Fraction of Units will not be issued except on conversion to dividend, as per sub paragraph 11.4 (c) of this Offering Document”.

Following lines are added:

“All Units and fractions thereof represent an undivided share in the Fund and rank pari passu as to their rights in the net assets, earnings and the receipt of dividends and distributions”.

For the sake of clarity, it is stated that after the said amendment, Paragraph 5.8 is read as under:



**Amended Paragraph 5.8:**

"AIF shall offer and redeem Units to investors on a continuous basis. There is no lower or upper 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. All Units and fractions thereof represent an undivided share in the Fund and rank pari passu as to their rights in the net assets, earnings and the receipt of dividends and distributions. The Units shall be fully paid before they are issued. The liability of Unit Holders shall be limited to the extent of unpaid amount (if any) on Units. Units or fractions thereof may be redeemed for cash by redeeming to AIF. Units are also transferable. Units will be issued in registered uncertificated form and will be confirmed to investors by means of an account statement issued by Transfer Agent. Certificates will be issued if so requested by Unit Holder".

**8. Amendment of Paragraph 6.2**

Sub-paragraphs ( i ) and ( ii ) of paragraph 6.2 stand deleted and are substituted by the following:

"With effect from June 11, 2005, with the signing of the Deed of Change of Trustee and First Supplemental Trust Deed dated June 11, 2005, **Central Depository Company of Pakistan Limited**, an unlisted public company, incorporated under the Companies Ordinance, 1984, having its Registered Office at 8th Floor, Karachi Stock Exchange Building, Stock Exchange Road, Karachi and registered to act as central depository company under Rule 4(3) of the Central Depository Companies (Establishment & Regulation) Rules, 1996, (hereinafter called "CDC", which expression where the context so permits, shall include its successors in interest and assigns) has been appointed as the Trustee in place of the retiring Trustee Muslim Commercial Financial Services (Pvt.) Limited. The principal business activity of the company is to act as a depository for securities and to open securities accounts. From the year 2002, CDC expanded its business activity to provide trustee/ custodial services to mutual funds sector. CDC is acting as trustee for funds under management by all the leading asset management companies/ investment advisers. All trustee related operations of CDC are completely automated and supported by strong and efficient computerized systems and dedicated staff".

**9. Amendment of Paragraph 6.7:**

At the end of paragraph following sentence is added:

"The Transfer Agent has resigned and w.e.f. April 23, 2005 the Management Company has made in-house arrangement for providing transfer agent function to the Unit Holders at its main Karachi office premises, given under 6.5 above".

**10. Amendment of Paragraph 7.3(e):**

In the second line, the following words are deleted:

"and one Urdu"

For the sake of clarity, it is stated that after the said amendment, Paragraph 7.3(e) is read as under:

**Amended Paragraph 7.3(e):**

e) "The Management Company shall publish the Offer and Redemption Prices in at least one English newspaper having prime circulation in major cities of Pakistan on a daily basis and such prices shall remain in effect for the day. If a day is not a Business Day the price will be announced on the preceding Business Day".

**11. Amendment of Paragraph 7.5:**

In Paragraph 7.5, after the words "will be distributed annually as dividend", the following words are added:

"or bonus Units, wholly or in part"

For the sake of clarity, it is stated that after the said amendment, Paragraph 7.5 is read as under:



**Amended Paragraph 7.5:**

“At least 90% of the income and realized capital gains received by AIF will be distributed annually as dividend or bonus Units, wholly or in part and the balance of income will be retained for re-investment. However, if income tax laws will allow higher retention of profit, the Management Company may consider such option in the interest of Unit Holders. All Units shall have the same rights with respect to dividend. The Unit Holders may request the Management Company to re-invest the dividends due to them for purchase of additional Units (refer to paragraph 11.4 of this Offering Document)”.

**12. Amendment of Paragraph 8.3**

In the first line after the words “payable to” the words “the The” are deleted and replaced by the word “CDC”.

For the sake of clarity, it is stated that after the said amendment, Paragraph 8.3 is read as under:

**Amended Paragraph 8.3:**

“Payment for Units can be made by Cheque or bank draft or pay order, made payable to “CDC-Trustee-Atlas Income 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 Office to which the application form has been submitted is located. Payments for Units in cash will not be accepted. It is reiterated that only Authorized Branches of Distribution Offices are authorized to collect application and payment for issue of Units”.

**13. Amendment of Paragraph 11.2**

In Paragraph 11.2, after the words “in the form of dividends”, the following words are added:

“or bonus Units or partly both”

For the sake of clarity, it is stated that after the said amendment, Paragraph 11.2 is read as under:

**Amended Paragraph 11.2:**

“The Management Company shall decide not later than forty-five days after the end of the Accounting Period whether to distribute profits, if any, available for distribution in the form of dividends or bonus Units or partly both to the Unit Holders. The balance of the net income will be retained for re-investment in AIF. The Management Company may pay the Unit Holders interim dividend, if it considers that the income for the Accounting Period would justify such distribution”.

**14. Amendment of Paragraph 11.4**

In the first line of sub-paragraph [c], after the words “up to” the word “two” is removed and the word “four” is added and after the word “Unit” the “comma” is removed and a “full stop” is added and after the full stop, the following line is deleted:

“and any amount remaining (if any) may be distributed to the Unit Holder.”

For the sake of clarity, it is stated that after the said amendment, Paragraph 11.4 is read as under:

**Amended Paragraph 11.4:**

“Fractions of a Unit will be issued up to four decimal places of a whole Unit. Certificates will not be issued for fractions of Units”.



**15. Addition of new Paragraph 11.8:**

**11.8 Stock Dividend**

“The Management Company may decide to distribute in the interest of the Holders, wholly or in part the distributable income in the form of a stock dividend which would comprise of the Bonus Units of the Trust. The Bonus Units would rank pari passu as to their rights in the Net Assets, earnings, and receipt of dividend and distribution with the existing Units from the date of issue of these Bonus Units. The Bonus Units will be calculated as laid down in Paragraph 11.4 (b) of the Offering Document published on March 09, 2004.

Bonus Units are hereby defined as the Units issued on distribution of distributable income, in the form of stock dividend”.

**16. Amendment of Paragraph 12.3**

The table of Trustee remuneration has been revised as follows:

Net Assets (Rs.in millions)	Tariff
From 1 to 1,000	Rs. 0.7 million or 0.20% of NAV, whichever is higher
Over Rs. 1,000	Rs. 2.0 million plus 0.10% of NAV exceeding Rs. 1,000 million

**17. Amendment of Paragraph 16.4:**

- a) Under the heading “**About Units**”, the first point “1) Distinctive numbers” is deleted. Other points are renumbered.
- b) Under the heading “**Instructions**”, the second point is amended to read as: “Instruction about reinvestment of dividend in Units or encashment of Bonus Units”.

**18. Amendment of Paragraph 16.5:**

Under the list at point (6), after the word “dividends” the full stop may be removed and “or issuance of bonus Units” is added. This point will read as under:

- 6) “additional units are issued against re-investment of dividend or issuance of bonus Units”.

**19. Amendment of Paragraph 16.6:**

In the third line of sub-paragraph (g) the words “distinctive and” are deleted.

For the sake of clarity, it is stated that after the said amendment, Paragraph 16.6 is read as under:

**Amended Paragraph 16.6:**

- g) “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 Holder as appearing in the Register”.



Securities and Exchange Commission of Pakistan  
Specialized Companies Division  
NBFC Department

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No. NBFC-II/JD (R)/Atlas-AIF/865/2004

October 15, 2004

Chief Executive,  
Atlas Asset Management Limited,  
Ground Floor, Federation House,  
Sharae Firdousi, Clifton,  
Karachi


Fax# (021) 537 9280

**Subject: AMENDMENTS IN OFFERING DOCUMENT OF ATLAS INCOME FUND**

Dear Sir,

I am directed to refer to your letter No. AAMCL/04-05/CEO/18/492 dated September 24, 2004 concerning the subject matter and to convey approval of the Securities and Exchange Commission of Pakistan to the amendments in clause 7.5 and 11.2 of the offering document of Atlas Income Fund. As agreed, provisions for option to the unit-holders to receive cash instead of bonus units shall be added in clause 11.8 of the offering document. Please note that these changes are to be notified to the unit holders by your company.

Yours truly,

  
(Muhammad Afzal)  
Joint Director



**Securities and Exchange Commission of Pakistan  
Specialized Companies Division  
NBFC Department**

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No. NBFC-II/JD (R)/Atlas-AIF/704/2004

August 13, 2004

Mr. Habib ur Rehman  
The Chief Executive,  
Atlas Asset Management Limited,  
Ground Floor, Federation House,  
Sharaf Firdousi, Clifton,  
Karachi

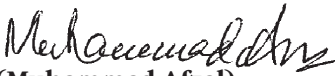
Fax# (021) 537 9280

**Subject: AMENDMENTS IN THE OFFERING DOCUMENT OF ATLAS INCOME FUND**

Dear Sir,

I am directed to refer to your letter No. AAMCL/04-05/MKT/18/154, dated 07 August 2004 and to convey approval of the Securities and Exchange Commission of Pakistan to the addition of clause 11.8 in the Offering Document of Atlas Income Fund on the condition that the words 'in the interest of Holders' shall be inserted before 'coma(,)' and after the word 'distribute' in the proposed text of the aforesaid clause. The change shall also be notified for information of unit holders of the fund in two national newspapers (one Urdu and one English) at least twenty-one days before effecting the proposed change.

Yours truly,

  
(Muhammad Afzal)  
**Joint Director**





Securities and Exchange Commission of Pakistan  
Specialized Companies Division  
NBFC Department

No. NBFC-II/JD II/AIF/397

May 27, 2005

The Chief Executive,  
Atlas Asset Management Limited,  
Ground Floor, Federation House,  
Sharaf Firdousi, Clifton,  
Karachi

**Subject:**

**AMENDMENTS IN THE TRUST DEED &  
OFFERING DOCUMENT OF ATLAS INCOME FUND**

Dear Sir,

I am directed to refer to your letter no. AAMCL/04-05/MKT/87/2728 & 2744 dated May 19, 2005 concerning the subject matter and to convey approval of the Securities and Exchange Commission of Pakistan to the amendments proposed in the clauses mentioned below of the Offering Document and Trust Deed of Atlas Income Fund subject to the condition that Atlas Asset Management Company Limited, shall publish a notice in a widely circulated newspaper informing the general public and the unit holders about the changes made in the trust deed and the offering documents. The Company shall also place the revised and amended offering document on its website.

**Offering Document**

Clause 1(a)  
Clause 2.2  
Clause 3.9(a)  
Clause 3.5(f)  
Clause 3.58  
Clause 4.1  
Clause 5.8  
Clause 6.7  
Clause 7.3(e)  
Clause 8.3  
Clause 11.4(c)  
Clause 16.4  
Clause 16.6(g)  
Clause 12.3  
Clause 6.2  
Clause 16.5

**Trust Deed**

Clause 1.5(f)  
Clause 1.58  
Clause 1.60  
Clause 8.1  
Clause 8.3  
Clause 15.5  
Clause 16.1  
Clause 16.2  
Clause 18.5  
Clause 24.3(b)  
Clause 26.5

You are required to submit a copy of the amended trust deed after its registration along with a copy of the revised offering document.

Yours truly,

  
**Tanzila Mirza  
(Joint Director)**



**Securities and Exchange Commission of Pakistan  
Specialized Companies Division  
NBFC Department**

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No. NBFC-II/JD-II/-AIF/308

April 20, 2005

Mr. Habib ur Rehman,  
The Chief Executive,  
Atlas Asset Management Limited,  
Ground Floor, Federation House,  
Sharae Firdousi, Clifton,  
Karachi

**Subject: CHANGE OF TRUSTEE OF ATLAS INCOME FUND (AIF) THROUGH  
APPOINTMENT OF CENTRAL DEPOSITORY COMPANY (CDC) IN PLACE OF  
MUSLIM COMMERCIAL FINANCIAL SERVICES (PVT) LTD (MCFSL)**

Dear Sir,

I am directed to refer to your letter dated April 05, 2005 concerning the subject matter and to convey approval of the Securities and Exchange Commission of Pakistan to the appointment of Central Depository Company of Pakistan Limited as trustee of Atlas Income Fund in place of Muslim Commercial Financial Services (Pvt) Ltd in terms of rule 74 and 75 of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003.

Please ensure to complete the other required legal formalities if any to effect the change of trustee and safe transfer of all assets of Atlas Income Fund from Muslim Commercial Financial Services (Pvt) Ltd to Central Depository Company of Pakistan Limited, accordingly, under intimation to this office.

Yours truly,

  
**(Tanzila Mirza)  
Joint Director**

**Cc: Chief Executive  
Muslim Commercial Financial Services (Pvt.) Ltd,  
3rd Floor, Adamjee House, I.I. Chundrigar Road,  
Karachi.**

**(with reference to their letter dated March 29, 2005.)**