

Risk Disclaimer: All Investments in mutual Fund are subject to market risks. The NAV of Units may go down or up based on the market conditions. The investors are advised in their own interest to carefully read the contents of the Offering Document, in particular the Investment Policies mentioned in clause 2, Risk Factors mentioned in clause 2.4, Taxation Policies mentioned in Clause 7 and Warnings in Clause 11 before making any investment decision.

**OFFERING DOCUMENT
OF
AKD AGGRESSIVE INCOME FUND
(Formerly: AKD Income Fund)**



Category of CIS	Risk Profile	Risk of Principal Erosion
Income	Medium	Principal at medium risk

(An Open End Aggressive Fixed Income Scheme)

MANAGED BY

AKD INVESTMENT MANAGEMENT LIMITED

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OFFERING DOCUMENT OF AKD INCOME FUND

MANAGED BY

AKD Investment Management Limited (AKDIML)

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

Date of Publication of Offering Document 18 March, 2006

Initial Offering Period: March 19, 2007 to March 22, 2007 (both days inclusive)

The AKD Income Fund (Fund / Scheme / Trust) has been established through a Trust Deed under the Trusts Act, 1882, entered into between AKD Investment Management Limited, the Management Company and Central Depository Company of Pakistan Limited, the Trustee and is authorized under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the Rules).

REGULATORY APPROVAL AND CONSENT

Approval of the Securities and Exchange Commission of Pakistan

The Securities and Exchange Commission of Pakistan (SECP) has authorized the offer of Units of AKD Income Fund (the Fund) under Rule 67 of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the Rules). The SECP has approved this Offering Document, under Rule 70 of the Rules.

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

The provisions of the Trust Deed and the rules govern this Offering Document. It sets forth information about the Fund that a prospective investor should know before investing in the Fund. Prospective investors should consult one or more from amongst their legal adviser, stock broker, bank manager or other financial adviser.

Investors must recognize that all investments involve varying levels of risk. The portfolio of the Fund consists of market-based investments, listed as well as unlisted, that are subject to market fluctuations and risks inherent in all such investments. Neither the value of the Units in the Fund nor the dividends declared by the Fund are or can be assured. Investors are requested to read the Risk Disclosure and Warnings statement contained in Clause 2.4 and Clause 11 respectively in this Offering Document.

Filing of the Offering Document

The Management Company has filed a copy of the Offering Document signed by the Chief Executive along with the Trust Deed with the SECP. Certified copies of these documents along with documents 2 to 7 below can be inspected at the registered office of the Management Company or the place of business of the Trustee:

1. The SECP's letter No. SC/NBFC-AD/813/2005 dated November 22, 2005 granting license to AKDIML to carry out Asset Management Services with the copy of the license;

2. Trust Deed (Deed) of AKD Income Fund dated October 02, 2006 between AKD Investment Management Limited (AKDIML) as the establisher and the Management Company and Central Depository Company of Pakistan Limited (CDC), as the Trustee;
3. SECP letter No. SEC/NBFC-II/AD-Jam/610/2006 dated September 11, 2006 approving the appointment of CDC as the Trustee of AKD Income Fund;
4. SECP letter No. SEC/NBFC-II/JD/AKDIML/2006/799 dated November 10, 2007, authorizing AKD Income Fund;
5. Letter dated October 16, 2007 from A.F. Ferguson & Co. Chartered Accountants; Auditors of AKD Income Fund, consenting to the issue of statements and reports;
6. Letter of Consent dated October 18, 2007 by the legal advisor, Sattar & Sattar, Attorney-at-Law to act as the legal advisor of the AKD Income Fund;
7. The SECP's letter No. SEC/NBFC-II/JD/AKDIML/195/2007 dated March 13, 2007, approving this Offering Document.

1. CONSTITUTION OF THE SCHEME

1.1 Constitution

The Fund is an open-end fund and has been constituted by a Trust Deed entered into at Karachi on October 2, 2006 between:

AKD Investment Management Limited (AKDIML), a Non-Banking Finance Company incorporated under the Companies Ordinance, 1984, and licensed by SECP to undertake asset management and investment advisory services with its registered office at 606, Continental Trade Centre, Block-8, Clifton, Karachi, as the establisher of the Fund and the Management Company; and

Central Depository Company of Pakistan Limited (CDC), a company incorporated under the Companies Ordinance, 1984, with its registered office at CDC House, 99-B, Block "B", S.M.C.H.S., Main Shahra-e-Faisal, Karachi, Pakistan as the Trustee.

1.2 Registered Address, Place and Date of Creation

The registered address of AKD Investment Management Limited is 606, Continental Trade Centre, Block-8, Clifton, Karachi. The Trust was created on October 2, 2006. The official website address of AKD Investment Management Limited is www.akdinvestment.com.

1.3 Trust Deed

The Deed is subject to and governed by the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003, Securities and Exchange Ordinance, 1969 and all other applicable laws and regulations. The terms and conditions in the Deed and any supplemental deed(s) shall be binding on each Unit Holder.

1.4 Modification of Trust Deed

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

1. To such extent as may be required to ensure compliance with any applicable laws and regulations or any amendment of such laws and regulations;

2. To enable the provisions of the Deed to be more conveniently and efficiently implemented;
3. To enable the Units to be listed on a Stock Exchange or any other Exchange; or
4. Otherwise to the benefit of the Unit Holders.

Provided that in case (2), (3) and (4) above, such alteration or addition shall not prejudice the interest of the Unit holders; and that in any event, it shall not release the Trustee or the Management Company of their responsibilities.

Where the Deed has been altered or supplemented, the Management Company shall notify the Unit Holders at their respective registered addresses and the dispatch of such notices to the Unit Holders will be announced in two daily newspapers having its primary circulation in Pakistan.

However, if the SECP modifies the Rules to allow any relaxations or exemptions for all the funds, these will deemed to have been included in the Constitutive Documents without requiring any modification as such.

1.5 Duration

The duration of the Fund is perpetual. However, the SECP or the Management Company may, on occurrence of certain events, wind it up as stated in Section 13 of this Offering Document under the heading "Termination of the Fund".

1.6 Units

1.6.1 The Fund is divided into Units having a First Offer Price of Rs50/- each. This price is applicable to such Units that are issued before any of the assets of the Fund are invested other than deposits, whether or not earning mark-up/profit. Thereafter, the Units shall be issued on the basis of their Net Asset Value (NAV), which shall form the base for determining the Offer and Redemption Prices. 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 the dividends and distributions. Each Unit Holder has a beneficial interest in the Fund proportionate to the Units held by such Unit Holder.

1.6.2 The Management Company is initially issuing the following Classes of Units:

- a. Class "A" Units being offered and issued during the Private Placement and Initial Period of Offer (IPO) with no Sales Load.
- b. Class "B" Units (Growth Units) shall be offered and issued after the Initial Offering Period with Sales Load (including a Front-end and/or Back-end Load).
- c. Class "C" Units (Restricted/Core Units) Units issued to the Core Investors with no Sales Load. These Units cannot be redeemed for a period of 2 (two) years from the date of closure of the First Offer. However, such Units are transferable.
- d. Class "D" Units (Flexi Income Units) which shall be offered and issued after the Initial Offering Period with Sales Load (including a Front-end and/or Back-end Load) and allow Units to be redeemed on a continuous basis at intervals offered by the Management Company to entertain a regular payout to the Unit Holder; provided that a profit is earned against the total investment amount of the Unit Holder at each specified interval otherwise there would be no payment for the said interval.

1.7 Open-end Fund

The AKD Income Fund shall offer and redeem Units on a continuing basis subject to terms contained

herein and to the Rules. There is no 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. 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 are also transferable. Units will be issued in registered, un-certificated form and will be confirmed to investors by means of an Account Statement issued by the Registrar. Certificates representing the Units will be issued only if so requested by the Unit Holder at the time of application or at any later stage and upon payment of a fee not exceeding Rs50/- per Certificate, subject to revision of this fee from time to time by the Management Company.

1.8 First Offer (Initial Offering Period)

The First Offer is for Class "A" Units, with no Sales Load, which shall be issued at the First Offer Price of Rs50/- per Unit. The Offer and Issue of Units at First Offer Price shall commence from the start of the banking hours on March 19, 2007 and shall end at the close of the banking hours on March 22, 2007. This price is applicable to such Units that are issued before any of the assets of the Fund are invested other than deposits, whether or not earning mark-up/profit. During the Initial Offering Period Units will not be redeemed.

1.9 Transaction in Units after Initial Offering Period

Subsequent to the First Offer, Units can be purchased at the Offer (Purchase) Price and redeemed at the Redemption (Repurchase) Price. The Management Company will fix the Offer and Redemption Prices daily on the basis of the Net Asset Value (NAV) of the Units after the close of the Stock Exchange(s) or Financial Market(s) business day. In the event there are closed days, for any reason, preceding the Business Day, the NAV so determined shall be adjusted for the accrual of income or losses if any for such closed day(s), the NAV based price per Unit shall be fixed after adjusting for the Sales Load (Front-end Load) or the Redemption Load (Back-end Load) as the case may be and any Transaction Costs that may be applicable save under circumstances elaborated in Section 4.7 mentioned herein, such prices shall be applicable to Purchase and Redemption requests, complete in all respects, received during the business hours on the following Business Day.

The Management Company may issue Units without Sales Load or with a reduced Sales Load to Unit Holders opting to receive Units in lieu of dividends or in the event that an existing Unit Holder disinvests from one open-end fund into another fund being managed by the Management Company.

2. INVESTMENT OBJECTIVES, POLICY, RESTRICTIONS, RISK DISCLOSURE AND DISCLAIMER

2.1 Investment Objective

The AKD Income Fund shall provide an ideal vehicle for investors to participate in a diversified portfolio of fixed income securities and instruments. The Investment Objective of the Fund shall be to provide consistent optimum returns with concern for capital preservation.

2.2 Investment Policy

The fund will invest inline with the investment objective and the investment portfolio would comprise of the following:

- Debt Securities, bonds, debentures, debentures stock, participation terms certificates, musharika certificates, term finance certificates, convertible bonds, and other asset backed or mortgage backed securities, Global Deposit Receipts (GDR) of Debt securities and American Deposit Receipts (ADR) or securities traded or to be traded over the counter (OTC) markets. Such

investments shall include those for ready settlement as well as those for future settlement.

- Government of Pakistan Investment Bonds, Federal Investment Bonds, Treasury Bills and other Government Securities, Sukkur Bonds, Eurobonds and other type of Sovereign Bonds;
- Debentures and Certificates of Musharika;
- Long, medium and short term bank deposits with banks including deposit in currencies other than the Pakistani Rupee;
- Units in any other money market Fund only. The purchase and acquisition of Units in one money market fund shall not exceed (10) percent of the Net Asset Value of AKDIF at the time of purchase, except as may otherwise be permissible under the Rules;
- Secured, listed or privately placed debt securities issued by local governments, government agencies and statutory bodies, private and/or public sector entities and/or financial institutions having a minimum investment grade rating by a recognized rating agency.
- Convertible debt securities issued by corporates/financial institutions. In the event such debt securities is required to be converted into shares, then AKD Income Fund shall offload the shares within a period of three months of the shares being issued.
- Convertible TFCs issued by corporate financial institutions, in case AKDIF is required to convert the TFCs into shares, it would offload the shares within a period of three (3) months of the shares being issued. Total investment by AKDIF in convertible TFCs will not exceed 15% of its Net Assets Value;
- Convertible and Non-convertible Preference Shares. In the event that such Preference Shares is required to be converted into Ordinary Shares, then AKD Income Fund shall offload the Ordinary Shares within a period of three months of the Ordinary shares being issued. Total investments by AKDIF in convertible preferred shares will not exceed 15% of its Net Assets Value;
- Certificates of Investment/Deposits issued by financial institutions having a minimum investment grade rating by a credit rating agency registered with the SECP;
- Continuous Funding System (CFS); upto 50% of the Net Assets can be invested in CFS Transaction with not more than 20% of CFS amount in any one script at the time of investment;
- Asset Backed and Mortgage Backed Debt Securities;
- Commercial Papers and any other money market debt security that may or may not be listed on the Stock Exchange but does not include bearer security or any other security that would involve assumption of unlimited liability;
- Spread Transactions, AKDIF will enter into transactions aimed at earning a spread in the price of securities resulting from the timing difference between ready and future settlement. AKDIF will buy in the ready settlement market and sell in the future settlement market. Both the transaction will be carried out simultaneously so as to avoid any risk emanating from the movement in the prices of underlying securities;
- Enter into Reverse Repo transactions in the money market instruments only and to the extent and for the purpose specified in the Rules;
- Subject to SECP or other regulatory approvals, the AKD Income Fund may seek to invest in foreign

fixed income securities or instruments; issued, listed or otherwise and traded outside Pakistan on such terms, guidelines and direction as may be issued by the SECP and the State Bank of Pakistan from time to time.

- Warrants, Options, derivatives subject to the prior approval of SECP. Investment in this asset class would be for hedging purposes only and subject to such terms and conditions as approved by the Commission from time to time
- Any other Money Market instruments, Certificate of Deposit and bankers acceptance;

2.2.1 During and prior to the commencement of the First Offer, the Trustee shall hold the Fund Property on deposit in a separate account with a scheduled bank. After the First Offer, all Fund Property, except in so far as such cash may in the opinion of the Management Company be required for transfer to the Distribution/Redemption Account, shall be invested by the Trustee from time to time in such Authorized Investment as may (subject always to the provisions of this Deed and the Rules) be directed by the Management Company.

2.2.2 It is declared that the Scheme shall offer investment opportunities in accordance with the investment policy announced in the Offering Document.

2.2.3 Any Investment may at any time be realized at the discretion of the Management Company either in order to invest the proceeds of sale in other Authorized Investments or to provide cash required for the purpose of any provision of this Deed or in order to retain the proceeds of sale in cash or on deposit as aforesaid or partly one and partly another. Any Investment which ceases to be an Authorized Investment shall be realized within three months and the net proceeds of realization shall be applied in accordance with this clause.

2.2.4 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 Management Company will appoint the broker(s) from time to time having good standing in the market under intimation to the Trustee. The Management Company shall not nominate, except as may be permissible under the Rules, 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) unless relaxation has been granted by the SECP.

Investments outside Pakistan

2.2.5 Subject to approvals from the State Bank of Pakistan (SBP) the Fund shall invest the Fund Property outside Pakistan in the following manner:

- a. Up to 30% of the Net Assets of the Fund.
- b. The above percentage is subject to a cap of US\$15.00 million

Investments outside Pakistan will enable the Fund to diversify risk as well as avail opportunities to optimize returns, provided that AKDIF shall always invest in such securities and instruments that are defined herein under Authorized Investments.

The Management Company may seek to expand this limit subject to approvals of the SBP and SECP.

Incase, 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.

- 2.2.7 The Fund may enter into forward purchase of currency or other hedging instruments, including derivatives listed on foreign markets, for the purpose of hedging the foreign currency exposure of the Fund. The derivatives used may also hedge to the US Dollars; 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.
- 2.2.8 Trust Property can be invested in international investments including the following:
- (a) international fixed profit-bearing securities;
 - (b) international money market instruments;
 - (c) foreign currency bank deposits & certificates of investments;
 - (d) Foreign currency bank accounts in Pakistan;
 - (e) money market mutual funds.
- 2.2.9 While investing in international fixed profit-bearing securities and international money market instruments, the Management Company will only invest through the following agencies unless it has built in-house capacity to manage international investments and provided evidence of the same to the Trustee:
- (a) Mutual funds;
 - (b) Individually managed accounts with a reputable international fund manager; or
 - (c) After acquiring the services of a reputable international fund manager through a joint venture or a service agreement.
- 2.2.10 The Management Company may built-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 using the above means to manage investments in other countries/markets.
- 2.2.11 The fees directly charged by the international fund manager(s) on investments outside Pakistan will be the responsibility of the Management Company and any fees paid out of Fund 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 Fund Property invested in international mutual funds managed by third party.
- 2.2.12 While investing internationally, Trust 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 such that the effect of leverage is cancelled out.
- 2.2.13 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.
- 2.2.14 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.
- 2.2.15 Not more than 50% of the allowable limit of international investment will be placed in any one country.

2.3 Investment Restrictions

The investment restrictions that apply to AKD Income Fund and its investments are as follows:

1. The Fund Property shall be subject to such exposure limits as are provided in the Rules (except where any exemptions that may be specifically given to the Fund by the SECP); Provided that it will not be necessary for the Trustee to sell any investment merely because owing to appreciation or depreciation of any investment or disposal of any investments or redemption of Units such limit shall be exceeded. The Management Company will have three (3) months to comply with the exposure limits in case such limits are exceeded.
2. The Scheme shall not invest more than twenty five (25) percent of its net asset value in securities of any one sector as per classification of the pertinent stock exchange(s), except where relaxation is granted by the SECP. However, AKDIF may invest up to 50% of Net Asset Value in Government Securities.
3. The purchase or acquisition of units in other open-end unit trusts shall not exceed in the aggregate ten (10) percent of the Net Assets Value immediately after such investment has been made.
4. If and so long as the value of the holding in a particular company or sector shall exceed the limit imposed by the Rules, the Management Company shall not purchase any further Investments in such company or sector. However this restriction on purchase shall not apply to any offer of right shares or any other offering, if the Management Company is satisfied that accepting such offer is in the interest of the Trust. The Management Company will have three (3) months to comply with the exposure limits in case such limits are exceeded.
5. **The Trust will not at any time:**
 - a. Purchase or sell:
 - Bearer securities
 - Securities on margin
 - Commodities contracts or commodities and directly real estate
 - Securities which result in assumption of unlimited liability (actual or contingent)
 - Anything other than Authorized Investments as defined herein;
 - b. Participate in a joint account with others in any transaction;
 - c. Make short sales of any security or maintain a short position in securities.
 - d. Under no circumstances shall the Management Company buy or sell such options on behalf of the Scheme in excess of 10% of the NAV that result in an exposure beyond the number of underlying securities held in the portfolio of the Scheme.
6. Investment of the Scheme in any issue shall not, at any time, exceed an amount equal to 10% of the total Net Asset Value of the Scheme at the time of investment or 10% of any issue of the investee company, except where relaxation is granted by the SECP. However, in the case of international investments, securities issued by the parent company and associated companies thereafter in more than one country this restriction shall not apply.

7. Continuous Funding System (CFS); upto 50% of the Net Assets can be invested in CFS Transaction will not more than 20% of CFS amount in any one scrip at the time of investment;

2.3.1 Exception to Investment Restrictions

In the event the weightages of securities exceed the limits laid down in the Offering Document or the Rules as a result of the relative movement in the market prices of the investments or through any disinvestments or redemption of Units, the Management Company shall make its best endeavors to 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 securities or sectors while the deviation exists. However, this restriction on further investment shall not apply to any offering of right shares or any other offering by the issuer of the said securities which in the opinion of the Management Company is in the interest of the Trust and its Unit Holders.

2.3.2 Borrowing and Borrowing Restrictions

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 arrangements with Banks or financial institutions for borrowing by the Trustee for the account of the Scheme; provided that the borrowing shall not be resorted to, except for meeting the redemption requests.
2. The charges payable to any bank or financial institution against borrowings on account of the Trust shall not be higher than the normal prevailing bank charges or normal market rates.
3. The maximum borrowing for the account of the Trust shall not exceed fifteen per cent of the total Net Assets Value of the Scheme or such other limit as may be provided in the Rules. If subsequent to such borrowing, the Net Assets are reduced as a result of depreciation in the market value of the Fund Property or redemption of Units, the Management Company shall not be under any obligation to reduce such borrowing.
4. 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 loans or advances.
5. 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 Fund Property provided that the aggregate amount secured by such mortgage, charge or pledge shall not exceed the limits provided under the Rules and/or any law for the time being in force.
6. 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 Holders may suffer by reason of any depletion in the Net Asset Value that may result from any borrowing arrangement made hereunder in good faith.

2.3.3 Restriction of Transaction with Connected Persons

- i. The Fund Property shall not be invested in any security of a company if any director or officer of the Management Company individually owns more than five per cent of the total nominal amount of the securities issued or collectively the directors and officers of the Management

Company in their individual capacities own more than ten per cent of those securities.

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

For the purpose of sub-paragraphs (i) and (ii) above, the term Director, Officer and Employee shall include spouse, lineal ascendants and descendants, brothers and sisters.

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.

2.4 Risk Disclosure

Investors in AKD Income Fund must realize that all investments in mutual funds and securities are subject to market risks. Our target return/dividend range cannot be guaranteed and it should be clearly understood that the portfolio of AKDIF is subject to market fluctuations and risks inherent in all such investments. The risk emanates from various factors that include, but are not limited to:

1. **Credit Risk** - Credit risk is comprised of default risk, credit spread risk and downgrade risk. Each can have a negative impact on the value of a fixed-income security including money market instruments.
 - a. Default risk is the risk that the issuer will not be able to pay the obligation, either on time or at all.
 - b. Credit spread risk is the risk that there will be an increase in the difference between the return/mark-up rate of an issuer's bond and the return/mark-up rate of a bond that is considered to have little associated risk (such as a government guaranteed bond or treasury bill). The difference between this return/mark-up rates is called a "credit spread". Credit spreads are based on macroeconomic events in the domestic or global financial markets. An increase in credit spread will decrease the value of the fixed income security including money market instruments.
 - c. Downgrade risk is the risk that a credit rating agency, such as PACRA or JCR-VIS or any other reputable Credit Rating Agency, will reduce the credit rating of an issuer's securities. Downgrades in credit rating will decrease the value of those fixed income securities including money market instruments.
2. **Derivative Risk** - Derivatives may be used to limit or hedge potential losses associated with stock markets and return/mark-up rates. This process is called "hedging". Derivatives may also be used for non-hedging purposes - to reduce transaction costs, achieve greater liquidity and create effective exposure to financial markets or increase speed and flexibility in making portfolio changes. Any use of derivatives has risks including:
 - a. The hedging strategy may not be effective.
 - b. There is no guarantee that a market will exist when a Fund wants to buy or sell the derivative contract.
 - c. A large percentage of the assets of a Fund may be placed on deposit with one or more counter parties, which exposes the Fund to the credit risk of those counterparties.

- d. There is no guarantee that an acceptable counterpart will be willing to enter into the derivative contract.
 - e. The counter-party to the derivative contract may not be able to meet its obligations.
 - f. The Exchanges on which the derivative contracts are traded may set daily trading limits, preventing a fund from closing out a particular contract.
 - g. If an exchange halts trading in any particular derivative contract, the Fund may not be able to close out its position in that contract.
 - h. The price of a derivative may not accurately reflect the value of the underlying security or index.
3. **Currency Risk** - The Fund may be affected favorably or unfavorably by changes in currencies and exchange control regulations. The income earned by AKD Income Fund may also be affected by fluctuations in foreign exchange rates.
 4. **Return/Mark-Up Rate Risk** - Fixed income securities including money market instruments, which include treasury bills and commercial paper, pay fixed rate of return/mark-up. The value of the fund, due to its holdings in fixed income securities including money market instruments, will rise and fall as return/mark-up rates change. For example, when return/mark-up rates fall, the value of an existing bond will rise because the coupon rate on that bond is greater than prevailing return/mark-up rates and vice versa.
 5. **Issuer's Risk** - Companies issue debt securities to help finance their operations. The company's performance outlook, market activity and the larger economic picture influences the price of that security in the secondary market. However, the ability for the issuer to fulfill obligations on the debt security shall depend on the issuer's financial performance.
 6. **Government Regulation Risk** - Government policies or regulations are more prevalent in some securities and financial instruments than in others. Funds that invest in such securities may be affected due to change in these regulations or policies, which directly or indirectly affect the structure of the security and/or in extreme cases a governmental or court order could restrain payment of capital, principal or income.
 7. **Voluminous Purchase/Redemption of Fund Units Risk** - Any significant transaction made by any investor could significantly impact a Fund's cash flow. If the third party buys large amounts of Units of the Fund, the Fund could temporarily have a high cash balance. Conversely, if a third party redeems a large number of Units of the Fund, the Fund may be required to fund the redemption by selling securities at an inopportune time. This unexpected sale may have a negative impact on the performance of your investment.
 8. **Liquidity Risk** - Some fixed income securities have limited market float and hence are not actively traded in the secondary markets or they may generally have a very small issue. Securities issued by such issuers may be difficult to buy or sell, which may cause the value of the Funds that invest in such securities to rise and fall substantially because any buying or selling of such a security may have a great impact on that securities price.
 9. **Repurchase and Reverse Repurchase Transactions and Securities Lending Risk** - The risks with these types of transactions are that the other party may default under the agreement or go bankrupt. In a reverse repurchase transaction, the Fund may be left holding the security and may not be able to sell it at the same price it paid for it, plus return/mark-up, if the market value of the underlying security has dropped. In the case of a repurchase or a securities lending transaction, the Fund could incur a loss if the value of the security sold or loaned has increased more than the value of the cash or collateral held.

10. Market Risk - The risk involves volatility in prices of securities resulting from their dependence on market sentiment, speculative activity, supply and demand for the securities and liquidity in the financial markets. The volatility in securities prices results in volatility in the NAV based price of the Unit of the Fund.

11. Other Risks Involved:

- a. Mismanagement by the issuer, third party liability whether through class action or otherwise or occurrence of other events such as strikes, fraud, etc., in the security in which an investment is made.
- b. Break down of law and order, war, terrorist activity, natural disasters, etc.
- c. Senior rights of creditors over the security held by the Fund in the event of winding up.

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

2.4.2 Under exceptional (extraordinary) circumstances, the Management Company may declare suspension of redemptions, invoke a queue system or announce winding-up in such events the investor will probably have to wait for payment beyond the normal period and the redemption amount so determined may be lower than the price at the time the redemption request was lodged. Investors are advised to read the relevant clauses of the Fund's Trust Deed for more detailed information regarding this clause.

2.5 Disclaimer

The Units of the Trust are not bank deposits and are neither issued by, insured by, obligations of, nor otherwise supported by the SECP, any Government Agency, the Trustee (except 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.

3. OPERATORS AND PRINCIPALS

3.1 Management Company

3.1.1 Organization

AKD Investment Management Limited (AKDIML) was incorporated on July 30, 2004. the company has a paid up capital of Rs.100,000,000/-, divided into 10,000,000 ordinary shares of Rs10/- each, of which AKD Securities (Private) Limited holds 9,996,670 (99.96%) ordinary shares of Rs10/- each. It is a wholly owned subsidiary of AKD Securities (Private) Limited. The Company is currently licensed to undertake the business of Asset Management and Investment Advisory Services.

Capital Structure

	Rupees
Authorized Capital	100,000,000
Issued, Subscribed and Paid-up Capital (10,000,000 shares of Rs. 10/- each)	100,000,000
Sponsor's Equity:	
A KD Securities (Private) Limited	99,966,700
Mr. Faisal Bengali	13,300
Mr. Farooq Ahmed Awan	10,000
Mr. Farrukh Shaukat Ansari	10,000
	100,000,000

Board of Directors

Name	Position
Mr. Mohammad Aliuddin Ansari	Chairman
Mr. Faisal Bengali	CEO
Mr. Sadiq Hussain	Director
Mr. Farrukh Shaukat Ansari	Director
Mr. Kashif Shamim	Director
Mr. Farooq Ahmed Awan	Director
Mr. Farrukh Hamid Sabzwari	Director

3.1.2 AKD Securities (Private) Limited

AKDIML is a wholly owned subsidiary of AKD Securities (Private) Limited ("AKD"). As an established leader in Pakistan's capital markets, AKD brings unparalleled expertise in all aspects of the local equity markets. In addition, to being the largest broker on the KSE, with a market share of above 8%, AKD has the most active equity research group in the country. AKD's institutional sales group services virtually all of the major institutional investors in the country, and has a special team exclusively targeted towards international investors. In addition, through akdtrade.com, AKD has more retail customers than any other broker in Pakistan.

3.2 Board of Directors and Management

3.2.1 Board of Directors

Name, Occupation & Address	Position	Directorships in Listed Companies
Mr. Mohammad Aliuddin Ansari Business Executive B-429, Siraj-ud-Daulah Road Bahadurabad, Karachi.	Chairman	None
Mr. Faisal Bengali Business Executive A-21/A-1, Sunset Boulevard DHA Phase II, Karachi.	Chief Executive Officer	Golden Arrow Selected Stock Fund Limited
Mr. Sadiq Hussain Investment Officer 81/1, Khayaban-e-Badar Phase VI, DHA, Karachi	Director	None
Mr. Farrukh Shaukat Ansari Business Executive 58/II, Khayaban-e-Janbaz DHA, Phase V, Karachi	Director	Saudi Pak Leasing Company Limited Saudi Pak Commercial Bank Limited
Mr. Kashif Shamim Investment Banker 100/1, 5th Commercial Street Phase IV, DHA, Karachi.	Director	None
Mr. Farooq Ahmed Awan Investment Officer 74-B, GOR III Shadman, Lahore	Director	None
Mr. Farrukh Hamid Sabzwari Business Executive Bungalow A-27, KDA Kehkashan, Street No.16 Block 5, Clifton, Karachi	Director	None

3.2.2 Particulars of Directors

Mr. Mohammad Aliuddin Ansari - Chairman

Ali Ansari is one of the leading investment bankers in Pakistan, with 15 years of experience in international investment banking. He is a Director and Chief Executive of Dewan Drilling and a Director on the Board of Collier International Pakistan, dvcom and Oil and Gas Investments Limited among others as part of his Private Equity and Venture Capital interests. He has held a number of senior management positions including the Chief Executive of AKD Securities (Pvt.) Limited and was based in London with Credit Lyonnais Securities (CLS) as Chief Operating Officer (Emerging Europe, Middle East & Africa - EEMEA). Earlier, he joined CLS as Chief Executive Officer, Pakistan. Mr. Ansari earned BA (Hons.), Business Administration & Economics majoring in Finance, from Richmond College, London, England, in 1985 and received Investment Management Program Certification from London Business School in 1988.

Mr. Faisal Bengali - Chief Executive Officer

AKD Investment Management Limited has assembled a seasoned and motivated team with a track record of global fund management headed by Mr. Faisal Bengali. He has been working with Aqeel Karim Dhedhi since 1994. As Director Sales & Trading of AKD, he provided investment advice and recommendations to institutional fund managers and high net worth clients. He enjoys close working relationship with reputable foreign and local institutional clients. Mr. Bengali has a Masters in Business Administration degree from Rice University, USA.

Mr. Sadiq Hussain - Chief Investment Officer

Mr. Sadiq Hussain has joined AKDIML as its Chief Investment Officer. He brings with him more than a decade of experience in financial services, including 9 years with Merrill Lynch. His last assignment was with Merrill Lynch's Global (Private) Wealth Management Group, where he was the Senior Financial Adviser managing over USD120m in assets. Prior to that, he spent 8 years with Merrill Lynch Asia Pacific, where he was a Director in the Institutional Client Division. Mr. Hussain is a graduate from the University of Pennsylvania, Wharton School of Business.

Mr. Farrukh Shaukat Ansari

Mr. Ansari has 22 years of rich and diversified experience in Investment Banking as well as the corporate sector. He has spent over 16 years in senior management with highly reputable organizations. He has worked with Bankers Equity Ltd, Banque Indosuez, Overseas Bank of Africa and Dewan Mushtaq Group. Currently, Mr. Ansari is serving as the Chief Executive of Saudi Pak leasing Company Limited and also serves on the Board of Directors of Saudi Pak Commercial Bank Limited and Saudi Pak Insurance Company Limited.

Mr. Kashif Shamim

Mr. Kashif Shamim has an in-depth experience and understanding of value determination, deal structuring and execution. As Head of Investment Banking Group at AKD Securities, he successfully managed several prominent Public Offerings, M&A deals and privatization transactions. He currently serves on the Board of Directors of dvcom Limited and TMT-PKIC Incubation Fund. Mr. Shamim holds a Masters Degree in Business Administration from The Institute of Business Administration, Karachi.

Mr. Farooq Awan

Mr. Awan has a distinguished track record dating back till 1998 when he was an Economic Adviser to the Government of Punjab. He moved on to hold the position of Additional Secretary, Management & Information Technology, Government of Punjab. Currently, Mr. Awan is the

Investment Adviser of Employees Old-Age Benefits Institution ("EOBI"), GoP, Managing EOBI's portfolio of Rs71bn.

Mr. Farrukh H. Sabzwari

Mr. Farrukh H. Sabzwari has over thirteen years of Investment banking /institutional broking experience and is currently the CEO of KASB Securities Limited. Mr. Sabzwari was previously the Head of Broking at AKD Securities (Pvt.) Ltd. Prior to joining AKD, he spent nine years with Credit Lyonnais (CLSA) Emerging Markets in various senior level positions in both Karachi and New York. While in New York, Farrukh was Vice President Sub-Continent Sales and was voted among the top ten sub-continent sales people by the Asia Money Magazine in its Broker Polls for 2003.

He is an MBA in Finance from the Institute of Business Administration (IBA) in Karachi and has also completed his Series 7 & 63 license certifications from the NASD in New York.

3.2.3 Particulars of Management

Imran Motiwala - Chief Operating Officer

Mr. Imran Motiwala has joined AKDIML, bringing with him over 11 years of combined experience of securities broking and asset management in Pakistan. He has worked with several leading companies from his beginnings with Ali Hussain Rajabali Limited to servicing institutional clients at a reputed global Investment Bank, JP Morgan, based in Karachi. He then crossed over to the buy side by joining ABAMCO Limited in 2002 as a fund manager, where his first assignment included the launching and managing of an open-end income fund. Mr. Motiwala joined Crosby Asset Management (Pakistan) Limited in 2003, as head of fund management, where his responsibilities included the building of the entire business from establishing operational guidelines and policies with focus on all facets of the business. Mr. Motiwala also led the team in launching their first open-end equity fund, the Crosby Dragon Fund. Mr. Motiwala graduated from the Southeastern University (Karachi campus) in 1994.

Mr. Muhammad Amin Hussain - Company Secretary

Mr. Muhammad Amin Hussain is working as Company Secretary of AKD Investment Management Limited. He is an Associate Member of the Institute of Cost and Management Accountants of Pakistan. Before joining AKD Investment Management Limited he was working as General Manager Corporate Affairs and Company Secretary in Gul Ahmed Energy Limited for over five years. Preceding that, he was also involved with Al-Noor Group of Companies for over nine years in the capacity of Senior Finance Executive. His areas of expertise include finance, secretarial and taxation.

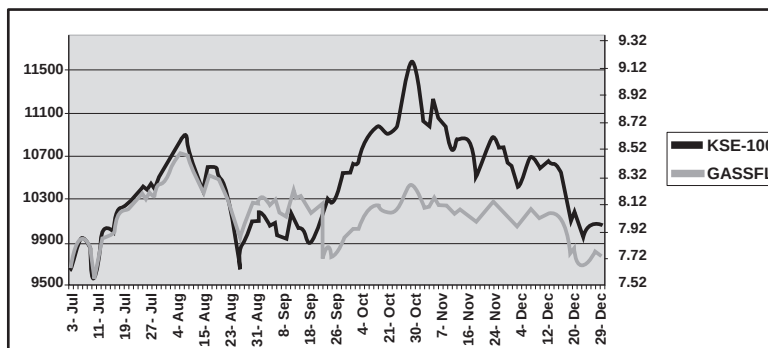
3.2.4 Funds Managed by AKDIML

Golden Arrow Selected Stocks Fund Limited (GASSFL)

GASSFL is a closed-end mutual fund. GASSFL invests in a mix of listed equity and debt securities. The investment strategy is to invest in high dividend paying, blue chip stocks, in order to create a quality portfolio, which provides investors with consistent capital gains, and assured dividend yields. It is listed on the Karachi and the Lahore Stock Exchanges.

Date of Launching	May 9, 1983
Nature of Fund	Closed-end Fund
Net Asset Value	Rs. 949,436,000/-*
Par Value per Share	Rs. 5.00/-
N.A.V. per Share	Rs.7.72/-*
Listing	KSE & LSE
Last Distribution (2005-2006)	30.00% Cash*
	75.00% Rights*

* As on December 31, 2006



AKD Index Tracker Fund (AKDITF)

AKDIML launched the first Index fund, the "AKD Index Tracker Fund" (AKDITF) in the Pakistani capital market.

An Index fund is a mutual fund that seeks to produce the same return that investors would get if they owned all the securities in a particular index, in the case of AKD Index Tracker Fund, the fund is tracking the KSE-100 index.

Majority of institutional and retail investors measure their performance by benchmarking it to an index. It is very difficult to consistently outperform an Index. In Pakistan, most Mutual Funds have failed to consistently outperform the KSE-100 Index in the long-run.

AKDITF invest its funds in equities, which are components of the KSE-100 Index in the same ratio as prescribed by the KSE (which is based on Market Capitalization). SECP allocated 90 days for the one time investment to ensure that the investment in individual stocks is done in a staggered, balanced manner, eliminating any chances for stock or market run-up. The Fund will rebalance itself semi-annually according to the exact changes made in the KSE-100 index. As per past practice Karachi Stock Exchange notifies the composition of 100-Index 15 days prior to the implementation. This gives AKDIML enough time to re-arrange its portfolio. To bring such exposure in line with the prescribed limit, AKDITF reserves the prerogative to sell the right allotment letters also. The Fund will not switch from one security to another on any circumstance, except where there is a re-composition in the KSE-100 index.

With a growing economy fueling Pakistan's emerging markets, AKD Index Tracker Fund provides an excellent avenue for investors to participate in the growth of KSE-100 index.

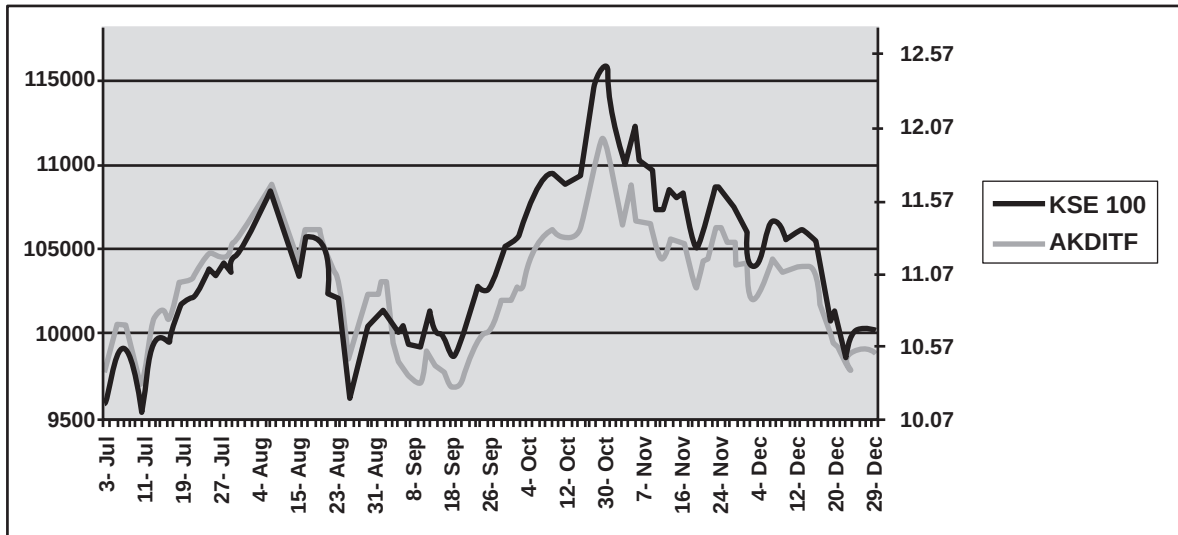
The Board of Directors of AKD Investment Management Limited has decided to convert the Fund into an Open-end Scheme. The prime objective of this conversion into an open-end fund is to provide maximum benefit to our Certificate Holders by:

- Reducing the discount between the Fund's Net Asset Value against the secondary market quoted price.
- Enhance liquidity at a fair price (Net Asset Value).

AKDITF is listed on the Karachi and Islamabad Stock Exchanges.

Date of Launching	October 20, 2005
Nature of Fund	Closed-end Fund
Net Asset Value	Rs. 789,388,000/-*
Par Value per Share	Rs. 10.00/-
N.A.V. per Share	Rs.10.53/-*
Listing	KSE & ISE
Last Distribution (2005-2006)	4.5%

*As of December 31, 2006

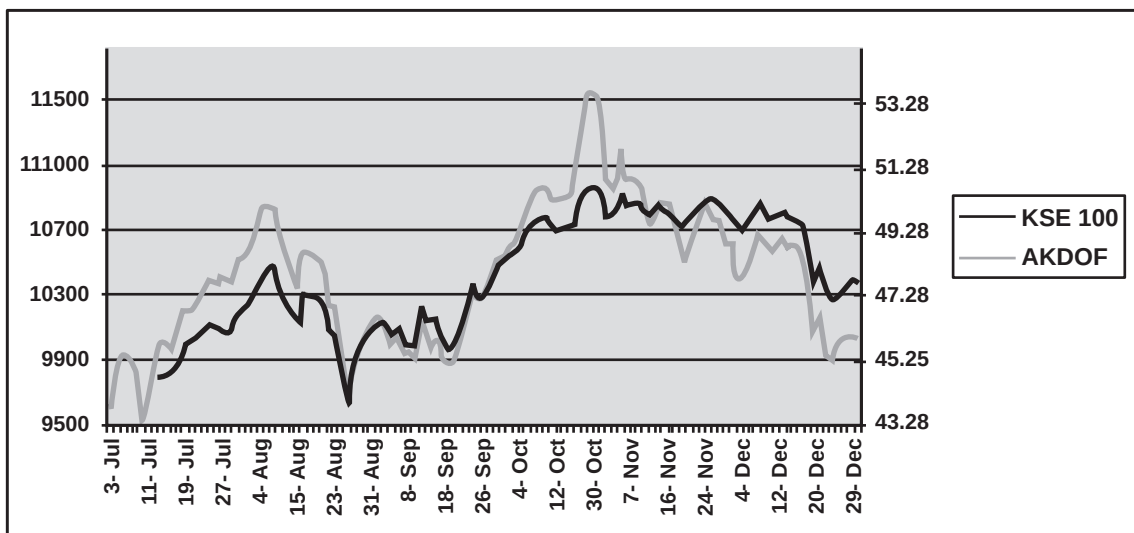


AKD Opportunity Fund (AKDOF)

AKDIML recently launched its first open-end flag-ship Fund the AKD Opportunity Fund. AKDOF filters through the opportunities presented in the capital markets, searching for the optimal combination of investment strategies, mainly in equities, followed by fixed income and money markets to ensure to provide consistent industry leading returns. It is listed on the Karachi Stock Exchange (Guarantee) Limited.

Date of Launching	March 31, 2006
Nature of Fund	Open-end Fund
Net Asset Value	Rs. 945,203,000/-*
Par Value per Share	Rs. 50.00/-
N.A.V. per Share	Rs. 47.69/-*
Listing	KSE
Last Distribution (2005-2006)	Nil

*As of December 31, 2006



3.2.4 Duties and Responsibilities of the Management Company

- 3.2.4.1 The responsibilities of the Management Company are to promote the sale of Units of the Fund.
- 3.2.4.2 Invest and manage the assets of the Fund according to the provisions of the Deed and the Rules, in good faith, to the best of its ability and without gaining any undue advantage for itself or any Connected Persons or its Officers.
- 3.2.4.3 The Management Company shall maintain proper accounts and records of the Fund to enable a complete and accurate view of assets and liabilities, income and expenditure and amounts received in respect of Units and paid out on Redemption of Units and by way of distribution of profits, as required under the Rules.
- 3.2.4.4 The Management Company shall prepare and transmit physically (or through electronic means or on web as specified by the Unit Holder) to Unit Holders, the SECP and the Trustee, annual report together with balance sheet and income and expenditure accounts of the Fund and auditors report thereon, in accordance with the Rules.
- 3.2.4.5 The Management Company shall also prepare and transmit physically (or through electronic means or on the web as specified by the Unit Holder) to Unit Holders, the SECP and the Trustee, the balance sheet and income and expenditure account of the Fund on a quarterly basis, in accordance with the Rules.
- 3.2.4.6 In the unlikely event of its occurrence, the Management Company shall account to the Trustee for any loss in value of the assets of the Fund caused by its negligence, reckless or willful act or omission.
- 3.2.4.7 The Management Company shall be responsible for all acts and omissions of all persons or agents to whom it may delegate the performance of its functions as a manager as if they were its own acts or omissions.
- 3.2.4.8 The Management Company shall maintain a register of the unit holders and inform the SECP of the address where the register is kept.
- 3.2.4.9 The Management Company appoint with the consent of the trustee, at the establishment of the Scheme and upon any vacancy, an auditor who shall be a Chartered Accountant and an independent of the Auditor of the Management Company and the Trustee and such auditor shall not be appointed for more than three consecutive years.
- 3.2.4.10 The Management Company shall not however be under any liability except such liability as may be expressly assumed under the Rules and the Deed, nor shall the Management Company (save as otherwise provided) be liable for any act or omission of the Trustee nor for anything else except its own negligence or willful breach of duty.
- 3.2.4.11 The Management Company shall if it considers necessary request the Trustee in writing, for the protection of the Fund Property or safeguarding the interest of the Unit Holders, to institute or defend any suit, proceeding, arbitration or inquiry or any corporate or shareholders' action in respect of the Fund Property or any part thereof.

3.3 Trustee

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

Basic Role of the Trustee

- 3.3.1 The Trustee will take into custody and/or hold under its control all the property of the Fund in trust for the Unit Holders. The cash and registrable assets shall be deposited or registered in the name of or to the order of the Trustee.
- 3.3.2 The Trustee will carry out the instructions of the Management Company in all matters including investment and disposition of the Fund Property, unless they are in conflict with the Deed, the Rules and the Offering Document or applicable laws.
- 3.3.3 The Trustee shall also ensure that all issues and cancellations of Units of the Fund and the method adopted by the Management Company in valuing Units for the purposes of determining the Purchase and Redemption Prices are carried out in accordance with the provisions of the Deed and the Rules.
- 3.3.4 The Trustee shall issue a report to the Unit Holders to be included in the annual report, as to whether in its opinion; the Management Company in all material respects managed the Fund Property in accordance with the provisions of the Rules and the Deed and if the Management Company has not done so, the respect in which it has not done so and the steps the Trustee has taken in respect thereof.
- 3.3.5 The Trustee shall, if requested by the Management Company or if it considers necessary for the protection of the Fund Property or safeguarding the interest of the Unit Holders, institute or defend any suit, proceedings, arbitration or inquiry or any corporate or shareholders action in respect of the Fund Property or any part thereof if so requested in writing by the Management Company. It is clarified the Trustee shall be entitled to be reimbursed, out of the Fund Property, for all reasonable costs and expenses incurred in taking the aforesaid action(s).
- 3.3.6 The Trustee shall be responsible for all acts and omissions of all persons or agents to whom it may delegate the performance of its duties, as if these were its own acts and omissions and shall account for any loss in value of the Fund Property where such loss has been caused by gross negligence or breach of its duties in connection with the Trust under the Trust Deed or the Rules or any reckless or willful act and/or omission of the Trustee or any of its Directors, Officers, Nominees or Agents. The Trustee shall, however, not be under any liability on account of anything done in good faith in accordance 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.
- 3.3.7 The Trustee shall have all the obligation interested to it under the Rules, the Deed and the offering Document.

3.4 Core Investors

Core Investors of the Fund are:

Name	Number of Units	Rupees
Aqeel Karim Dhedhi Securities (Private) Limited	2,400,000	120,000,000
National Bank of Pakistan - Employees Pension Fund	2,000,000	100,000,000
Attock Cement Pakistan Limited - Employees Provident Fund	400,000	20,000,000
The Bank of Punjab	200,000	10,000,000
Total	5,000,000	250,000,000

The above core investors have subscribed an aggregate sum of Rs. 250,000,000 (Rupees Two Hundred and Fifty Million) towards the purchase of 5,000,000 (Five Million) Core Units of Rs.50/- each. These Core Units are not redeemable for a period of first two years, from the date of the closure of the First Offer Period. However, these Units are transferable with the condition that the Units may not be redeemable before the expiry of the period of first two years as mentioned herein. The Registrar will mark the Units as such. Any transfer of these Core Units, during the first two years

of their issue, shall be affected only on the receipt by the Registrar of a written acceptance of this condition by the transferee.

3.5 Registrar

The Management Company has appointed Gangjees Associates, having its registered office at 413, Clifton Center, Khayaban-e-Roomi Kehkashan, Block-5, Clifton, Karachi, Pakistan, which will perform duties as the Registrar of the Fund. They will be responsible for maintaining the Unit Holders' Register, preparing and issuing Account Statements, Unit Certificate(s) and dividend warrants, and providing related services to the Unit Holders. Gangjees Associates have the required facilities to provide efficient service as a Registrar to AKDIF.

3.6 Custodian

The Central Depository Company of Pakistan Limited (CDC) shall also perform the functions of the custodian of the Fund Property. The salient features of the custodial function are:

- i. Segregating all property of the Fund from the Custodian's own property and that of its other clients.
- ii. Assuring the smooth inflow/outflow of dematerialized securities and such other instruments as required.
- iii. Ensuring that the benefits due on investments are received and credited to the Fund's account.

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

3.7 Distributors and Investment Facilitators

- 3.7.1 Parties detailed in Annexure "C" of this Offering Document have each been appointed as Distributors to perform the Distribution Functions at their Authorized Branches. The addresses of these branches are given in Annexure "C" of this Offering Document; these branches may be increased or decreased by the Management Company from time to time. The Management Company may from time to time, appoint additional Distributors or terminate the arrangement with any Distributor and intimate the Trustee accordingly. The Management Company may itself perform the functions of a Distributor either directly or through sub-distributors.
- 3.7.2 The Distributors will be responsible for receiving applications for Purchase of Units and Redemption/Transfer Applications. They will be interfacing with and providing service to Unit Holders, including receiving applications for change of address and other particulars or application for issuance of duplicate certificates, requests for income tax exemption/Zakat exemption, etc. for immediate transmission to the Management Company or Registrar as appropriate for further action.
- 3.7.3 The Management Company may, at its sole responsibility, from time to time, appoint Investment Facilitators (Facilitators). The Facilitator's function shall be to identify, solicit and assist investors in investing in the Fund. The Management Company shall remunerate the Facilitators out of the Sales Load charged on Units of the Fund.

3.8 Auditors

The Auditors of the Fund are:

A.F. Ferguson & Co.

Chartered Accountants
(A member firm of Price Water House Coopers)
State Life Building No. 1-C
I.I. Chundrigar Road, P.O. Box 4716
Karachi - 74000
Pakistan

- 3.8.1 They will hold office until the transmission of the reports and accounts, which will cover the period from commencement of the Trust up to the Accounting Period and will be eligible for reappointment by the Management Company with the concurrence of the Trustee. However, an auditor may be reappointed for up to three consecutive terms. Thereafter, that auditor may only be appointed after a break in appointment.
- 3.8.2 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, Registrar or elsewhere and shall be entitled to require from the Management Company, Trustee and their Directors, Officers and Agents such information and explanations as considered necessary for the performance of audit.
- 3.8.3 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 as may be considered necessary to facilitate the Trustee in issuing the certification required under the Rules.
- 3.8.4 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.

3.9 Legal Advisers

The legal advisers of the Fund are:

Sattar & Sattar
Attorneys-at-Law
3rd Floor, UBL Building
I.I. Chundrigar Road
Karachi

3.10 Bankers

The banker to the Fund is Habib Metropolitan Bank Limited and any other bank appointed by the Management Company. The Trustee will operate the bank accounts of the Fund.

3.10.1 Bank Accounts

1. The Trustee, at the request of the Management Company, shall open Bank Account(s) titled "**CDC - Trustee AKD Income Fund**" for the Unit Trust as designated Bank(s) at Karachi for collection, investment, redemption or any other use of the Trust's funds.
2. The Trustee shall also open additional Bank Account(s) titled "**CDC - Trustee AKD Income Fund**" at various branches of such other Bank(s) as requested by the Management Company. These accounts shall be temporary collection accounts where collections shall be held prior to their being transferred to the main Bank Account of the Trust on a daily basis.

3. The Trustee shall open additional Bank Account(s) titled "**CDC - Trustee AKD Income Fund**" at such branches of Banks and at such locations (including outside Pakistan, subject to applicable regulations and after obtaining all necessary approvals from the relevant regulatory authority in Pakistan) as may be reasonably required by the Management Company from time to time. Such accounts shall be used as collection and redemption accounts. There shall be instructions for all such collection and redemption accounts to promptly transfer the funds collected therein to the main Bank Account and/or transfer the funds to the relevant bank accounts of the Unit Holder for redemption purposes.
4. The Management Company may require the Trustee to open separate Bank Accounts for the Unit Trust to facilitate investments on account of the Trust and the receipt, tracking and reconciliation of income or other receipts relating to the investments. This account may also be used to facilitate redemptions and other Trust related (ancillary) transactions.
5. The Management Company may also require the Trustee to open a separate Bank Account for each dividend distribution out of the Unit Trust. Notwithstanding anything in this Deed, the beneficial ownership of the balances in the Accounts shall vest in the Unit Holders.
6. All bank charges for opening and maintaining Bank Accounts for the Trust shall be charged to the Fund.
7. All interest, income, profit, etc. earned in the Distribution Account(s), including these accruing on unclaimed dividends, shall form part of the Fund Property for the benefit of the Unit Holders and shall be transferred periodically from the Distribution Account(s) to the main Bank Account of the Trust.

4. CHARACTERISTICS OF UNITS

4.1 Various Types of Units to be Offered and their Features

- a. The Management Company in initially issuing the following classes of Units:
 - i. Class "A" Units being offered and issued during the Private Placement and Initial Period of Offer (IPO) with no Sales Load.
 - ii. Class "B" Units ("Growth Units") which shall be offered and issued after the Initial Offering Period with Sales Load (including a Front-end and/or Back-end Load)
 - iii. Class "C" Units (Restricted/Core Units) Units issued to the Core Investors with no Sales Load. These Units cannot be redeemed for a period of two (2) years from the date of closure of the First Offer. However, such Units are transferable.
 - iv. Class "D" Units ("Flexi Income Units) which shall be offered and issued after the Initial Offering Period with Sales Load (including a Front-end and/or Back-end Load) and allow Units to be redeemed on a continuous basis at intervals offered by the Management Company to entertain a regular payout to the Unit Holder ; provided that a profit is earned against the total investment amount of the Unit Holder at each specified interval otherwise there would be no payment for the said interval.
- b. Unit Holders of Class "D" Units are eligible to redeem Units on a continuous basis, based on their own consent and instructions, with prior intimation to the Management Company, exercise the option of redeeming a certain number of Units for fulfilling their request of an amount at Regular Intervals (i.e. monthly, quarterly, semi-annually, annually); provided that a profit is earned against the total investment amount of the Unit Holder at each specified interval otherwise there would be no payment for the said interval. Such instructions shall be provided to the Management Company through a completely filled Investor Mandate Form (AKDIML-06) at the beginning of each interval or at the time of purchase of Units. The Investor Mandate Form shall instruct the Management Company the intervals for Redemption of Units and the Unit Holder shall not be required thereof to complete a Redemption of Units Form thereafter.

The amount of redemption value so derived shall be transferred to the designated bank accounts by way of transfer of funds to the designated Bankers or sent to the registered address of the principal Holder as specified in the Investor Account Opening Form within six working days of such redemption. Provided that the Unit Holder of Flexible Income Units shall only be disbursed profits (if any) earned against the earned against the total investment amount otherwise there would be no payment for the said interval.

All Units of the Fund shall rank *pari passu* with each other. Units shall be accounted for in fractions up to four decimal places. Statements shall be sent to the Unit Holders at their designated addresses after the close of every year or any other period prescribed by the Management Company and as per instructions given in the Investor Account Opening Form.

- c. Unit Holders may obtain Certificates representing the Units (excluding Class "D" Units for which Certificates shall not be issued) they hold by paying a nominal fee of Rs50/- per Certificate, subject to revision from time to time by the Management Company. Requests for redemption, transfer or transmission of Units shall be processed only on the production of the Certificate(s) if issued earlier. In the event of loss or defacing of Certificates, the process shall be carried out subject to appropriate safeguards to the satisfaction of the Management Company/Trustee/Registrar and the associated cost if any will be borne by the Unit Holder.

Registration of Pledge/Lien - The Registrar may register a pledge/lien on any Units in favor of any third party with the specific authority of the Management Company. However, the pledge/lien shall be valid only if evidenced by a statement or letter issued by the Registrar indicating the Units marked in favor of the Pledgee. The onus for due process having been followed in registering a lien shall lie with the party claiming the lien.

4.2 Minimum Amount of Investment

The Management Company may, with prior notification to the Unit Holders from time to time amend the minimum amount of initial investment that is required to open an account with the Registrar, which may differ from one Class of Units to another. At the initial stage, the minimum amount of investment to open an account is Rs50,000/- and the minimum amount for adding to an existing account is Rs50,000/- per transaction except for Flexi Income Units. To open an account for purchasing Flexi Income Units a minimum investment amount of Rs100,000/- initially and the minimum amount for adding to an existing account is Rs50,000/- per transaction The Management Company reserves the right to alter the minimum amounts stated hereinabove. In the event the investment in any investor's accounts falls below the minimum levels mentioned above as a result of revised limits, changes in valuation, redemption, transfer or transmission, the Management Company may instruct the Registrar under intimation to the Unit Holders 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. The Management Company may alter the minimum amount required for opening, maintaining or adding to the account. Provided an upward change for maintaining the account or adding funds the Management Company shall give seven days notice to Unit Holders.

4.3 Procedure for Purchase of Units

4.3.1 Who Can Apply?

- Any investor or any related group of investors qualified or authorized to purchase the Units may make applications for the Purchase of Units in the Fund. The onus, for being qualified lies with the investor, and neither the Management Company, nor the Trustee, nor the Registrar, nor the Distributors, nor the Facilitators accept any responsibility in this regard. Application may be made pursuant to the procedures described in paragraph 4.3.2 below including but not limited to:

- Citizens of Pakistan resident in Pakistan: In respect of minors below 18 years of age, applications may only be made by their guardians;
- Companies, corporate bodies, financial institutions, banks, partners of a firm and societies incorporated in Pakistan so long as such investment is permitted under their respective memorandum and articles of association and or bye-laws.
- Pakistanis resident abroad, foreign nationals and companies incorporated outside Pakistan can apply for Units subject to the regulations of the State Bank of Pakistan (SBP) 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 Purchase of Units in the Fund shall warrant that he is duly authorized to purchase of such Units.
- Provident Funds constituted by companies registered under the Companies Ordinance, 1984, subject to conditions and investment limits as laid down in the Employees Provident Fund (Investment in Listed Securities) Rules, 1996, as amended from time to time, including by SROs.
- Provident, Pension and Gratuity Funds constituted by organizations other than companies under Section 20(h) of the Trusts Act, 1882 (11 of 1882).
- Insurance companies under the Insurance Ordinance, 2000.
- Non-Profit Organizations under Section 213(i) of the Income Tax Rules, 2002.

4.3.2 Account Opening Application Procedure

- A. Fully completed Investor Account Opening Form (AKDIML-01 for individuals and institutions) together with the Purchase of Units Form (AKDIML-02), accompanied by the payment for the investment and copies of the documents mentioned in the subparagraphs below should be delivered to any of the Authorized Branches of the Distribution Companies or may be submitted to the Management Company through an Investment Facilitator during the business hours on the Business Day which shall be from Monday to Friday or as announced by the Management Company from time to time. Currently only the Authorized Branches of the Distribution Companies as mentioned in Annexure "C" of this Offering Document are authorized to collection applications and payments for the issue of Units as laid down in Clause 4.3.4 of this Offering Document.
- B. Investors have to fill out the Investor Account Opening Form (Account Opening Form) and provide the following key relevant information:

For Individuals:

- i. Personal information of the Investor such as name, father's name, etc.
- ii. Registered address of the Investor (Principal Holder or first named Holder)
- iii. National Identity Card (NIC) copy of the applicant or passport copy.
- iv. In case of Joint Holders the names along with NIC/passport copies.
- v. Information about Nominee(s) (where applicable).
- vi. Zakat declaration Form in case of exemption.
- vii. Specimen signature of the application plus all Joint Holders.
- viii. Operating instructions for Redemption/Operation of Account.
- ix. Instructions for dividend mandate.
- x. Bank Details for Redemption and dividend mandate.

For Institutions:

- i. Investor name and registered address.
 - ii. Registration Number and National Tax Number (NTN)
 - iii. List of authorized signatories along with copies of NIC and their specimen signatures.
 - iv. Instructions for Redemption.
 - v. Bank details
 - vi. Instructions for dividend mandate, zakat and tax status.
 - vii. Certified true copies of Certificate of Incorporation, Memorandum and Articles and other relevant documents as mentioned in the Form (AKDIML-01).
- C. After the above Account Opening Form has been filled up, the investor next has to fill out the Purchase of Units Form, AKDIML-02 and provide the following key relevant information:
- i. Information about the Principal Account Holder
 - ii. Details of Investment along with payment details (including instrument number)
 - iii. Requirement of physical Certificates of the Fund.
- D. AKDIML-01 has to be filled out only once, at the time of the first investment or Purchase of Units. Investors having previously opened an account for investment in another open-end fund under the management of the Management Company shall not be required to fill out another Account Opening Form.
- E. Once the Investor's Account has been opened the investor will be allotted a specific Registration Number which can be used for all future transactions and will serve to facilitate reference and linking. Registration Number's allotted to investors who have invested in other funds under the management of the Management Company may refer to their Registration Number when investing in AKDIF.
- F. The applicant must obtain a copy of the Account Opening and Purchase of Units Forms signed and duly verified by an Authorized Officer of the Distributor or Management Company acknowledging the receipt of the application(s), copies of other documents prescribed herein and the demand-draft, pay-order, cheque or on-line transfer as the case may be, marked in favor of **"CDC-Trustee AKD Income Fund"**.
- Notwithstanding the above, nothing contained herein shall be construed as limiting or otherwise restricting the Management Company's liability under Rule 65 of the Rules.
- G. The Distribution Company and/or Management 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.
- H. If subsequent to receipt of the application by the Distributor, but prior to issue of the Units, the application is found by the Registrar or the Distributor to be incomplete or incorrect in any material manner, the Registrar or the Distributor will advise the applicant to remove the discrepancy; in the mean time 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 mark-up; provided the Management Company may extend the period beyond 15 days as it deems fit to facilitate the applicant in removing the discrepancy. However, in the event Units have been issued and a material discrepancy is discovered subsequent to that, the Registrar or the Distributor will advise the applicant in writing to remove the discrepancy within fifteen days or any other period specified by the Management Company and if the investor, in the opinion of the Registrar or the Management Company 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.

- I. Investors will be allotted Units based on the Offer (Purchase) Price of the Fund, as announced by the Management Company, of the day on which a correctly filled Purchase of Units Form is submitted to the Distributor and/or the Management Company within business hours on the Business Day as may be prescribed by the Management Company from time to time. However, the investor will be provided the Account Statement within seven (7) Business Days after the said purchase amount of the Units purchased have been credited to the Fund's bank account. In the event a cheque is returned unpaid, the Management Company will presume the application for subscription to be regarded as void and the Units allotted will be cancelled and the investor informed accordingly. However, the Management Company may allow at its discretion the applicant to represent the returned payment on the original application for Purchase of Units Form and the respective Offer Price. In the event, that the application is rejected by the Management Company on account of returned payment for Units of the Fund, the investor will be asked to submit fresh payment for the said Units which will then be allotted Units based on the Offer (Purchase) Price announced by the Management Company on the day the said new Purchase of Units Form together with payment is received by the Distributor and/or the Management Company on the Business Day within the business hours as may be prescribed by the Management Company from time to time.

4.3.3 Joint Application

- A. Joint application can be made by up to four applicants. Such persons shall be deemed to hold Units on first holder basis; however, each person must sign the application form and submit a copy of their NIC 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 or mailing at the registered address provided in the Account Opening Form shall be considered as a valid discharge by the Trustee of its obligation.
- C. In the event of the 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 regards to the accounts, as well as proceeds of any redemption requests or dividends. Such person's acknowledgement of receipt of proceeds shall be considered as the valid discharge by the Trustee of its obligations. Provided however the Trustee and/or the Management Company may at their discretion request the production of a Succession Certificate from an appropriate Court before releasing of redemption requests or dividends in cases of doubts or disputes among the Joint Unit Holders and/or the legal heirs or legal representatives of the deceased.

4.3.4 Purchase of Units

An application for Purchase of Units may be lodged with any Authorized Distribution Company or presented to the Management Company through an Investment Facilitator. The application shall be in the form prescribed by the Management Company. Application forms are available with Distributors or Facilitators or may be obtained from the Management Company or its website. The Management Company may also allow the Purchase of Units of the Fund through electronic means, details of which shall be provided on the Management Company's website as and when applicable. Units shall be issued based on the Offer Price that is determined as mentioned in Clause 4.9.3 below on the Business Day on which the duly completed application along with the funds in favor of the Fund (CDC-Trustee AKD Income Fund) is received.

Payment of the Fund Units can be made in the form of:

- Demand Draft or Pay Order
- On-line transfer of money
- Cheque (account payee only marked)

The Management Company may also notify from time to time, arrangements or other forms of payment within such limits and restrictions considered fit by it.

The aforesaid payments must be handed over to a Distributor and/or Investment Facilitator with the acknowledgement of such payment obtained on the investors' copy of the Application Form. Such payments must only be deposited in the Fund's bank.

Acknowledgement for applications and payment instruments can only be validly issued by Distributors and the Management Company.

Notwithstanding the above, nothing contained herein shall be construed as limiting or otherwise restricting the Management Company's liability under Rule 65 of the Rules.

4.3.5 Investor Mandate

Unit Holders of Class "D" Units are eligible to redeem Units on a continuous basis, based on their own consent and instructions, with prior intimation to the Management Company, exercise the option of redeeming a certain number of Units for fulfilling their request of an amount at Regular Intervals (i.e. monthly, quarterly, semi-annually, annually) provided that a profit is earned against the total investment amount of the Unit Holder at each specified interval otherwise there would be no payment for the said interval. Such instructions shall be provided to the Management Company through a completely filled Investor Mandate Form (AKDIML-06) at the beginning of each interval or at the time of purchase of Units. The Investor Mandate Form shall instruct the Management Company the intervals for Redemption of Units and the Unit Holder shall not be required thereof to complete a Redemption of Units Form thereafter.

The amount of redemption value so derived shall be transferred to the designated bank accounts by way of transfer of funds to the designated bankers or sent to the registered address of the Principal Holder as specified in the Investor Account Opening Form within six working days of such redemption. Provided that the Unit Holder of Flexible Income Units shall only be disbursed profits (if any) earned against the total investment amount otherwise there would be no payment for the said interval.

4.4 Procedure for Redemption of Units

4.4.1 Who Can Apply?

All Unit Holders, other than the holders of Class "C" (Core Units) Units are eligible to redeem the said Units. Holders of Class "C" Units will be eligible for redemption after the expiry of the period of two years from the date of the closure of the First Offer; however, such Units are eligible for transfer subject to the condition that the new transferee of such Unit(s) agrees to the same for the balance period, if any.

4.4.2 Redemption Application Procedure

- A. Fully completed Redemption of Units Form (AKDIML-03) has to be submitted by both individual and/or institutional investors. This Form should be delivered to any of the Authorized Branches of the Distribution Companies or may be submitted to the Management Company through an Investment Facilitator within business hours on the Business Day as announced by the Management Company from time to time. The Management Company may also allow Redemption of Units through electronic means, details of which shall be provided on the Management Company's website.
- B. Unit Holders have to fill out the Redemption of Units Form and provide the following key relevant information:
 - i. Registration Number as allotted by the Management Company (or Registrar) at the time of Account Opening.

- ii. Title of Account, i.e. name of the Principal Account Holder in the case of individuals or name of the company in the case of corporate/institutional investor(s).
- iii. NIC number of the Principal Account Holder or company registration number in the case of corporate/institutional investor(s).
- iv. Redemption information in terms of number of Units to be redeemed.
- v. Authorized signatories as per Investor Account Opening Form to sign the Redemption of Units Form.
- vi. In case of Institutional and Corporate investors, the company stamp shall also be required to be affixed on the Redemption of Units Form.
- vii. Physical Certificates (if any) have to be submitted at the time of the Redemption in case the investor has been issued the same at the time of purchasing Units.

- C. The applicant must obtain a copy of the Redemption of Units Form signed and duly verified by an Authorized Officer of the Distributor or Management Company if the redemption application is given to an Investment Facilitator.

Notwithstanding the above, nothing contained herein shall be construed as limiting or otherwise restricting the Management Company's liability under Rule 65 of the Rules.

- D. The Distribution Company and/or Management 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.
- E. If subsequent to the receipt of the application by the Distributor, but prior to the Redemption of the Units, the application is found by the Registrar or the Distributor to be incomplete or incorrect in any material manner, the Registrar or the Distributor will advise the application 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 application for redemption will be cancelled and be treated as null and void. Provided the Management Company may at its discretion extend this period beyond fifteen days and reserves the right to cancel the application any time after the expiration of fifteen days. The Unit Holder will then have to submit a fresh application for Redemption of Units.
- F. Units will be redeemed on the basis of the daily Net Asset Value (NAV) announced as of the close of the Business Day on the day a correctly filled application for Redemption of Units Form is submitted within business hours as announced by the Management Company from time to time. The amount payable on redemption may be paid to the Unit Holders by transfer to the Unit Holder's designated bank or mailing to the Unit Holder's registered address as mentioned in the Account Opening Form and/or any other mode(s) of payment and such payment(s) shall be subject to the Rules (which currently say that the maximum interval between the receipt of a properly documented request for redemption of Units and the payment of the redemption money shall not exceed six working days unless redemption is suspended; may change from time to time as per SECP directives). In case of Joint Unit Holders the redemption request must be properly signed by the signatories as specified at the time of opening the account with the Fund.
- G. In case the investor has requested encashment of bonus Units in the Investor Account Opening Form then in the case whenever the Fund declares any bonus Units then such bonus Units will be redeemed at the NAV as announced by the Fund on the next Business Day after the bonus Units have been credited to the account of the Holder.

- H. Redemption of Fund Units may be suspended or put in queue due to exceptional circumstances. For detailed information about this please refer to Clauses 4.7.2 and 4.7.3 below.
- I. Partial Redemption of Units covered by a single Certificate is not permitted. However, Unit Holders may apply for splitting of the Certificate before applying for redemption of Units. However, this request has to be filled out through a Service Request Form (AKDIML-04).
- J. No money would be paid to any intermediary except the Unit Holder or authorized representative.

4.4.3 Joint Unit Holder(s)

Unless the Joint Unit Holder(s) of Units have specified otherwise, all the Joint Unit Holder(s) shall sign the Redemption of Units Form for such Units.

4.4.4 Redemption of Units Form

Redemption of Units Form may be obtained from Distributors or Investment Facilitators or from the Management Company or through its website. The Management Company may also allow Redemption of Units through electronic means, details of which shall be provided through the Management Company's website when applicable. Units will be redeemed on the basis of the daily NAV announced as of the close of the Business Day on the day a correctly filled Redemption of Units Form is submitted within business hours as announced by the Management Company from time to time. However, the terms contained in Clause 4.7 shall supersede the terms of this Clause under the circumstances indicated in the said Clause.

4.4.5 Investor Mandate

Unit Holders of Class "D" Units through the Investment Mandate Form can instruct the Management Company to redeem a part of their Units at regular intervals; provided that a profit is earned against the total investment amount of the Unit Holder at each specified interval otherwise there would be no payment for the said interval.

The Management Company shall on the last Business Day of every month calculate the redemption value to be paid to the Unit Holder and Units to be redeemed thereof based on the Redemption Price announced by the Management Company on that Business Day against the total investment amount of the Units. For quarterly, semi-annual and annual payments to Unit Holders the Management Company shall follow the calendar months from January to December.

The amount of redemption value so derived shall be transferred to the designated bank accounts by way of transfer of funds to the designated bankers or sent to the registered address of the Principal Holder as specified in the Investor Account Opening Form within six working days of such redemption. Provided that the Unit Holder of Flexible Income Units shall only be disbursed profits (if any) earned against the total investment amount otherwise there would be no payment for the said interval.

4.5 Procedure for Request for Change in Unit Holders Particulars

4.5.1 Who Can Request Change?

All existing Unit Holders or those who have purchased Units of the Fund as per Clause 4.3 above are eligible to change their Unit Holders details if they so desire. Such change in particulars and requests can be made via the Service Request Form (AKDIML-04). These Forms may be obtained from Distributors or Investment Facilitators or from the Management Company or through its website.

4.5.2 Application Procedure for Change in Particulars

- A. The information submitted at the time of Investor Account Opening Form can be changed through the Service Request Form.

B. Some of the key information which the Unit Holder can change is as follows:

- i. Joint Account Holders details
- ii. Bank Account details
- iii. Redemption and Dividend mandate and instructions

The Unit Holder can also issue the following instructions:

- i. Transfer of Unit Holding in favor of someone else
- ii. Transmission of Units
- iii. Deletion and Merger of Units

The Unit Holder can also issue instruction for Certificate processing such as:

- i. Issuance of Certificate(s)
- ii. Splitting of Certificate(s)
- iii. Consolidation and cancellation of Certificate(s)

C. Fully completed Service Request Form has to be submitted by both individuals and/or by institutional investor(s). This Form should be delivered to any of the Authorized Branches of the Distribution Companies or may be submitted to the Management Company from time to time.

D. The applicant must obtain a copy of the Service Request Form signed and duly verified by an Authorized Officer of the Distributor or Management Company if the Form is given to an Investment Facilitators.

Notwithstanding the above, nothing contained herein shall be construed as limiting or otherwise restricting the Management Company's liability under Rule 65 of the Rules.

E. The Distribution Company and/or the Management 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. The Unit Holder will be liable for any taxes, charges or duties that may be levied on any of the above changes that the Unit Holder may request via the Service Request Form. These taxes, charges or duties may either be recovered by redemption of Unit Holder equivalent Units at the time of the service request or the Management Company may require separate payment of such services.

G. Transfer of Units from one owner to another may be subject to a processing charge of an amount not exceeding one percent (1%) of the Net Asset Value (NAV) at the date of request which shall be recovered from the transferee. However, the processing charge shall not be payable by the successors in the case of inheritance or distribution of the estate of a deceased Unit Holder. Any taxes or duties applicable on the transfer and transmission shall be payable by the transferee. These taxes, charges or duties may be recovered by redemption of Unit Holder equivalent Units at the time of the service request.

4.5.3 Joint Unit Holder(s)

Unless the Joint Unit Holder(s) of Units have specified otherwise, all the Joint Unit Holder(s) shall sign the Service Request Form for such Units.

4.5.4 Partial Transfer

Partial transfer of Units is permitted. However, in case of physical certificates issued the Unit Holder must first surrender the Certificate for cancellation and request the partial transfer and the issuance of balance certificate if so desired.

4.6 Procedure for Pledge/Lien/Charge of Units

4.6.1 Who Can Apply?

All existing Unit Holders or those who have purchased Fund Units as per Clause 4.3 above are eligible to apply for pledge/lien/charge of Units if they so desire. Such Pledge can be made via the Pledge of Units Form. These forms may be obtained from Distribution Companies, Investment Facilitators or from the Management Company or through its website.

4.6.2 Any Unit Holder and/or Joint Unit Holder(s) (as per mandate in the Account Opening Form) may request the Registrar to record a pledge/lien of all or any of his/her/their Units in favor of any third party legally entitled to invest in such Units in its own right. The Registrar shall register a lien on any Units in favor of any third party with the consent of the Management Company. However, the lien shall be valid only if evidenced by an Account Statement or letter issued by the Registrar with the Units marked in favor of the Pledgee. The onus for due process having been followed in registered a lien shall lie with the party claiming the lien.

4.6.3 The lien once registered shall be removed by the authority of the party in whose favor the lien has been registered or through an order of a competent court. Neither the Trustee, nor the Management Company, nor the Registrar, 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 the such party and neither the Trustee nor the Management Company and the Registrar shall take any responsibility in this matter.

4.6.4 Payments of dividends or the issue of bonus Units and redemption proceeds of the Units or any benefits arising from the said Units that are kept under lien shall be made to the lien/charge/pledge holder for the account of the Unit Holder.

4.6.5 The Distribution Company and/or Management 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.

4.6.6 Fully completed Pledge of Units Form has to be submitted by both individuals and/or institutional Unit Holders. This Form should be delivered to any of the Authorized Branches of the Distribution Company or may be submitted to the Management Company through an Investment Facilitator within business hours on the Business Day as announced by the Management Company from time to time.

4.6.7 All risks and rewards, including the right to redeem such Units and operate such account, shall vest with the pledge/lien/charge/ holder. This will remain the case until such time as the pledge/lien/charge holder in writing to the Management Company instructs otherwise.

4.7 Suspension of Dealing, Queue System and Winding Up

Under the circumstances mentioned in Clause 4.8 below, the Management Company may request the Trustee to approve a temporary change in the method of dealing in Units. Such approval shall not be unreasonably withheld.

4.7.1 Suspension of Fresh Issue of Units

The Management Company may at any time suspend issue of fresh Units. The Management Company shall announce the details of exemption at the time a suspension of fresh issue of Units is announced. Such suspension may however not affect existing Unit Holders, the issue of bonus Units as a result of profit distribution or the option to receive dividends in the form of additional Units. The Management Company shall immediately notify the SECP if fresh issue of Units is suspended

and shall also have the fact published, immediately following such decisions, in the newspapers in which the Fund's prices are normally published.

4.7.2 Suspension of Redemption of Units

In the event of extraordinary circumstances as mentioned in Clause 4.8 of this Offering Document, the Management Company may suspend or defer Redemption of Units. The circumstances under which the Management Company may suspend redemption shall be event of war (declared or otherwise), natural disasters, a major break down in law and order, break down of the communication system(s), terrorist threat and/or activities, closure of the capital markets and/or the banking system or strikes or other events that render the Management Company, Registrar, Trustee or the Distributors unable to function or any other conditions mentioned in the Rules.

4.7.3 Queue System

In the event redemption requests on any day exceed ten percent (10%) of the Units in issue, the Management Company may invoke a queue system whereby requests for redemption shall be processed on a first come first served basis for 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 it deems fit in the best interest of all 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 the proportionate basis to the size of the requests. The requests in excess of 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 a 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 10% of the Units then in issue.

4.7.4 Winding Up in view of Major Redemptions

In the event the Management Company is of the view that the quantum of redemption requests that have built up are likely to result in the Fund being run down to an unsustainable 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. In such an event, the queue system, if already invoked, shall cease to apply and all Unit Holders shall be paid after selling of the assets of the Fund and determining the final redemption price. However, interim distributions of the proceeds may be made if the Management Company finds it feasible.

4.8 Issue and Redemption of Units in Extraordinary Circumstances

The Management Company may, at any stage, suspend the issue (sale) of Units and for such periods as it may so decide. The Issue and Redemption of Units may be suspended during extraordinary circumstances including closure of one or more Stock Exchange(s) on which any of the Securities invested in by the Fund are listed, 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 instrument, 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. The Management Company may announce a suspension or deferral of redemption. 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 10% of the Units in issue. In the event of a large number of redemption requests accumulating, the requests may be processed in a Queue System and under extreme circumstances the Management Company may decide to wind up the Fund. Details of the procedure are given in Clause 4.7 herein above. Such suspension or queue system shall end of the day following the first Business Day on which the conditions giving rise to the suspension of 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 a queue system and end of suspension and queue system, the Management Company shall immediately notify the SECP and publish the same in the newspaper in which the Fund's prices are normally published.

4.9 Frequency of Valuation, Dealing and Mode of Price Announcement

- 4.9.1 For the Classes of Units and the First Offer (Purchase) Prices, please refer to Clause 1.6.2 and 1.8 of this Offering Document.
- 4.9.2 Subsequent to the First Offer, the Management Company shall announce the Offer and Redemption Prices daily, which shall be from Monday to Friday (provided such days are Business Days), calculated on the basis of the NAV and adjusted for such Sales Load, Transaction Costs, charges and duties as are described herein. The method of calculation shall be cleared to the Trustee's satisfaction that such method is adequate for ensuring accurate calculation of the prices.
- 4.9.3 The Offer Price shall be equal to the sum of the NAV as of the close of the Business Day, Transaction Costs, any Front-end Load not exceeding five percent (5%) of the NAV (please refer to Annexure "B" for the current level of Sales Load) and such amount as the Management Company may consider an appropriate provision for Duties and Charges and such sum to be adjusted upwards to the nearest 5 paisa. The Offer Price so determined shall apply to purchase requests, complete in all respects, received by the Distributor and/or Management Company during the business hours on the Business Day on which the Purchase of Units Form has been received.
- 4.9.4 The Redemption Price shall be equal to the NAV as of the close of the Business Day, less Transaction Costs, any Back-end Load (not exceeding 5% of NAV) (please refer to Annexure "B" for the current level of Sales Load) and such amount as the Management Company may consider an appropriate provision for Duties and Charges and such sum shall be adjusted downwards to the nearest 5 paisa. The Redemption Price so determined shall apply to redemption requests, complete in all respects, received by the Distributor and/or Management Company during the business hours on the Business Day on which the Redemption of Units Form has been received. However, the Management Company may not be deduct Back-end Load from the NAV for such Units that are being converted or transferred in another scheme under the management of the Management Company.
- 4.9.5 The Management Company shall, at such frequencies as may be prescribed in this Offering Document or under the Rules, determine and announce the NAV based prices of the Units. Under certain circumstances as provided in this Offering Document, the Management Company may suspend the announcement of the prices.
- 4.9.6 The Management Company shall publish the Offer and Redemption Prices in at least one daily newspaper widely circulated in Pakistan.
- 4.9.7 The prices determined, as described hereinabove shall be subject to adjustment for any taxes payable in the jurisdiction of the transaction.

4.10 Offer (Purchase) and Redemption (Repurchase) of Units outside Pakistan

- A. Subject to exchange control and other applicable laws, rules and regulations, in the event of

arrangements being made by the Management Company for the Offer of Units to persons not resident in Pakistan or for delivery in any country outside Pakistan, the price at which such Units may be issued may, at the discretion of the Management Company, include in addition to the Offer Price as hereinbefore provided a further amount sufficient to cover any exchange risk insurance, any additional stamp duty or taxation whether national, local or otherwise leviable in that country in respect of such issue or of the delivery or issue of Certificates, or any additional costs relating to the delivery of Certificates or the remittance of money to Pakistan or any other cost in general incurred in providing this facility.

- B. In the event that the Redemption Price for Units shall paid in the country outside Pakistan, the price at which such Units may be redeemed may at the discretion of the Management Company include as a deduction to the Redemption Price as hereinabove provided a further amount sufficient to cover any exchange risk insurance and any additional stamp duty or taxation whether national, local or otherwise leviable in that country in respect of such payment or redemption or any bank or other charges incurred in arranging the payment or any other cost in general incurred in providing this facility.
- C. The currency of transaction of the Trust is the Pakistan Rupee and the Management Company, Trustee or any Distributor are not obliged to transact the purchase or redemption of Units in any other currency and shall not be held liable, save as may be specifically undertaken by the Management Company, for the receipt or payment in any other currency or for any obligations arising there from.

5. DISTRIBUTION POLICY

5.1 Distribution Policy

The net amount available for distribution at the end of the financial year (or such interim period as may be decided by the Management Company), shall comprise of the revenues earned by the Fund including the net impact of the revenue collected and paid out in the NAV calculation through the Offer and Redemption of Units, less all expenses incurred or accrued attributable to the Fund. The Fund may distribute 90% of the amount available for distribution or any other payout ratio as bonus Units or cash dividends in order to avail tax exemption or any other benefits in the interest of the Unit Holders.

5.2 Declaration of Dividend

The Management Company shall decide not later than four months after the end of the Accounting Period whether to distribute profits if any, available for distribution in the form of dividends to the Unit Holders. The balance of the net income will be retained for re-investment in the Fund.

5.3 Determination of Distributable Income

The amount available for distribution in respect of any Accounting Period shall be determined by the Management Company and shall be sum total of:

- a. The total income earned on the Fund Property during such Accounting Period including all amounts received in respect of dividend, mark-up, profit, etc.;
- b. The proceeds of sales of rights and all other receipts deemed by the Management Company to be in the nature of capital accruing from investments shall not be regarded as available for distribution but shall be retained as part of the Fund 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 to be in the nature of the net realized appreciation may be distributable to the Unit Holders by the Trustee upon instructions of the Management Company and shall thereafter cease to form part of the Fund Property once

transferred to the Distribution Account.

- c. Net realized appreciation as set out in (b) above from which shall be deducted expenses as set out in Clause 6.2 below and such other adjustments as the Management Company may determine in consultation with the Auditors, subject to the Rules and the provisions of the Income Tax Ordinance and the Rules there under.

5.4 Reinvestment of Dividend

Unit Holders may opt to receive the amount equivalent to their share of the annual cash distribution in the form of additional Units. In such an event, the Management Company shall at the end of the financial year (or the relevant period in the event of an interim distribution) issue such number of Units to the Unit Holder that approximately equates the value of the Cash Dividend for the period. The issue price shall be determined on the basis of the NAV at the Distribution Date after appropriation of the distribution but without any charge of the Front-end Load (if any) normally included in the Offer Price. The issuance of bonus Units shall be made, net of any taxes, charges and duties that the Management Company or the Trustee is obliged to recover from the Unit Holder under the Rules or any other applicable law.

- 5.4.1 A Unit Holder may in writing at the time of opening an account in the Unit Holder Register during the first purchase of Units or may be completing the prescribed Service Request Form at a later date instruct the Management Company to reinvest in future dividends to which he will be entitled into Fund Units.
- 5.4.2 The Offer Price for the Units to be issued under Clause 5.4.1 above will be the NAV at the Distribution Date after the adjustment of the announced dividend.

5.5 Bonus Units

In case of distribution in the form of bonus Units on each distribution date the Management Company shall determine the amount available for distribution as bonus Units and inform the Trustee of the same. 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. Such Units shall be added to the holding of the Unit Holders. A Unit Holder may 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 Registrar in writing through Service Request Form prior the dividend declaration for any relevant period. The NAV applicable to the encashment of such Units will be the NAV announced by the Fund on the next Business Day after the bonus Units have been credited to the account of the Unit Holder.

5.6 Payment of Dividend

All payments for dividend shall be made by transfer of funds to the Unit Holder(s) designated bank account or through any other mode(s) of payment and such payment shall be subject to the Rules (or the charge-holder's designated bank account in the case of pledged Units as the case may be). The dividend shall be transferred within 45 days after the declaration of dividend.

5.7 Dispatch of Dividend Warrants/Advice

Dividend warrants or advices shall be dispatched to the Unit Holder's on the Charge Holder's registered address within 45 days after the declaration of dividend.

5.8 Closure of Register

The Management Company may close the Register by giving at least seven (7) days notice to the

Unit Holders for a period not exceeding forty five (45) days in a calendar year. During the period the Register is closed, the sale and redemption of Units, including transfer applications, will be suspended.

6. FEES AND CHARGES

6.1 Fees and Charges Payable by the Investor

6.1.1 Sales and Processing Charges (Sales Load)

The Unit Purchase Price includes a Front-end Load of a maximum of 5% of the Net Asset Value of the Unit of the Fund (the current level of Sales Load is indicated in Annexure "B"). 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 Front-end Load. Transfer of Units from one owner shall be subject to a processing charge of an amount not exceeding one percent (1%) of the Net Asset Value at the date the request is lodged within business hours on the business day to the Authorized Distributor or Management Company, which shall be recovered from the transferee. These taxes, charges or duties may be recovered by redemption of Unit Holders equivalent Units at the time of the transfer or may be charged separately. However, the processing charge shall not be payable by successors in the case of inheritance or distribution of the estate or deceased Unit Holder.

6.1.2 Allocation of Sales Load

- A. The remuneration of the Distribution Companies and Investment Facilitators shall be paid exclusively from any Sales Load received by the Trustee and/or may be paid by the Management Company when the Trustee pays the Sales Load to the Management Company for onward distribution to the Distributors and Investment Facilitators and no charges shall be made against the Fund Property or the Distribution Account in this respect. The Trustee shall pay the remainder of any Sales Load after such disbursement to the Management Company as additional remuneration for their management services for the Scheme. If the Sales Load received by the Trustee is insufficient to pay the remuneration of the Distributors and Investment Facilitators, the Management Company may request the Trustee to pay the necessary amount from any outstanding management fees accruing from the Fund Property. In any case, the Management Company shall pay the amount necessary to pay in full such remuneration.
- B. Such payments may be made to the Distributors and Investment Facilitators and the Management Company by the Trustee or may be made by the Trustee on the instructions of the Management Company on a monthly basis in arrears within thirty (30) days of the end of the calendar month.
- C. A Distributor located outside Pakistan may if so authorized by the Management Company and the Trustee, retain such portion of the Sales 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.

6.1.3 Redemption Processing Charge (Back-end Load)

The Unit Redemption Price is calculated after deducting a processing charge from the Net Asset Value (the current level of Back-end Load is indicated in Annexure "B").

6.2 Fees and Charges Payable by the Fund

The following expenses will be borne by the Fund:

6.2.1 Remuneration of the Management Company

The Management Company shall be entitled to receive:

An annual remuneration during the first five years of the scheme's existence, of an amount not exceeding three per cent of the average annual net assets of the scheme and thereafter of an amount equal to two per cent of such assets. The remuneration shall begin to accrue from the close of the First Offer Period.

6.2.2 Remuneration of the Trustee

The Trustee shall be entitled to a monthly remuneration out of the Fund Property based on annual tariff of charged annexed hereto (Annexure "A"), which shall be applied to the average daily Net Asset Value during such calendar month. The remuneration shall begin to accrue from the close of the First Offer Period. 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. Any costs incurred by the Trustee such as legal and related costs incurred in protecting or enhancing the interests of the Fund or the collective interest of the Unit Holders, are reimbursable at actual, out of the Fund's properties. All expenses incurred by the Trustee affecting the registration of all registerable property in the Trustee's name for the benefit of the Fund, are reimbursable at actual, out of the Fund's Property.

- 6.2.3 Brokerage and Transaction Costs related to investing and disinvesting of the Fund Property.
- 6.2.4 Legal and related costs incurred in protecting or enhancing the interests of the Fund or the collective interest of the Unit Holders.
- 6.2.5 Bank charges and borrowing/financial costs.
- 6.2.6 Fund Auditor's fees and expenses.
- 6.2.7 Formation Cost estimated at but not exceeding one percent (1%) of the Core Investment (seed capital) that will be amortized over a period not exceeding five years.
- 6.2.8 Listing fee payable to the Stock Exchange(s) on which the Units may be listed.
- 6.2.9 Annual fee payable to the SECP under Rule 79 of the Rules.
- 6.2.10 Taxes (if any), applicable to the Trust and its income and/or its properties.
- 6.2.11 Marketing expenses specifically related to the Fund.
- 6.2.12 Charges and levies of Stock Exchange(s), SECP charges, National Clearing and Settlement Company, CDC, CVT, Laga, Fund dividend/redemption of Units transfer charges as payable to bank at the time of transfer of funds to the Unit Holder and other levies and charges.

Such expenses shall be paid to the Management Company at actual, if these are paid by the Management Company on behalf of the Fund, within 30 days.

6.3 Expenses of the Management Company and Trustee

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

7. TAXATION

7.1 Taxation on the Income of the Fund

7.1.1 Liability for Income Tax

- Under the Tax Law in Pakistan, the definition of a public company includes a Unit Trust whose Units are widely available to the public and any other Trust as defined under the Trust Act, 1882. The Fund will be regarded as a public company liable to a tax rate applicable to a public company. The income of the Fund will accordingly be taxed at the following rates:
- Dividend income received from a Pakistani company shall be taxed at an income rate of 5%.
- Capital gain arising on sale of securities listed on any Stock Exchange(s) in Pakistan is exempt from tax up to tax year 2007.
- Return from Term Finance Certificates or Corporate Paper(s), profit on Government securities, return on deposits/certificates of investment with banks/financial institutions, profit from money market transactions, profit from profit and loss sharing accounts with banks or any other income not mentioned above is taxable at the rate applicable to a public company (as per Income Tax Law).
- Notwithstanding the tax rates given above, the income from the Fund will be exempted from tax if not less than 90% of the income for the year reduced by capital gains whether realized or unrealized is distributed amongst the Unit Holders as dividend. Further under the provisions of Clause 47(B) of Part 4 of the Second Schedule to the Income Tax Ordinance, 2001, the Fund's income from dividend, profit on debt, brokerage and commission is exempt from withholding tax under the relevant provisions of the Law.
- Under the Finance Act, 1989 (V of 1989) as amended by Finance Act, 2004 (II of 2004), read with Circular #06 of 2004 dated July 1, 2004 a Capital Value Tax at the rate of 0.02% of the purchase value of modaraba certificate 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 shall be charged on purchase of the same. This tax will be collected by the Stock Exchange concerned and will be payable by the Fund on any purchase transactions.

7.2 Taxation on Unit Holders

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

7.2.1 Unit Holders of the Fund will be subject to Income Tax on dividend income (excluding the amount of dividend paid out of capital gains) as under:

- Public Companies & Insurance Companies 5%
- Others 10%

The rate of tax so specified will be the final tax and the payer (Trustee) will be required to withhold the amount of tax at source. Unit Holders who are exempt from income tax may obtain exemption certificate from the Commissioner of Income Tax and provide the same to the Management Company and/or the Registrar and on the basis of Exemption Certificate, income tax will not be withheld.

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

7.2.2 Capital Gains

Capital gains in disposition of Units in the Fund will be subject to capital gains tax at the applicable rate. The Units of the Fund will be listed on the Stock Exchange. Consequently, subject to such listing the Capital Gain on disposal of the Units shall be exempt from tax up to Tax Year ending on June 30, 2008.

7.2.3 Tax Credit

Unit Holders other than a company shall be entitled to a tax credit under Section 62 of the Income Tax Ordinance, 2001, on purchase of new Units. The amount on which tax credit will be allowed shall be lower of:

- a. amount invested in purchase of new Units,
- b. 10% of the taxable income of the Unit Holder, and
- c. Rupees one hundred thousand, and will be calculated by applying the average rate of tax of the Unit Holder for the tax year.

If the Units so acquired are disposed within 12 months, the amount of tax payable for the tax year in which the Units are disposed shall be increased by the amount of the tax credit.

7.2.4 Zakat

Units held by resident Pakistani Unit Holders (individuals only) shall be subject to Zakat at 2.5% of the Par Value of the Units under Zakat and Ushr Ordinance, 1980 (XVII of 1980), except those exempted under the said Ordinance. Zakat will be deducted as source from the dividend amount or from the redemption proceeds.

7.3 Dividends

The Fund may distribute 90% of the amount available for distribution or any other payout ration as bonus Units or cash dividends in order to avail Tax Exemption or any other benefits in the interest of the Unit Holder(s).

7.4 Disclaimer

The tax and Zakat information given above is based on the Management Company's tax adviser's interpretation of the law, which to the best of the Management Company's understanding is correct but investors are expected to seek independent advice so as to determine the taxability arising from their investment in the Units of the Fund. Furthermore, tax and Zakat laws, including rates of taxation and of withholding tax are subject to amendments from time to time. Any such amendments in future shall be deemed to have incorporated herein.

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

8. REPORTS AND ACCOUNTS

8.1 Financial Year of AKD Income Fund

The Accounting Period will commence from the date of registration of the Fund for the first year to June 30, 2007 and from July 01 to June 30 for all the following years.

8.2 Financial Reporting

The following reports will be sent to the Unit Holders physically (or through electronic means or on the web as specified by the Unit Holder):

- a. Audited financial statements, together with the Auditors report, the report by the Management Company (Director's report) and the report by the Trustee within four months of the close of each Accounting Period.
- b. Un-audited financial statements (subject to limited scope review by the Auditors), together with the report by the Management Company within two months of the close of the second quarters of the Accounting Period, as per the Rules.
- c. Un-audited financial statements, together with the report by the Management Company within one month of the close of the first and third quarter of each Accounting Period or such period as prescribed by the SECP or the Rules.
- d. The Trustee shall issue a report to the Unit Holders to be included in the annual report, or at such times as directed by the SECP, in accordance with the Law, whether in its opinion, the Management Company has in all material respects managed the Fund Property in accordance with the provisions of the Rules and the Deed and if the Management Company has not done so, the respect in which it has not done so and the steps the Trustee has taken in respect thereof.

The regularity of reporting will change if so required by the SECP or under the Rules and the Ordinance.

9. SERVICE TO UNIT HOLDERS

9.1 Availability of Forms

All the Forms mentioned herein will be available at the Authorized Branches of the Distribution Companies as well as from the Management Company or on its website at www.akdinvestment.com.

9.2 Register of Unit Holders

A Register of Unit Holders may be maintained by the Registrar, Gangjees Associates presently having its office at 413, Clifton Center, Khayaban-e-Roomi, Block-5, Clifton, Karachi, Pakistan, or such other company, as the Management Company may appoint after giving prior notice to the Unit Holders. Provided that the Management Company may itself provide Registrar services to the Fund. Every Unit Holder will have a separate Registration Number. The Management Company shall use such Registration Number for recording Units held by the Unit Holder. Unit Holder's account identified by the registration number will reflect all the transactions in that account held by such Unit Holder. The Holder will be entitled to ask for copies of his Account Statement thereof on any Business Day within business hours applying to the Registrar in writing and providing such fee that the Management Company may notify from time to time. The Register shall be conclusive evidence as to the Units held by each Unit Holder.

9.3 Information in the Register

The Register will normally contain the following major information:

9.3.1 About Unit Holders

- a. Name of Unit Holder/ Joint Unit Holders;
- b. Address of Unit Holder/first named Joint Holder;
- c. NIC number of Unit Holder/ Joint Holder(s) and/or identification number of passport if applicable;
- d. Father's or husband's name of Unit Holder in the case of individuals;
- e. Occupation of Unit Holder;
- f. Tax status of the Unit Holder;

- g. Bank details;
- h. Zakat status of the Unit Holder(s);
- i. Record of signature of Unit Holder/Joint Holders
- j. Particulars of Nominee(s)
- k. Record of signature of Unit

9.3.2 About Units

- a. Type;
- b. Certificate number, if applicable;
- c. Dates of purchase/redemption/transfer;
- d. Number of Units held by the Unit Holder; and
- e. Information about pledge/lien/charge on Units

9.3.3 Instructions

- a. Instruction about reinvestment or payment of dividend or the encashment of bonus Units;
- b. Instructions for redemption application;
- c. Information and instruction about pledge/lien/charge of Units;
- d. Information and instruction about Nominee(s) in case of death of Unit Holder; and
- e. Bank details for Redemption and Dividend Mandate.

9.3.4 Request for Changes

All existing Unit Holders or those who have purchased Fund Units as per Clause 4.3 above are eligible to change their Unit Holder details if they so desire. Such change in particulars and requests can be made via the Service Request Form. These Forms may be obtained from the Distribution Companies or Investment Facilitators or from the Management Company or through www.akdinvestment.com.

The Registrar, who on being satisfied therewith and on compliance with such formalities (including in the case of a change of name the surrender of any Certificate previously issued to such Holder and the payment of the fee) shall alter the Register or cause it to be altered accordingly and in the case of a change of name shall issue a new Certificate if required to such Holder.

9.4 Account Statement

The Registrar may send directly to each Unit Holder an Account Statement each time there is a transaction in the account.

9.5 Certificates

- 9.5.1 Unit Certificates will be issued only if requested by the Unit Holder(s).
- 9.5.2 Unit Holders can apply for the issue of Certificate by completing the prescribed application form and submitting it to the relevant Distribution Company and Management Company or to the Management Company through an Investment Facilitator together with a fee at the rate of Rs50/- per Certificate or any amount as determined by the Management Company from time to time.
- 9.5.3 The issued Certificate would be sent through postal or courier service at the applicant's risk within twenty one (21) Business Days after the request for the Certificate has been made, to the address of the Unit Holder or to the address of the first named Joint Holder/ Principal Account Holder, if the relevant Unit(s) are jointly held.
- 9.5.4 Each Unit or any fraction thereof shall not be represented by more than one Certificate at any one time.

9.5.5 In the case of Units held jointly the Registrar shall not issue more than one Certificate for the Units held by such Joint Holder(s) and delivery of such Certificate to the first named Joint Holder/Principal Account Holder named first therein shall constitute sufficient delivery to all Joint Holders. All payments required under this Offering Document (i.e. redemption and dividend) will be made to the first name Joint Holder/Principal Account Holder.

9.5.6 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 (including fractions thereof) represented thereby and the name and address of the Holder as appearing in the Register.

9.6 Replacement of Certificates

9.6.1 The Registrar or Management Company may replace Certificates, which are defaced, mutilated, lost or destroyed on application received by them from the Unit Holder on the prescribed form (Service Request Form) on the payment of all costs and on such terms as to evidence, indemnity and security as may be required. Any defaced or mutilated Certificate must be surrendered before a new Certificate is issued.

9.6.2 The Unit Holder shall on application on prescribed form be entitled to consolidate the entire holding in the Fund into one (1) Certificate upon surrender of existing Certificates.

9.6.3 Each new issue of Certificates will require payment of Rs50/- per Certificate, subject to revisions of the fee from time to time by the Management Company.

9.7 Pledge/Lien of Units

For details of Pledge/Lien/Charge of Units please refer to Clause 4.6 above.

9.8 Nomination

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 the death of the Unit Holder by filing the relevant portion of the Investor Account Opening Form or may request a nomination or change in nomination through the Service Request Form. Nominee(s) can be nominated only by single Unit Holder when there are no Joint Holders. The maximum number of Nominee(s) can be two (2) in number with their respective share mentioned in percentage against their respective names. Such nomination shall however not restrict the Management Company or the Trustee or the Registrar 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.

10. FINANCIAL INFORMATION

10.1 Auditors Certificate on Core Investors' Investment in the Units of the Fund is enclosed as Annexure "E".

10.2 Auditors Certificate on the Net Asset Value of the Fund is enclosed as Annexure "F".

10.3 List of Pre-IPO investors is enclosed as Annexure "G".

10.4 Formation Cost

All preliminary and floatation expenses of the Fund including expenses in connection with authorization of the Scheme, execution and registration of the Constitutive Document, issue, legal costs, printing,

circulation and publication of the Offering Document, marketing of the Fund and in inviting investment therein and all expenses incurred during the period leading up to the First Offer, shall be borne by the Fund and amortized over a period of not more than five years. Such cost will not exceed one percent (1%) of the Core Investors' investment into the Fund.

11. WARNING

11.1 Offering Document

The provisions of the Trust Deed and the Rules govern this Offering Document. This Offering Document sets out the arrangements covering the basis of the Fund Units. It sets forth information about the Fund that a prospective investor should know before investing in any Unit of the Fund. Prospective investors should consult one or more from amongst their legal advisers, stock brokers, bank managers, or other financial advisers.

11.2 Fluctuation in Price and Income

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

11.3 Disclaimer

Investment in the Fund is suitable for investors who have the ability to take the risks associated with financial and other market investments whether listed or otherwise. The historical performance of this Fund, financial and other markets or instruments or investments whether listed or otherwise included in the Fund's portfolio does not necessarily indicate future performance.

Investors are advised to read risk disclosure as mentioned in this Offering Document in Clause 2.4 and 2.5 above for more information concerning risk.

12. GENERAL INFORMATION

12.1 Inspection of Constitutive Documents

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

AKD Investment Management Limited
606, Continental Trade Center
Block 8, Clifton,
Karachi - Pakistan

Central Depository Company of Pakistan Limited (CDC)
CDC House
99-B, Block "B",
S.M.C.H.S.
Main Shahra-e-Faisal
Karachi - Pakistan

12.2 Information given in this Offering Document, responsibility of Management Company

AKD Investment Management Limited the Management Company of the AKD Income Fund accepts the responsibility for the information contained in this Offering Document as being accurate at the date of publication.

13. TERMINATION OF THE FUND

13.1 By the Management Company

The Fund may be terminated by the Management Company by giving three (3) months notice in writing to the Unit Holders on the grounds given in Clause 4.7.4 and 4.8 of this Offering Document. The grounds on which termination is made shall be mentioned in the notice to the Unit Holders.

13.2 By the Securities and Exchange Commission of Pakistan

If the SECP considers that further continuation of the authorization of the Fund will not be in the interest of the Unit Holders, it will give a three months notice to the Unit Holders about its intention not to maintain such authorization, provided that no notice shall be served without offering an opportunity of hearing the Management Company.

13.3 Winding Up

In case of the termination of the Fund, the Management Company shall be required to wind up the Fund and refund the proceeds to the Unit Holders in such a manner and within such time as may be specified by the SECP.

14. GLOSSARY

Unless the context requires otherwise the following words or expressions used in this Offering Document shall have the following meanings respectively assigned to the viz:

- 14.1 **"Accounting Date"** means the date 30th June in each year and any interim dates at which the financial statements of the Trust are drawn up. Provided, however, that the Management Company may, with the consent of the Trustee and after obtaining approval of the SECP and the Commissioner of Income Tax, change such date to any other date.
- 14.2 **"Account Statement"** means a statement of transactions of Units in the folio of the Unit Holder maintained within the unit holder register.
- 14.3 **"Accounting Period"** means a period ending on and including an Accounting Date and commencing (in case of the first such period) on the date of the commencement of the initial period and in any other case from the end of the preceding Accounting Period.
- 14.4 **"AKD Income Fund", "AKDIF", "The Scheme", "Trust", "Unit Trust" or "Fund"** means the Unit Trust constituted by this Trust Deed for continuous offers for Sale of Units.
- 14.5 **"Auditors"** means a firm of chartered accountants that is appointed by the Management Company, with the consent of Trustee, as the auditor for the Scheme, who shall be independent of the auditor of the Management Company and the auditor of the Trustee, as provided under the Rules or as announced by the Management Company from time to time;
- 14.6 **"Authorized Branch or Branches"** means those branches of the Distributors whose addresses shall be given in the Offering Document.
- 14.7 **"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 off-shore investors.
- 14.8 **"Authorized Investment"** means short to long term, fixed, floating and hybrid rate instruments transacted, issued, traded or listed inside or outside Pakistan and includes the following:
 - 14.8.1 Debt Securities, bonds, debentures, debenture stock, participation term certificates, musharika

- certificates, term finance certificates, convertible bonds and other asset backed or mortgage backed securities, Global Deposit Receipts (GDR) of debt securities and American Deposit Receipts (ADR) or securities traded or to be traded over the counter (OTC) markets. Such investments shall include those for ready settlement as well as those for future settlement;
- 14.8.2 Government of Pakistan Investment Bonds, Federal Investment Bonds, Treasury Bills, other Government Securities, Sukuk Bonds, Eurobonds and other types of sovereign bonds;
- 14.8.3 Debentures and Certificates of Musharika;
- 14.8.4 Long, medium and short term bank deposits with banks including deposit in currencies other than the Pakistani Rupee;
- 14.8.5 Units in any other money market Fund only. The purchase and acquisition of Units in one money market fund shall not exceed (10) percent of the Net Asset Value of AKDIF at the time of purchase, except as may otherwise be permissible under the Rules;
- 14.8.6 Secured, listed or privately placed debt securities issued by local governments, government agencies and statutory bodies, private and/or public sector entities and/or financial institutions having a minimum investment grade rating by a recognized rating agency.
- 14.8.7 Convertible debt securities issued by corporates/financial institutions. In the event such debt securities is required to be converted into shares, then AKD Income Fund shall offload the shares within a period of three months of the shares being issued.
- 14.8.8 Convertible TFCs issued by corporate financial institutions, in case AKDIF is required to convert the TFCs into shares, it would offload the shares within a period of three (3) months of the shares being issued. Total investment by AKDIF in convertible TFCs will not exceed 15% of its Net Assets Value;
- 14.8.9 Convertible and Non-convertible Preference Shares. In the event that such Preference Shares is required to be converted into Ordinary Shares, then AKD Income Fund shall offload the Ordinary Shares within a period of three months of the Ordinary shares being issued. Total investments by AKDIF in convertible preferred shares will not exceed 15% of its Net Assets Value;
- 14.8.10 Certificates of Investment/Deposits issued by financial institutions having a minimum investment grade rating by a credit rating agency registered with the SECP;
- 14.8.11 Continuous Funding System (CFS); upto 50% of the Net Assets can be invested in CFS Transaction with not more than 20% of CFS amount in any one script at the time of investment;
- 14.8.12 Asset Backed and Mortgage Backed Debt Securities;
- 14.8.13 Commercial Papers and any other money market debt security that may or may not be listed on the Stock Exchange but does not include bearer security or any other security that would involve assumption of unlimited liability;
- 14.8.14 Spread Transactions, AKDIF will enter into transactions aimed at earning a spread in the price of securities resulting from the timing difference between ready and future settlement. AKDIF will buy in the ready settlement market and sell in the future settlement market. Both the transaction will be carried out simultaneously so as to avoid any risk emanating from the movement in the prices of underlying securities;
- 14.8.15 Enter into Reverse Repo transactions in the money market instruments only and to the extent and for the purpose specified in the Rules;

- 14.8.16 Subject to SECP or other regulatory approvals, the AKD Income Fund may seek to invest in foreign fixed income securities or instruments; issued, listed or otherwise and traded outside Pakistan on such terms, guidelines and direction as may be issued by the SECP and the State Bank of Pakistan from time to time.
- 14.8.17 Warrants, Options, derivatives subject to the prior approval of SECP. Investment in this asset class would be for hedging purposes only and subject to such terms and conditions as approved by the Commission from time to time
- 14.8.18 Any other Money Market instruments, Certificate of Deposit and bankers acceptance;
- 14.9 **"Back-end Load"** means a Processing Charge, not exceeding five percent of the Redemption Price, 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 determined by the Management Company from time to time.
- 14.10 **"Bank"** means any 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.
- 14.11 **"Bank Accounts"** means those account(s) opened and maintained for the Trust by the Trustee at Banks, the beneficial ownerships in which shall vest in the Unit Holders.
- 14.12 **"Business Day"** means a day (such business hours thereof) when offices of the management company are open for business in Pakistan.
- 14.13 **"Continuous Funding System (CFS)"** is a form of financing transacted through the Stock Exchange. It consists of two simultaneous transactions, the first for purchase of an underlying security (shares) on the next settlement date and the second for selling back the security at a higher price for a subsequent settlement date.
- 14.14 **"Certificate"** means the definitive certificate acknowledging the number of Units registered in the name of the Unit Holder(s) issued at the request of the Unit Holders pursuant to the provisions of the Trust Deed.
- 14.15 **"Connected Person"** shall have the same meaning as assigned in the Rules.
- 14.16 **"Connected Broker"** means a broker that is a Connected Person.
- 14.17 **"Constitutive Document"** means the principal documents governing the formation of an open-ended scheme and all related material agreements.
- 14.18 **"Core Investors"** of the Scheme shall be such initial Investors whose subscription shall in aggregate be in compliance of the requirements of Clause 67(2) (f) of the Rules. The Core Investors shall be issued with Core Units representing their subscriptions. Particulars of the Core Investors shall be included in the Offering Document that shall be issued for this Trust.
- 14.19 **"Core Units"** shall mean such Units of the Trust that are issued to Core Investors with the condition that these are not redeemable for a period of two years from the date of close of First Offer. Such Units are transferable with this condition, but otherwise shall rank pari passu with all other Units, save for this restriction. Any transfer of the Core Units, during the first two years of their issue, shall be affected only on the receipt by the Registrar of a written acceptance of this condition by the transferee.
- 14.20 **"Custodian"** means a Bank, a Central Depository Company, or any other depository for the time being appointed by the Trustee in consultation with the Management Company and the SECP, 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 in accordance

with Clause 5.B.5.

- 14.21 **"Discount Rate"** means the rate at which the State Bank of Pakistan makes Funds available to banks for short periods against the collateral of government bonds; and if no longer published then the substitute thereof.
- 14.22 **"Distribution Account"** means the account (which may be a current, saving or deposit account) maintained by the Trustee with a Bank as directed by the Management Company in which the amount required for distribution of income to the Unit Holders shall be transferred. Interest, income or profit, if any, including those accruing on unclaimed dividends, in this account shall be transferred to the main account of the Fund from time to time, as part of the Fund Property for the benefit of the Unit Holders.
- 14.23 **"Distributor(s)"** means Company (ies), Firm(s) or Bank(s) appointed by the Management Company for performing any or all of the Distribution Functions and shall include the Management Company itself, if it performs the Distribution Functions;
- 14.24 **"Distribution Functions"** means the functions with regard to:
- 14.24.1 Receiving applications for Purchase of Units together with aggregate Offer Price for Units applied for by the applicants;
- 14.24.2 Interfacing with and providing services to the Unit Holders including receiving Redemption, Transfer and Pledge applications, conversion notices and applications for change of address or issue of duplicate Certificates for immediate transmission to the Management Company or the Registrar as appropriate; and
- 14.24.3 Acknowledging receipt by delivering customer copy in respect of 14.24.1 and 14.24.2 above;
- 14.24.4 Accounting to the Management Company for (i) monies received from the applicants when they purchase Fund Units; (ii) payments made to the Unit Holders on Redemption of Units; and (iii) expenses incurred in relation to the Distribution Functions.
- 14.25 **"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 Distributor 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.
- 14.26 **"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.
- 14.27 **"First Offer"** means the price of Rs. 50 per Unit during the initial offering period determined by the Management Company, which shall not exceed a period of ten days (provided that this period may be extended with the prior approval of SECP).
- 14.28 **"Formation Cost"** means all preliminary and floatation expenses of the Scheme including expenses in connection with authorization of the Scheme and its application fee payable to SECP, execution and registration of the Constitutive Document, issue, legal costs, printing, circulation and publication of the Offering Document, announcements describing the Fund, marketing of the Fund to Unit

Holders and inviting investment therein and all expenses incurred during the period leading up to the First Offer.

- 14.29 **"Front-end Load"** means the sales and processing charges, also described as Sales Load in Clause 14.49, payable to the Management Company, which are included in the Offer Price of Units.
- 14.30 **"Fund's Auditors"** means the Auditors.
- 14.31 **"Fund Property"** means the aggregate proceeds of the sale of all Units at Purchase (Offer) Price and any Transaction Costs recovered in the Purchase (Offer) or Redemption (Repurchase) price after deducting therefrom or providing there against the value of Redemption, Front-end Load, Backend Load, Duties and Charges (if included in the Purchase <Offer> Price or Redemption <Repurchase> Price) applicable to the Purchase or Redemption of Units and any expenses chargeable to the Fund; and includes the Investment and all income, profits, shares, securities, deposits, right and bonus shares, cash, bank balances, dividends, fees, commissions, receivables, claims, contracts, licenses, privileges and other benefits arising therefrom and all cash and other movable assets and properties 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 and shall include the income, profit, interest, etc earned on the amount credited to the Distribution Account.
- 14.32 **"Holder" or "Unit Holders"** means the Investor for the time being entered in the Register as owner of a Unit or a fraction thereof including Investor jointly so registered pursuant to the provisions of this Deed.
- 14.33 **"Initial Period of Offer"** means the same as "Initial Offering Period" and "Initial Public Offer" which means the period during which First Offer of Units shall be made, which shall be indicated in the Offering Document.
- 14.34 **"Investment"** means any Authorized Investment forming part of the Fund Property.
- 14.35 **"Investment Facilitator"** (Facilitator) means an Individual, Firm, Corporate or other Entity appointed by the Management Company, at its sole responsibility, to identify solicit and assist Investors in investing in the Scheme. The Management Company shall compensate the Facilitators out of the Sales Load collected by it in the Offer Price.
- 14.36 **"Net Assets"** means the excess of assets over liabilities of the Fund, such excess being computed in the manner as specified under the NBFC Rules.
- 14.37 **"Net Asset Value"** means per Unit Value of the Fund arrived at by dividing the Net Assets by the number of Units outstanding.
- 14.38 **"Offer Price (Purchase Price)"** means the sum to be paid by the investor for the purchase of one Unit, such price to be determined pursuant to the Offering Document.
- 14.39 **"Offering Document"** means the prospectus, advertisements or other documents (approved by the SECP), which contain the investment and distribution policy and all other information in respect of the Scheme, as required by the Rules and is calculated to invite offers by the public to invest in the Scheme.
- 14.40 **"Ordinance"** means Companies Ordinance 1984.
- 14.41 **"Par Value"** means the First Offer Price of a Unit that shall be fifty Rupees.

- 14.42 "Personal Law"** means the law of inheritance and succession as applicable to the Individual Unit Holder(s).
- 14.43 "Redemption Price (Repurchase Price)"** means the amount to be paid to the relevant Holder of a Unit upon Redemption of that Unit, such amount to be determined pursuant to Clause 7.5 of the Trust Deed and stated in this Offering Document.
- 14.44 "Redemption of Units Form"** means the prescribed form, which is to be stated in the Offering Document.
- 14.45 "Register"** means the Register of the Holders kept pursuant to the Rules and the Trust Deed.
- 14.46 "Registrar"** means an organization that the Management Company may appoint for performing the Registrar Functions and may include a department of the Management Company. The term and definition of "Transfer Agent" is also covered within the definition of a Registrar.
- 14.47 "Registrar Functions"** means the functions with regard to:
- 14.47.1 Maintaining the Register;
 - 14.47.2 Processing requests for Purchase (Offer), Redemption (Repurchase), Transfer and Transmission of Units and requests for recording of lien or for recording of changes in data with regard to the Unit Holder(s);
 - 14.47.3 Issuing Account Statement to the Unit Holders;
 - 14.47.4 Issuing Certificates to the Unit Holders if required;
 - 14.47.5 Dispatching income distribution advice and/or bank transfer intimations; and
 - 14.47.6 Canceling old Certificates on Redemption or Replacement.
- 14.48 "Rules"** means the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003, as amended from time to time.
- 14.49 "Sales Load"** means the sales and processing charge or commission (excluding Duties and Charges) not exceeding five percent (5%) of the Offering Price. The Management Company may, at its discretion, charge different levels of the load to different Investors from time to time.
- 14.50 "SECP" or "Commission"** means the Securities and Exchange Commission of Pakistan.
- 14.51 "Stock Exchange"** means Karachi Stock Exchange, Lahore Stock Exchange, Islamabad Stock Exchange or any other stock exchange registered under the Securities and Exchange Ordinance 1969.
- 14.52 "Service Request Form"** means the prescribed form, which is to be stated in the Offering Document.
- 14.53 "Transaction Costs"** means the costs incurred or estimated by the Management Company to cover the costs (such as, but not restricted to, Brokerage, Trustee charges, Taxes or Levies on transactions, etc.) related to the investing or disinvesting activity of the Fund's portfolio, necessitated by creation or cancellation of Units. Such costs may be added to the NAV for determining the Purchase (Offer) Price of Units or be deducted from the NAV in determining the Redemption (Repurchase) Price. The Transaction Costs may not normally be applied in determining these prices, however, if the Management Company is of the view that it is in the overall interest of the Unit Holders, it may with intimation to the Trustee, apply such charge either to the Offer or the Redemption Price. The

Management Company may, however, apply Transaction Costs while determining Purchase (Offer) or Redemption (Repurchase) prices, without intimating the Trustee provided the difference between the Purchase (Offer) Price and the Redemption (Repurchase) Price does not exceed five percent. The element of Transaction Costs taken into account in determining the prices and collected so, shall form a part of the Fund Property.

14.54 "Unit" means one undivided share in the Scheme and where the context so indicates a fraction thereof.

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

15. ARBITRATION

In the event of any disputes arising out of the Trust Deed or this Offering Document between the Management Company on the one part and the Trustee on the other part, including as to the respective rights and obligations of the Management Company and the Trustee, as well as those relating to the interpretation of the terms and conditions of the Trust Deed and/or the Offering Document relating to the Unit Trust, the same shall be referred to arbitration by two arbitrators, one to be appointed by the Management Company and the other to be appointed by the Trustee. In the event of lack of consensus between the two arbitrators, the matter shall be referred to an umpire to be selected by the two arbitrators before commencement of the reference. The unanimous decision of both the arbitrators, or the decision of the umpire, as the case may be, shall be final and binding upon both the Parties. The arbitrators and the umpire shall be selected from amongst senior partners of renowned firms of chartered accountants, or senior partners of renowned law firms, or senior bankers or senior members of the Karachi Stock Exchange (Guarantee) Limited (who may also include heads of corporate members). The venue of the arbitration shall be Karachi. The arbitration shall be conducted in accordance with the Arbitration Act, 1940.

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

ANNEXURE "A"

Central Depository Company of Pakistan

Tariff Structure for Trusteeship of Open-ended Mutual Funds (Unit Trusts)

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

NET ASSETS (Rupees in million)		TARIFF
From	To	
1	1,000	Rs. 0.7 million or 0.20% p.a. of NAV, which ever is higher.
>1,000	& Above	Rs. 2.0 million plus 0.10% p.a. of NAV, on amount exceeding Rs.1,000 million.

ANNEXURE "B"**Current Level of Front-end Load and Back-end Loads and Management Fee****Effective from Close of First Offer**

Front-end Load: 1.00% (The Management Company at its discretion may increase or decrease the Front end Load, but at no time will the Front-end Load be greater than 5% of NAV).

Back-end Load: 0.00%

Management Fee:

A remuneration of an amount not exceeding three percent (3.00%) per annum of the average daily Net Assets for the first five years of the scheme and thereafter of an not exceeding two percent (2.00%) per annum of the average daily Net Assets.

Provided that the remuneration so calculated shall not exceed the maximum remuneration allowed under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003.

ANNEXURE "C"

List of Distribution Offices

AKD Investment Management Limited**Head Office:**

214, Continental Trade Center
Block-8, Clifton
Karachi - Pakistan
Phone: (92-21) 111-AKDIML (111-253-465)
Fax: (92-21) 5373217, 5303125

Branch Offices:**Islamabad**

2nd Floor, Razia Shfiq Plaza, Fazl-e-Haq Road,
Blue Area, Islamabad
Tel: 051-2802215-6 Fax: 051-2802012

Lahore

Shop No. Al-Latif Centre,
Gulberg III, Lahore.

The following locations will be distribution points for the fund:**AKD Securities (Private) Limited**

Head Office
Suite # 214, 2nd Floor
Continental Trade Centre
Block 8, Clifton
Karachi - Pakistan
UAN: 111-253-253
Fax: (92-21) 583-6517

AKD Securities (Private) Limited

Islamabad Office
M-4, Islamabad Stock Exchange Building,
101-E, Fazal-e-Haq Road, Blue Area,
Islamabad - Pakistan
UAN: 111-253-253
Fax: (92-51) 227-6621

AKD Securities (Private) Limited

Lahore Office
512, 513, 5th Floor, Lahore Stock Exchange Building,
19, Khayaban-e- Aiwan-e-Iqbal Road,
Lahore - Pakistan
UAN: 111-253-253
Branch UAN: 111-253-111
Fax: (92-42) 628-0745



IGI Investment Bank Limited

Karachi Office

7th Floor, Shaheen Commercial Complex,
Dr. Ziauddin Ahmed Road,
Karachi-74200.
E-mail: fiibl.khi@interbank.com.pk

Lahore Office

Ground Floor, 5 F.C.C,
Syed Maratib Ali Road,
Gulberg, Lahore.
E-mail: fiibl.lhr@interbank.com.pk

Islamabad Office

Mezzanine Floor, Razia Sharif Plaza,
90 - Blue Area, G-7,
Islamabad.
E-mail: fiibl.isl@interbank.com.pk

UNIVERSAL ACCESS NUMBERS

Telephone: 111-234-234
Fax: 111-567-567

Please note that the above branches may change from time to time as per the discretion of the Management Company. The Trustee will be informed accordingly.

The Management Company may also appoint Investment Facilitators at its sole discretion from time to time. The Management Company may appoint additional distributors or investment facilitators or change any one of the existing ones from time to time.

AKD Investment Management Ltd.



**AKD Investment
Management Ltd.**

Ref #
(AKDIML - 01)

INVESTOR ACCOUNT OPENING FORM (Individuals and Institutions)

**Information about the Principal Account Holder
(FULL NAME(s) AND ADDRESS IN BLOCK LETTERS)**

Date

Name: Mr./ Ms./ Mrs./ M/s.		NIC No.	
		Registration No.	
Father's/ Husband's Name		Phone No. Off-	Res-
		Zakat Deduction: ☐ Yes ☐ No	☐ Declaration Attached
Address		Marital Status	☐ Single ☐ Married
City	Country	Email	
Gender ☐ Male ☐ Female	Nationality	Date of Birth	Occupation

FULL DETAILS OF BANK ACCOUNT OF THE PRINCIPAL ACCOUNT HOLDER

Bank Account No.	Bank Name and Branch
Bank Address	Bank Tel No.

FOR INSTITUTIONS ONLY

Type of Institution	☐ Company	☐ Partnership	☐ Proprietorship	☐ NGO	☐ Trust	☐ Others
Registration / Incorporation Number	NTN No. or Non-Resident					

ACCEPTANCE BY PRINCIPLE HOLDER / JOINT HOLDERS, (IF ANY)

AUTHORIZED SIGNATORIES (For Institutional Clients)

Name: Mr./Ms./Mrs.		Specimen a) Signature	NIC No.
Name: Mr./Ms./Mrs.		Specimen b) Signature	NIC No.
Name: Mr./Ms./Mrs.		Specimen c) Signature	NIC No.
Name: Mr./Ms./Mrs.		Specimen d) Signature	NIC No.

OPERATING INSTRUCTIONS:

Singly (either or survivor)

Principal Account holder only
Jointly (all Account Holders)

Jointly (any two Authorized Signatories)

INFORMATION ABOUT NOMINEE(S)

Name: Mr./Ms./Mrs.	1. 	2.
Relationship with Principal Holder		
NIC Number		

OTHER INSTRUCTIONS

☐ No Statements	☐ More Frequent Statements at additional charge	☐ Monthly	☐ Quarterly	☐ Half-Yearly
☐ Do not reinvest dividends and transfer to bank a/c above ☐ Encash bonus units on the day following bonus issue and transfer to bank a/c above				

I / We hereby acknowledge having read and understood the relevant Trust Deeds, Offering Documents and Supplementary Offering Documents that govern this transaction and further acknowledge having understood the risks involved.

Signature of Applicant (with Rubber Stamp in case of Institutional Clients)

OPTIONAL INFORMATION (To help us serve you better)

Education			Monthly Income			Other Investments					
Basic	Grad	Higher	Over 10k	Over 25K	Over 50K	Bank Dep.	NSS	Stocks	Property	Mutual Funds	Others

FOR OFFICIAL USE ONLY

Facilitator Information			
Facilitator	Facilitator Code	Remarks / Instructions	Signature

For Distributor / Sales Representative Use

Distributor	Distributor Code	Form Received on	Data & Attachments Verified ☐ Yes ☐ No	Authorized Signature & Stamp
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Remarks

FOR REGISTRAR USE

Form Received on	Data Input Date	Data & Attachments Verified ☐ Yes ☐ No	Authorized Signature & Stamp
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Institutional clients shall attach 1) Articles and Memorandum of Association 2) Certificate of Incorporation 3) List of Directors with NIC Copies 4) Board Resolution 5) NTN of the Institution with Tax Status 6) Other incorporation document(s)

GUIDELINES FOR FILLING OUT INVESTOR ACCOUNT OPENING FORM (for Individuals, Institutions &/or Corporates)
(FORM AKDIML - 01)

This Form is a one-time requirement and is required from Individual / Institutional Investors only at the time of creation of account within Unit Holder Register. Please complete the Investor Account Opening Form in Block Letters and write with a ball pen.

Information about the Investor

- i) The following information of the Investor is required under this section:

For Institutions: • Name of the Institution / Corporate • Address/ Contact number(s) of the Investor. • Registration number of the Investor (Company/Corporation/Bank/Partnership/Sole Proprietor/Club etc.). • Declaration of whether or not Zakat is to be deducted is required. If the option is selected as 'NO', the Zakat Declaration CZ-50 under Zakat and Ushr Ordinance, 1980, needs to be attached • Type of Institution (Company/Corporation/Bank/Partnership/Sole Proprietor/Club etc.). • Details of Authorised Signatories including their name(s), their identification i.e. National Identity Card number and their specimen signatures. Copy of Memorandum & Article of Association/Incorporation.	For Individuals: • Name / Father's / Husband's name • Address / Nationality / Contact Number / Occupation • Details of identification i.e. National Identification Card (NIC) / Passport No. Foreign Nationals are required to submit a copy of passport. • Declaration of whether or not Zakat is to be deducted is required. If the option is selected as 'NO', the Zakat Declaration CZ-50 under Zakat and Ushr Ordinance, 1980, needs to be attached. • Details of Joint Holder(s), their name(s), their identification i.e. National Identity Card / Passport No., their specimen signatures. (Please note that Joint Holders can be introduced only in case when there is no Nominee available).
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ii) At any point in time, the maximum number of Authorized Signatories (for institutions) or Account Holder(s) (for individuals) allowed for the purpose of this Form will not exceed four (04) in number. Choose the desired option.

iii) For Individual accounts, nominee(s) can be nominated only by the Principal Account Holder when there are no Joint Holder(s). The maximum number of Nominee(s) can be two (02) in number with their respective share mentioned in percentage against their respective names. The required details about the nominee should also be provided.

Bank Details (for Redemption/Dividend mandate)

iv) In order to receive proceeds as a result of Redemption of Units and Dividend(s) from any open-end fund(s) under the management of AKDIML, bank details of the Investor is required which includes the following: • Bank Account Title and its Number. • Name/Address of the Bank along with its Branch. (Error in filing of this information can result in delay in fund transfer).

Requirements of Dividend Distribution

v) Choose the desired option of receiving dividends. By default cash dividends will always be transferred to bank account.

Statements

vi) Choose instructions regarding Account Statement requirement. All correspondences will be addressed to Authorized Signatory(ies) (for Institutions) and Principal Account Holders (for Individuals) as specified in the Form.

Declaration

vii) All the required Authorized Signatories (including Joint Holder(s) in case of Joint investors) will have to sign this Form.

viii) In case the Unit Holder is unable to sign the Form, then he/she is required to submit a clear copy of NIC with his / her thumb impression on it and the same should be affixed along with a passport size photograph on the Form authenticated by his / her banker.

ix) The Investor should either mark all empty spaces in the Form "Void" or cross (X) out.

x) It shall be responsibility of the applicant to pay all stamp and other duties, taxes and processing charges

Death of Unit Holder (For Individuals)

xi) At the time of submission of this Form, clear instruction regarding the operation of the Account has to be specified by the Unit holder(s) by selecting any one option out of four options provided in the Form, under the heading of "Operating Instructions".

Application Checklist (for Institutions)

The Investor has to enclose copies as applicable of the following documents depending upon the requirements:

1. Certified copies of NIC(s) of Authorized Signatories.
2. List of Directors and Officers.
3. Documentary evidence for Tax exemption (if available).
4. Certificate of Incorporation/Registration (Certified true copy).
5. Certificate of Commencement of Business (certified true copy).
6. Certified true copy of Board Resolution (Authorizing Investment).
7. Membership Certificate (in case of Sole Proprietor).
8. Partnership Deed and Certificate of Registration (in case of registered partnership firm).
9. Power of Attorney's (Notarized & on stamp paper).
10. Memorandum & Articles of Association/Bye Laws/Trust Deed (Certified true copy).
11. Others (Please specify).

ix) In the event of any conflict between these Guidelines and the Trust Deed and/or the Offering Document, the provisions of the Trust Deed and/or the Offering Document, as the case may be, shall prevail.

Recommended Format for Board Resolution (Authorizing Investment)

RESOLVED that:

- a) Investment be made by the Company in the Units of _____ (the fund being invested in) to the extent of Rs. _____;
- b) An application be made on behalf of the Company to AKD Investment Management Limited (AKDIML) or the Distribution Company (name of the Distribution Company) for the purchase of Units of _____ (fund being invested in) under the joint*/several* Signatories of Mr. _____, _____ and _____;
- c) Mr. _____, _____ and _____ are further hereby authorized singly*/jointly* to make applications/requests to AKDIML for Purchase of Units of _____ (fund being invested in) from time to time at their discretion within the overall maximum limit for total investments in the Units of _____ (fund being invested in) sanction by the Board and mentioned in para (a) above.
- d) Mr. _____, _____ and _____ be and are hereby authorized singly*/jointly* for and on behalf of the Company to sign, execute and deliver the said application and other necessary documents in connection therewith and to do any other acts, deeds or things for and on behalf of the Company in respect of Company's application for the purchase of Units of _____ (fund being invested in); and
- e) Mr. _____, _____ and _____ further be and are hereby authorized singly*/jointly* for and on behalf of the Company to redeem the fund's (fund being invested in) Units as and when they deem appropriate in the interest of the Company and for this purpose, to sign, execute and deliver redemption applications/forms and fulfill all other formalities as may be required by AKDIML for redeeming the Units.
- f) Mr. _____, _____ and _____ be and are hereby authorized singly*/jointly* for and on behalf of the Company to represent to Company to deal, liaise and correspond with AKD Investment Management Limited (AKDIML) and or the Distribution Company (name of Distribution Company) and to fulfill the responsibilities and obligations of the Company from time to time and to do all other incidental and ancillary acts, things and deeds in connection with the purchase and redemption of _____ (fund being invested in) Units.

CERTIFIED TRUE COPY:

I hereby certify that the above Resolution was duly passed by the Board of Directors of the Company in its meeting held on (date of meeting) and the same has been entered in the minutes book of the Company in accordance with the Articles of Association of the Company.

Company Secretary

*Please delete as applicable

If you need any assistance or require additional information, please e-mail to info@akdinvestment.com or call the AKDIML - 92-21-5371305-7

AKD Investment Management Ltd.



**AKD Investment
Management Ltd.**

Ref # _____
(AKDIML - 02)

PURCHASE OF UNITS FORM

**Information about the Principal Account Holder
(FULL NAME(S) AND ADDRESS IN BLOCK LETTERS)**

Date _____

Name: Mr./ Ms./ Mrs./ M/s.	NIC No.																		
Registration Number (if any)																			

DETAILS OF INVESTMENT	
Payment shall be made through, payees account cheque, bank transfer, pay order, demand draft only	
Name of Fund:	
Rs. _____	Rupees.
Mode of Payment	☐ Cheque ☐ Bank Transfer ☐ Demand Draft ☐ Pay Order
Instrument Number	
Drawn on (Name of Bank & Branch)	

FORM OF UNITS - Please note that units by default will be issued in registered uncertified form & will be confirmed through an Account Statement, however, if the Investor requires in any of the following forms, please mention specifically.

Physical Certificates (Allocation % _____)

(Units will be issued in Certificate form, if requested and on payment of additional Rs. 50/- per Certificate. Please note that if after applying percentage units appear in fractions, then the balance will be rounded off to the nearest unit)

Choice of Certificates:

- i) _____ Certificates of _____ Units each
ii) _____ Certificates of _____ Units each

Units in CDC (Allocation % _____)

(Units can be transferred to CDC account. If so desired, please provide the following details)

Participant ID	Sub - A/c ID	House Account ID	Investor Services A/c ID	Investor A/c ID
_____	_____	_____	_____	_____

DECLARATION & AUTHORIZATION

I / We hereby acknowledge of having read and understood the relevant Trust Deed, Offering Document and the guidelines that govern this transaction and further acknowledge understanding of the risks involved.

Name _____

Signature _____

Note: Incase of Institutional Investor please affix Company stamp.

TO BE FILLED BY THE APPLICANT'S BANKER IN CASE THE APPLICANT IS UNABLE TO SIGN THE FORM

I, _____ Manager of _____ (the "Bank") certify that to the best of my knowledge and belief, the declaration of or on behalf of the applicant given in this Form is correct.

Manager's signature & Bank stamp

Note: The contents of this Form and the Guidelines attached hereto, were read over and explained to the Applicant(s) in Urdu/ native language and he/ she/ they appear to have fully understood the same.

FOR OFFICIAL USE ONLY

FACILITATOR INFORMATION			
Facilitator	Facilitator Code	Remarks / Instructions	Signature

FOR DISTRIBUTOR / SALES REPRESENTATIVE				
Distributor	Distributor Code	Transaction Date	Data and Attachments Verified ☐ Yes ☐ No	Authorized Signature & Stamp
Remarks				

FOR REGISTRAR USE			
Investment Form Received on	Data Input Date	Data and Attachments Verified ☐ Yes ☐ No	Authorized Signature & Stamp

GUIDELINES FOR FILLING OUT PURCHASE OF UNITS FORM (FORM AKDIML-02)

This Form is required from both Individual and Institutional Investors at the time of purchasing units of the fund being invested in. The investor shall specify the name of Fund being invested in and such Units, will be only in Pak Rupees and at the day end Purchase Price based on Net Asset Value (NAV) per unit. Units will be allocated only on the basis of daily Net Asset Value (NAV) announced as of the close of the business day on which a correctly filled Purchase of Units Form has been delivered at the selected authorized branches of AKDIML and Distribution Companies within the business hours of that day. The NAV can increase/decrease depending on the market conditions. Please complete the Purchase of Units Form (for Individuals and Institutions) in Block Letters and write with a ball pen.

Information about the Principal Account Holder/Investor

i) Every customer whether Individual or Institutional is given a unique Registration Number at the time of creation of his/her/its account within the Unit Holder Register. The said number is then mailed by the Transfer Agent/Registrar to the registered address of the Investor. New Investors are not required to fill the Registration Number box, however, existing investors must fill the already allotted Registration Number by the Management Company at the time of Purchasing Units of the fund being purchased.

ii) The Title of Account of the Principal Account Holder/Investor is required.

Details of the Investment

iii) Payments shall be made specifically in favor of the **Trustee** against the Purchase of Units of the fund to be invested through the following modes:

- Account Payee Cheque.
- Pay Order.
- Demand Draft.
- Bank Transfer.

Please mention Instrument details of account payee cheque/payorder/demand draft and the bank details where these instruments are to be drawn on.

iv) Form of Units

Unit Holder, depending upon his/her/its requirement can request (by ticking the relevant check box) for issuance of units in the following manner:

- Physical Certificate Form.
- CDC Form.

Specific instructions for any one of the aforesaid options is required.

Declaration & Authorization

v) As per the instructions given in respect of operation of account through Investor Account Opening Form (AKDIML-01), all the required Authorized Signatories (including Joint Holder(s) in case of Joint Investors) will have to sign this Form before submitting at any selected branch of AKDIML or the Distribution Company.

vi) In case the Unit Holder is unable to sign the Form, then he/she is required to submit a clear copy of NIC with his/her thumb impression on it and the same should be affixed on the Form as well. The Form should be authenticated by his/her banker and the applicant is also required to attach a recent duly attested passport size photograph with it.

vii) The Unit Holder should either mark all empty spaces in the Form "Void" or cross (X) out.

viii) It shall be responsibility of the applicant to pay all stamp and other duties, taxes and processing charges in relation to the units acquired by him/her/it.

If you need any assistance or require additional information, please e-mail to info@akdinvestment.com or call the AKDIML - 92-21-5371305-7

AKD Investment Management Ltd.



AKD Investment
Management Ltd.

Ref #
(AKDIML - 03)

REDEMPTION OF UNITS FORM

Information about the Principal Account Holder
(FULL NAME(S) AND ADDRESS IN BLOCK LETTERS)

Date

Name: Mr./ Ms./ Mrs./ M/s.		NIC No.																	
Registration Number																			

REDEMPTION INFORMATION

Name of Fund:

REDEMPTION OF UNITS

Options	No. of units to be Redeemed		
	Redeem all units	Yes	No
	Redeem all units and close account	Yes	No

PHYSICAL CERTIFICATES

Whether or not physical certificates (if any) surrendered Yes (number of certificates attached) No

DECLARATION & AUTHORIZATION

Name

Signature

- Note:
- In case of Institution Investor please affix Company stamp.
 - Redemption of units will only be possible where the authorization is in line with the instructions specified at the time of submission of Investor Account Opening Form.

TO BE FILLED IN BY THE APPLICANT'S BANKER IN CASE THE APPLICANT IS UNABLE TO SIGN THE FORM

I, Manager of (the "Bank") certify that to the best of my knowledge and belief, the declaration of or on behalf of the applicant given in this form is correct.

Manager's Signature & Bank stamp

Note: The contents of this Form and the Guidelines attached hereto, were read over and explained to the Applicant(s) in Urdu/native language and he/she/they appeared to have fully understood the same.

FOR OFFICIAL USE

FACILITATOR INFORMATION

Facilitator	Facilitator Code	Remarks / Instructions	Signature
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FOR DISTRIBUTOR / SALES REPRESENTATIVE

Distributor	Distributor Code	Transaction Date	Data and Attachments Verified ☐ Yes ☐ No	Authorized Signature & Stamp
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Remarks

FOR REGISTRAR USE

Investment Form Received on	Data Input Date	Data and Attachments Verified ☐ Yes ☐ No	Authorized Signature & Stamp
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Note : Redemption will only be processed in the form of Units on the basis of daily Net Asset Value (NAV) announced as of the close of the business day on which correctly filled Redemption of Units Form is received at AKDIML's or the Distribution Companies Authorized Branches.

GUIDELINES FOR FILLING OUT REDEMPTION OF UNITS FORM (FORM AKDIML-03)

This Form is required from both Individual and Institutional Investors at the time of Redemption of Units.

Please complete the Redemption of Units Form (for Individuals and Institutions) in Block Letters and write with a ball pen.

Information about the Principal Account Holder/Investor

i) Every Unit Holder whether Individual or Institutional is given a unique Registration Number at the time of creation of his/her/its account within the Unit Holder Register. The said number is then mailed by the Transfer Agent/Registrar to the registered address of the Unit Holder. All applicants must fill the already allotted Registration Number by the Management Company at the time of Redemption.

ii) The Title of Account of the Principal Account Holder/Investor is required.

Redemption Information

• The Unit Holder shall specify the name of the fund for which the redemption request is being made.

iii) Redemption will only be processed in the form of Units on the basis of daily Net Asset Value (NAV) announced as of the close of the business day on which correctly filled Redemption of Units Form is received at the authorized branch of AKDIML or Distribution Company. The Unit Holder is given following three (03) options for applying of Redemption of Units of the fund invested in through this Form:

- Number of units to be redeemed. Through this option the Unit Holder can apply for the specific Redemption of Units up to four decimal places.
- Redeem all units. Through this option the Unit Holder can apply for the Redemption of all units available in his/her/it(s) account without closure of his/her/it(s) account.
- Redeem all units and close account. Through this option the Unit Holder can apply for the Redemption of all units available in his/her/it(s) account with closure of his/her/it(s) account.

Specific instruction for any one of the aforesaid options is required.

iv) Where an Investor, at the time of Purchase of Units has specifically requested for the issuance of units in Physical Certificate Form, he/she/it should while applying for Redemption surrender the said Physical Certificate for the purpose of its cancellation by the Transfer Agent/Registrar and should tick-off the relevant check box within the Form.

Declaration & Authorization

v) Investor Account Opening Forms both for Individuals and Institutions i.e. AKDIML-01 requires for specific instructions authorizing Redemption of units of the fund invested in. These instructions are mandatory for all Unit Holders and without supplying the relevant information/authorities the creation of account of a new investor is not possible within the Unit Holder Register. Accordingly, while applying for Redemption of Units through the Redemption of Units Form, the Unit Holder(s) has to comply with the instructions already supplied as aforesaid, otherwise Redemption of Units Form submitted at the selected branch of AKDIML or the Distribution Company will be considered as "Void".

Authorization specified in AKDIML-01 is therefore required.

vi) In case the Unit Holder is unable to sign the Form, then he/she is required to submit a clear copy of NIC with his/her thumb impression on it and the same should be affixed on the Form as well. The Form should be authenticated by his/her banker and the applicant is also required to attach a recent duly attested passport size photograph with it.

vii) The Unit Holder should either mark all empty spaces in the Form "Void" or cross (X) out.

viii) It shall be responsibility of the applicant to pay all stamp and other duties, taxes and processing charges in relation to Redemption of Units applied by him/her/it.

Suspension of Redemption of Units

ix) The Redemption of Units may be suspended during extraordinary circumstances including closure of one or more Stock Exchange(s) on which any of the Securities invested in by the Scheme are listed. The circumstances under which the Management Company may suspend Redemption shall be the event of war (declared or otherwise), natural disasters, a major break down in law and order including terrorist activities, break down of the communication system, closure of banking system or strikes or other events that render the Management Company or its Distributors unable to function. For more detailed information, please refer to the respective Trust Deed and Offering Document of the fund(s) invested in.

Queue System

x) In the event Redemption requests on any day exceed ten percent of either the number of Units outstanding or the Rupee Redemption value of the Units in issue, the Management Company may invoke a queue system whereby request for Redemption shall be processed on a first come first served basis for up to ten percent of the units in issue. The Management Company shall proceed to sell adequate assets of the Fund and/or arrange borrowing as it deems fit in the best interest of the Unit Holders and shall determine the Redemption Price to be applied to the Redemption request(s) based on such action. Where it is not practical to determine the chronological ranking of any request in comparison to others received on the same business day, such request(s) shall be processed on a proportional basis proportionate to the size of the request. For more detailed information, please refer to the respective Trust Deed and Offering Document of the fund(s) invested in.

If you need any assistance or require additional information, please e-mail to info@akdinvestment.com

or call the AKDIML - 92-21-5371305-7

AKD Investment Management Ltd.



**AKD Investment
Management Ltd.**

Ref # _____
(AKDIML - 04)

SERVICE REQUEST FORM

**Information about the Principal Account Holder
(FULL NAME(S) AND ADDRESS IN BLOCK LETTERS)**

Date _____

Name: Mr./ Ms./ Mrs./ M/s.											NIC No.										
											Registration Number										
FOR CHANGE IN PARTICULARS OF UNIT HOLDER(S)																					
New Address																					
New Nos.		Phone No. (Off.)				(Res.)				(Fax)				(Mobile)				(Email)			
CHANGE IN JOINT HOLDER DETAILS - if any (Applicable in case of Individuals only)																					
DELETION										ADDITION										Specimen	
Mr./Ms./Mrs.					NIC No.					Mr./Ms./Mrs.					NIC No.					Signature	
CHANGE IN NOMINEE DETAILS - if any (Applicable in case of Individuals only, however, not required in case of Joint Holder)																					
DELETION										ADDITION										Specimen	
Mr./Ms./Mrs.					NIC No.					Mr./Ms./Mrs.					NIC No.					Signature	
SUBMISSION OF ZAKAT DECLARATION FORM & / OR TAX EXEMPTION CERTIFICATE											Zakat Declaration					Tax Exemption					
Note: Please enclose certified copy(ies) of Declaration & /OR Exemption Certificate																					
CHANGE IN INSTRUCTIONS FOR ACCOUNT OPERATION / REDEMPTION OF UNITS																					
Jointly by all signatories ☐										Jointly by any three ☐										Jointly by any two ☐	Any one ☐
CHANGE IN BANK ACCOUNT DETAILS										CHANGE IN DIVIDEND MANDATE (please specify)											
Account Title																					
Account No.										CHANGE IN FREQUENCY OF STATEMENTS (please specify)											
Name of Bank / Address																					
FOR CHANGE IN UNITS PROCESSING																					
DETAILS OF UNIT PROCESSING REQUESTS																					
Name of Fund:																					
Certificate No. / Units (If certificates have not been issued, indicate no. of units _____)		1				2				3				4				5			
Transmission		Deletion (in case of death of unit holder)						Merger						Transfer of Units							
I/We the undersigned being the beneficiary(ies)/successor(s) request you to register me / us as Holder(s) of the above Units/Certificates now registered under above Registration No. in the name of the above deceased/insolvent.		I/We the undersigned being the Holder(s) of the above Units/Certificates registered under above Registration No. do hereby: Inform that Mr./ Ms./ Mrs. _____ Has expired on _____ and request you to kindly delete his/her name from above Units/Certificates										Request that all the Units/ Certificates specified above to be merged under the above Registration No.				Transfer the said Units/ Certificates to the hereinafter named Transferee(s) to hold subject to the same conditions on which I/We hold them.					
In case of Transmission/Transfer of Units: I/We the said beneficiary(ies) / successor(s) do hereby agree to accept & take the said units subject to the same conditions on which they were held by the said deceased/insolvent/transferor(s)																					
Name _____																					
Signature _____																					
In case of Transmission/Transfer of Units, beneficiary(ies)/successor(s) are required to submit Investor Account Opening Form i.e. (AKDIML-01) at AKDIML's designated offices.																					
I/We do hereby authorize you to recover the fees and charges by encashing the Units/Certificates of equivalent value.																					
FOR CHANGE IN CERTIFICATE PROCESSING																					
Certificate numbers (not required for fresh issuance of certificates)		1				2				3				4				5			
For Issuance of Certificates Please issue the Certificates for ()/all units held by me/us. Choice of Certificates: i) ___ certificates of ___ units each ii) ___ certificates of ___ units each						For Cancellation of Certification Please cancel the attached Certificates, the numbers of which are specified above and issue statements in future.						For Mutilated or Defaced Certificates Please issue new certificates against the attached mutilated/ defaced Certificates, the numbers of which are specified above.									
For Split of Certificates Please issue new certificates against the Certificates attached, the numbers of which are specified above and split them as follows i) ___ certificates of ___ units each ii) ___ certificates of ___ units each						For Lost / Stolen or Destroyed Certificates Please issue new certificates against the lost / stolen / destroyed Certificates, the numbers of which are specified above						For Consolidation of Certificates Please issue a new certificate against the attached Certificates, the numbers of which are specified above Certificates of ___ units.									
I / We do hereby authorize you to process the above request and recover the fees and charges by encashing the Units / Certificates of equivalent value.																					
DECLARATION & AUTHORIZATION																					
Name _____																					
Signature _____																					
Note: In case of Institutional Investor affix Company stamp.																					
TO BE FILLED IN BY THE APPLICANTS BANKER IN CASE THE APPLICANT IS UNABLE TO SIGN THE FORM																					
I, _____ Manager of _____ (the "Bank") certify that to the best of my knowledge and belief, the declaration of or on behalf of the applicant given in this form is correct. _____																					
Note: The contents of this Form and the Guidelines attached hereto, were read over and explained to the Applicant(s) in Urdu/native language and he/she/they appear to have fully understood the same.																					
FOR OFFICIAL USE ONLY																					
FOR DISTRIBUTOR / FACILITATOR / SALES REPRESENTATIVE USE																					
Code		Forms Received on				Data / attachments verified ☐ Yes ☐ No				Authorized Signature & Stamp											
Remarks																					
FOR REGISTRAR USE																					
Forms Received on		Data Input Date				Data / attachments verified ☐ Yes ☐ No				Authorized Signature & Stamp											
Remarks																					

GUIDELINES FOR FILLING OUT SERVICE REQUEST FORM (for change in Unit Holder particulars) (FORM AKDIML - 04)

In respect of any change(s) desired by the Unit Holder(s) in their particulars, a facility through this Form is being provided to the Unit Holder(s) to incorporate such change(s) within the Unit Holder Register. However, such change will only be permissible, provided it is authenticated by all the required Authorized Signatories specified at the time of creation of account within the Unit Holder Register through Investor Account Opening Form (AKDIML - 01).

This Form is required from Unit Holders both Individual and Institutional Investors in case:

- They intend to change the details in respect of their particulars.
- They intend to change the status of their Units in case of Transmission/Deletion (in case of death of Unit Holder)/Merger/Transfer of Units.
- They intend to change the status of their Physical Certificate(s) in case of Issuance/Cancellation/Mutilated/Split/Destroyed/Consolidation of Certificates.

Please complete the Service Request Form (for Individuals and Institutions) in Block Letters and write with a ball pen.

For Change in Particulars of Unit Holder(s)

i) Every Unit Holder whether Individual or Institutional is given a unique Registration Number at the time of creation of his/her/its account within the Unit Holder Register. The said number is then mailed by the Transfer Agent/Registrar to the registered address of the Unit Holder. All applicants must fill the already allotted Registration Number by the Management Company at the time of filling out the Service Request Form.

ii) The Title of Account of the Principal Account Holder/Investor is required.

iii) Unit Holder(s) can change their address/contact detail(s) supplied at the time of creation of their account within Unit Holder Register through Investor Account Opening Form (AKDIML-01). For this purpose all the Unit Holder(s) will have to sign this Form.

iv) In case of Individual Unit Holder(s), the status of Joint Holder(s)/Nominee(s) can be changed through this Form. They can Delete/Add one Joint Holder/Nominee simultaneously at any point in time. In case of Addition specimen signature of Joint Holder is required, however, in case of Nominee just the relationship with the Principal Account Holder will suffice. For this purpose all the Unit Holder(s) will have to sign this Form.

v) Unit Holder(s) can change the status of Zakat &/or Tax exemptions, by ticking off the available option as provided. It is also mandatory for the Unit Holder to supply the certified true copy(ies) of said declaration &/or exemption certificate as an evidence.

vi) Unit Holder(s) can change the instructions for Account Operation/Redemption of Units supplied at the time of creation of their account within Unit Holder Register through Investor Account Opening Form (AKDIML-01). In case of Institutions, the said change may also include addition/deletion of any particular signatory which should be duly authenticated by certified true copy of Board Resolution. Specimen signature(s) of the signatory(ies) should also be provided on a Company's letterhead and should be authenticated by a Company Secretary. Signatory copy of NIC(s) is also required.

vii) Unit Holder(s) can change the details of Bank Account supplied at the time of creation of their account within Unit Holder Register through Investor Account Opening Form (AKDIML-01).

viii) Unit Holder(s) can change the status of dividend mandate and frequency of Statement supplied at the time of creation of their account within Unit Holder Register through Investor Account Opening Form (AKDIML-01).

For Change in Units Processing

ix) For the purpose of Transmission/Deletion (in case of death of Unit Holder)/Merger/Transfer of Units, the Unit Holder(s) can change the status of Units in his/her/its account. Unit Holder(s) has to specify the status of Units, whether in the form of Physical Certificates or Units in Account Balance Form. Maximum provision for upto five (05) Physical Certificate(s) is being given in the Form.

The following actions for aforesaid events will therefore be required:

Transmission (applicable only in case of Individuals with no information of Joint Holder(s))

- The Beneficiaries/Successors will have to tick-off the relevant box available in the Form to identify their action.
- They have to produce Death Certificate of the deceased/insolvent and a Succession Certificate issued by Competent Court to establish their claim. The onus of proof for their entitlement/ownership will be solely upon them.
- They also have to declare the acceptance of the said units in the same condition as they were in the name of deceased/insolvent.
- For the purpose of creation of their account within Unit Holder Register, they also have to submit Investor Account Opening Form, simultaneously; Deletion (in case of death of Unit Holder)
- The surviving Unit Holder(s) will have to tick-off the relevant box available in the Form to identify their action.
- The surviving Unit Holder(s) have to inform about the death of the deceased Unit Holder through this Form. For this purpose they have to produce Death Certificate of the deceased/insolvent and a Succession Certificate issued by Competent Court establishing the claim of legal heirs of the deceased. The onus of proof for their entitlement/ownership will be solely upon them.
- All surviving Unit Holder(s) will have to sign this Form.

Merger

• Through this Form the Unit Holder(s) can request for the Merger of all Units/Certificates (details of units/certificates to be given) under the same Registration Number. For this purpose, they have to tick-off the relevant box available in the Form to identify their action.

• All Unit Holder(s) will have to sign this Form.

Transfer of Units

• The Unit Holder(s) will have to tick-off the relevant box available in the Form to identify their action.

• Through this Form the Unit Holder(s) can request for the Transfer of Units/Certificates (details of units/certificates to be given) in the name of Transferee(s) subject to the same conditions in which they hold them.

• The Transferee being the Beneficiary/Successor will have to give specific acceptance about the same and take the said Units/Certificates subject to the same conditions on which they held by the said Transferor.

• For the purpose of creation of Transferee account within the Unit Holder Register, he/she/it has to submit Investor Account Opening Form, simultaneously;

• All Unit Holder(s) will have to sign this Form.

For Change in Certificates Processing

x) For the purpose of change in the status of Physical Certificates, the Unit Holder(s) can request for Issuance/Cancellation/Split/Consolidation options of having units in the form of Physical Certificates. Maximum provision for up to five (05) Physical Certificate(s) is being given in the Form.

The options as aforesaid can be exercised by the Unit Holder(s) in the following manner:

Issuance of Certificates

- The Unit Holder(s) will have to tick-off the relevant box available in the Form to identify their action.
- Unit Holder(s) can request for the issuance of Physical Certificate(s) for the entire holding of Units or any specific number of Units held by them. Two choices are given in the Form through which they can submit their request and have Physical Certificate(s) of different denominations. Unit Holder(s) have to specify their choices.
- All Unit Holder(s) will have to sign this Form.

Cancellation of Certificates

- The Unit Holder(s) will have to tick-off the relevant box available in the Form to identify their action.
- Unit Holder(s) can request for the cancellation of Physical Certificate(s) (details of the physical certificates to be given and physical certificates to be attached) for the entire holding of Units or any specific number of Units held by them.
- All Unit Holder(s) will have to sign this Form.

Mutilated or Defaced Certificates

- The Unit Holder(s) will have to tick-off the relevant box available in the Form to identify their action.
- Unit Holder(s) can request for the issuance of new certificates against the mutilated/defaced certificate(s) (details of physical certificates to be given) which needs to be attached with this Form.
- All Unit Holder(s) will have to sign this Form.

Split Certificates

- The Unit Holder(s) will have to tick-off the relevant box available in the Form to identify their action.
- Unit Holder(s) can request for the splitting (sub division) of the existing Physical Certificate(s) held by them (details of physical certificates to be given) which needs to be attached with this Form.
- Two choices are given in the Form through which they can submit their request and have Physical Certificate(s) of different denominations. Unit Holder(s) have to specify their choices.
- All Unit Holder(s) will have to sign this Form.

Lost/Stolen or Destroyed Certificates

- The Unit Holder(s) will have to tick-off the relevant box available in the Form to identify their action.
- Unit Holder(s) can request for the issuance of new certificates against the lost/stolen or destroyed certificate(s) (details of physical certificates to be given).
- All Unit Holder(s) will have to sign this Form.

Consolidation of Certificates

- The Unit Holder(s) will have to tick-off the relevant box available in the Form to identify their action.
- Unit Holder(s) can request for the issuance of one consolidated Physical Certificate against the existing Physical Certificate(s) held by them (details of physical certificates to be given) which needs to be attached with this Form.
- All Unit Holder(s) will have to sign this Form.

Declaration & Authorization

xi) As per the instructions given in respect of operation of account through Investor Account Opening Form (AKDIML - 01), all the required Authorized Signatories (including Joint Holder(s) in case of Individual Investors) will have to sign this Form before submitting at any selected branch of AKDIML or Distribution Company.

xii) In case the Unit Holder is unable to sign the Form, then he/she is required to submit a clear copy of NIC with his/her thumb impression on it and the same should be affixed on the Form as well. The Form should be authenticated by his/her banker and the applicant is also required to attach a recent duly attested passport size photograph with it.

xiii) The Unit Holder should either mark all empty spaces in the Form "Void" or cross (X) out.

If you need any assistance or require additional information, please e-mail to info@akdinvestment.com or call the AKDIML - Call Centre 92-21-5371305-7

Ref # (AKDIML - 05)



**Information about the Principal Account Holder
(FULL NAME(s) AND ADDRESS IN BLOCK LETTERS)**

Date _____

INFORMATION ABOUT THE PRINCIPAL ACCOUNT HOLDER / INVESTOR														
Title of Account:										Registration Number:				
REQUEST FOR PLEDGING OF UNITS														
Name of Fund:														
I / We own the Units/Certificate(s) held under the above Registration Number and Account Name and request you to issue a Statement confirming the registration of the said units in favor of _____ Having (NIC * / Reg No.) _____														
BANK ACCOUNT DETAILS OF THE PLEDGE														
Account Title					Account No.									
Bank Name & Branch														
Bank Address														
Pledge Authorization**					Name / Designation					Name / Designation				
					Signature					Signature				
DETAILS OF UNITS TO BE PLEDGED														
Number of Units		Form of Units:												
		Physical Certificates attached - if issued please mention the number of required certificate(s): _____												
		Account Balance Statement Only												
Specific account in favor of Pledgee will be created for this purpose within Unit Holder Register and the Statement will be issued for the same.														
DECLARATION & AUTHORIZATION														
In making this request, I / We recognize and understand that:														
The registration of this pledge places a responsibility on the Management Company to ensure that all benefits accruing on such units (hereinafter referred to as the pledged units) shall be held or paid to the order of the Pledgee. Save any legal bar or court order requiring otherwise, any dividends that are declared on the pledged units shall be paid to the order of the Pledgee or first named Joint Pledgee, any bonus units that the pledged Units are entitled to, automatically be marked in favor of Pledgee and in the event the pledged units are redeemed by the Pledgee for any reason whatsoever, the proceeds shall be paid to the order of the Pledgee. The Management Company does not however, accept any responsibility for the validity of my/our act of pledging of units nor for any obligation or commitments undertaken by me/us in respect thereof. The pledge shall continue till such time it is released by the Pledgee in writing.														
Name _____ Signature _____ Note: In case of Institutional Investor please affix Company stamp.														
TO BE FILLED IN BY THE APPLICANT'S BANKER IN CASE THE APPLICANT IS UNABLE TO SIGN THE FORM I, _____ Manager of _____ (the "Bank") certify that to the best of my knowledge and belief, the declaration of or on behalf of the applicant given in this Form is correct. _____ Manager's Signature & Bank stamp Note: The contents of this Form and the Guidelines attached hereto, were read over and explained to the Applicant(s) in urdu/native language and he/she/they appeared to have fully understood the same.														
FOR OFFICIAL USE ONLY														
FACILITATOR INFORMATION														
Facilitator		Facilitator Code		Remarks / Instructions						Signature				
FOR DISTRIBUTOR / SALES REPRESENTATIVE														
Distributor		Distributor Code		Form Received on		Data and Attachments Verified ☐ Yes ☐ No				Authorized Signature & Stamp				
Remarks														
FOR REGISTRAR USE														
Pledge Form Received on			Pledge Marked on			Data and Attachments Verified ☐ Yes ☐ No				Authorized Signature & Stamp				
* Copy of NIC of Pledge is required. ** Where the Pledge is an Institution with whom units are pledged, it will have to submit an undertaking signed by its Authorized Signatories that it is legally authorised to lend money in favour of the pledge (Unit Holder). Pledgee's Board Resolution is required, authorizing the arrangement of borrowing and simultaneously authorizing the Authorized signatories to operate the account within the Units Holders Register.														

GUIDELINES FOR FILLING OUT PLEDGE OF UNITS FORM (FORM AKDIML - 05)

This Form is required from both Individual and Institutional Investors when they enter into any borrowing arrangement(s) with lending Institution thereby pledging his/her/its Units including in Physical Certificate Form as collateral.

Please complete the Pledge of Units Form (for Individuals and Institutions) in Block Letters and write with a ball pen.

Information about the Principal Account Holder/Investor

i) The Unit Holder(s) whether Individual or Institutional is given a unique Registration Number at the time of creation of his/her/its account within the Unit Holder Register. The said number is then mailed by the Transfer Agent/Registrar to the registered address of the Unit Holder. All applicants must fill the already allotted Registration Number by the Management Company at the time of Pledge of Units of _____ (Underlying fund).

ii) The Title of Account of the Principal Account Holder/Investor is required.

Request for Pledging of Units

iii) Unit Holder(s) are required to declare the arrangement made with lending Institution and accordingly have to specify the following details in order to facilitate the Pledging of Units:

- Name & Identification (National Identity Card/Registration No.) of the Pledgee.
- Bank Account details of the Pledgee.
- Authorization by Pledgee Authorized Signatory(ies). Provisions for two (02) signatories are given.
- Details of Units to be pledged, if the Units are in Physical Certificates Form please mention the number.

Transfer Agent/Registrar will send an account statement exhibiting Units blocked in favor of Pledgee to the Pledgor as proof of units being pledged in favour of Pledgee.

Declaration & Authorization

iv) In this section of the Form, the Unit Holder(s) is required to declare the following:

- Placing of responsibility on the Management Company for ensuring that all the benefits accruing on the Units pledged shall be held/ paid to the order of the Pledgee.
- Save any legal bar or court order requiring otherwise, any dividends declared on the pledged units shall be paid to the order of the Pledgee, any bonus units on the Pledged Units shall be marked in favour of Pledgee and in the event of Redemption of Pledged units the proceeds shall be paid to the order of Pledgee.
- The Management Company does not however accept any responsibility for the validity of pledging of units in favour of Pledgee nor take any obligation/commitment in respect thereof.
- The Pledge shall continue till such time it is release by the Pledgee.

v) As per the instructions given in respect of operation of account through Investor Account Opening Form (AKDIML - 01), all the required Authorized Signatories (including Joint Holder(s) in case of Individual Investors) will have to sign this Form before submitting at any selected branch of AKDIML.

vi) In case the Unit Holder is unable to sign the Form, then he/she is required to submit a clear copy of NIC with his/her thumb impression on it and the same should be affixed on the Form as well. The Form should be authenticated by his/her banker and the applicant is also required to attach a recent duly attested passport size photograph with it.

vii) The Unit Holder should either mark all empty spaces in the Form "Void" or cross (X) out.

viii) It shall be responsibility of the applicant to pay all stamp and other duties, taxes and processing charges in relation to the units pledged by him/her/it.

If you need any assistance or require additional information, please e-mail to info@akdinvestment.com or call the AKDIML - 92-21-5371305-7

AKD Investment Management Ltd.

Ref #

(AKDIML - 06)

AKD Investment
Management Ltd.

INVESTMENT MANDATE FORM

Information about the Principal Account Holder

(FULL NAME(S) AND ADDRESS IN BLOCK LETTERS)

Date _____

Name: Mr./ Ms./ Mrs./ M/s.	NIC No.																		
Registration Number (if any)																			

CONVERSION BETWEEN FUNDS

Converting Form _____

No. of Units or equivalent Amount to be converted: Units _____ or Rs _____

Converting Into: _____

Distribution on AKD Income Fund "Flexi Income Units" (Class "D")

(Please tick choice of Distribution)

- 1). Monthly ☐
- 2). Quarterly ☐
- 3). Semi-Annually ☐
- 4). Annually ☐

Note: The Management Company shall on the last Business Day of every month calculate the redemption value to be paid to the Unit Holder and Units to be redeemed thereof based on the redemption price announced by the Management Company on that Business Day. For monthly, quarterly, semi-annual and annual payments to Unit Holders the Management Company shall follow the calendar months from January to December.

The amount of redemption value so derived shall be transferred to the designated bank accounts by way of transfer of funds to the designated bankers or sent to the registered address of the Principal Holder as specified in the Investor Account Opening Form within Six working days of such redemption. Provided that the Unit Holder of Flexible Income Units shall only be disbursed profits (if any) earned against the total investment amount otherwise there would be no payment for the said interval.

DECLARATION & AUTHORIZATION

I / We hereby acknowledge of having read and understood the relevant Trust Deed, Offering Document and the guidelines that govern this transaction and further acknowledge understanding of the risks involved.

Name _____

Signature _____

Note: Incase of Institutional Investor please affix Company stamp.

TO BE FILLED BY THE APPLICANT'S BANKER IN CASE THE APPLICANT IS UNABLE TO SIGN THE FORM

I, _____ Manager of _____ (the "Bank") certify that to the best of my knowledge and belief, the declaration of or on behalf of the applicant given in this Form is correct.

Manager's signature & Bank stamp

Note: The contents of this Form and the Guidelines attached hereto, were read over and explained to the Applicant(s) in Urdu/ native language and he/ she/ they appear to have fully understood the same.

FOR OFFICIAL USE ONLY

FACILITATOR INFORMATION

Facilitator Code	Remarks / Instructions	Signature
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FOR DISTRIBUTOR / SALES REPRESENTATIVE

Distributor Code	Transaction Date	Data and Attachments Verified ☐ Yes ☐ No	Authorized Signature & Stamp
Remarks			

FOR REGISTRAR USE

Investment Form Received on	Data Input Date	Data and Attachments Verified ☐ Yes ☐ No	Authorized Signature & Stamp
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A.F.FERGUSON & CO.

A member firm of

PRICEWATERHOUSECOOPERS 

A.F. Ferguson & Co
Chartered Accountants
State Life Building No. 1-C
I.I. Chundrigar Road, P.O. Box 4716
Karachi-74000, Pakistan
Telephone: (021) 2426682-6 / 2426711-5
Facsimile: (021) 2415007 / 2427938

2 copies submitted

The Board of Directors
AKD Investment Management Limited
6th floor, Continental Trade Centre,
Block – 8, Clifton,
Karachi

March 9, 2007

C 0683

Dear Sirs

AUDITORS' CERTIFICATE FOR RECEIPT OF SUBSCRIPTION TOWARDS SEED CAPITAL – AKD INCOME FUND (THE FUND)

As requested by you we have verified from the books and records of the Fund managed by AKD Investment Management Limited that a sum of Rs 250,000,000 has been received up to March 9, 2007 in the Fund's bank accounts maintained with Habib Metropolitan Bank Limited (Stock Exchange Branch) and Mybank Limited (Clifton Branch) towards subscription of seed capital of the Fund.

The seed capital has been received as follows:

S.No	Core Investors	Number of Units	Amount in Rupees
1.	National Bank of Pakistan – Employees Pension Fund	2,000,000	100,000,000
2.	The Bank of Punjab	200,000	10,000,000
3.	Attock Cement Pakistan Limited – Employees Provident Fund	400,000	20,000,000
4.	Aqeel Karim Dhedhi Securities (Private) Limited	2,400,000	120,000,000
Total		5,000,000	250,000,000

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

Yours truly



Annexure "F"

A.F.FERGUSON & CO.

A member firm of

PRICEWATERHOUSECOOPERS

A.F.Ferguson & Co
Chartered Accountants
State Life Building No. 1-C
I.I.Chundrigar Road, P.O.Box 4716
Karachi-74000, Pakistan
Telephone: (021) 2426682-6 / 2426711-5
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2 copies submitted

The Board of Directors
AKD Investment Management Limited
6th floor, Continental Trade Centre,
Block – 8, Clifton,
Karachi

March 9, 2007

C 0684

Dear Sirs

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

As requested by you we confirm that on the basis of the details provided to us by the management company of the Fund, the Net Assets of the Fund as on March 9, 2007 amount to Rs.593,903,040. The Net Asset Value of each unit proposed to be issued amounts to Rs 50.18 and has been computed as follows:

	(Rupees)
Total assets of the Fund	596,565,540
Less: Total liabilities of the Fund	2,662,500
Net assets of the Fund	593,903,040
Number of units proposed to be issued as of March 19, 2007	11,835,000
Net Asset Value per unit	50.18

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

Yours truly



Annexure “G”

List of Pre-IPO investors:

Sr. No.	Name of Institution	Number of Units	Rupees
1	Saudi Pak Commercial Bank Limited	3,500,000	175,000,000
2	Allied Bank of Pakistan	2,000,000	100,000,000
3	Mybank Limited	1,000,000	50,000,000
4	The Bank of Punjab	800,000	40,000,000
5	Faysal Bank Limited	600,000	30,000,000
6	Habib Metropolitan Bank Limited	500,000	25,000,000
7	National Bank of Pakistan	500,000	25,000,000
8	IGI Investment Bank Limited	200,000	10,000,000
9	Pakistan Kuwait Investment Company Limited	200,000	10,000,000
10	Pakistan State Oil Company Limited -Employees Pension Fund	200,000	10,000,000
11	Pak Oman Investment Company	200,000	10,000,000
12	IGI Insurance Company Limited	200,000	10,000,000
13	SOCL - Employees Provident Fund	100,000	5,000,000
14	Safeway Mutual Fund Limited	100,000	5,000,000
15	Asian Stock Fund	100,000	5,000,000
16	AKD Investment Management Limited Staff Provident Fund Trust	10,000	500,000
17	Individuals	165,000	8,250,000
	Total	10,375,000	518,750,000