

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 2.8, Taxation Policies mentioned in Clause 7 and Warnings in Clause 9 before making any investment decision.

Offering Document
Of
AKD Islamic Fixed Term Fund (AKDIFTF)

(An Open Ended Shariah Compliant Fixed Rate/ Return Scheme)

A Shariah Compliant (Wakalatul Istithmar Based Fund)

Mufti Irshad Ahmad Aijaz for and on behalf of
Al Hilal Shariah Advisors (Pvt.) Limited - SECP/IFD/SA/015

Category of Fund	Risk Profile	Risk of Principal Erosion
Fixed Rate/Return Scheme	Low – Medium	Principal at low – Medium risk

Plans under AKD Islamic Fixed Term Fund	Risk Profile	Risk of Principal Erosion
AKD Islamic Fixed Term Munafa Plan I	Depending on Plan's Maturity as mentioned below	
AKD Islamic Fixed Term Munafa Plan II		
AKD Islamic Fixed Term Munafa Plan III		

Maturity up to	Risk Profile	Risk of Principal Erosion
Up to Six months	Low	Principal at low risk
From Six months to 1 Year	Moderate	Principal at Moderate risk
After 1 Year and up to 5 years	Medium	Principal at Medium risk

MANAGED BY
AKD Investment Management Limited

**Key Fact Statement of
AKD Islamic Fixed Term Munafa Plan I
Type: Open Ended
Category: Shariah Compliant Fixed Rate/ Return Scheme
Managed by: AKD Investment Management Limited
Risk Profile: _____ (Principal at _____)
Issuance Date: ____ 2026**

1. DISCLAIMER

Before you invest, you are encouraged to review the detailed features of the Fund and its investment plan (s) in the Offering Document and/ or in the monthly Fund Manager Report.

2. KEY ATTRIBUTES

Investment Objective	The objective of the Plan is to provide investors with potentially higher returns, for fixed tenure by investing primarily in Shariah Compliant fixed income instruments for a specific duration.	
Authorized Investment Avenues	Shariah Compliant Government Securities, Cash at Islamic Bank and/or Islamic branches windows of conventional banks, Term Deposit Receipts and Shariah Compliant Money Market Placements with Banks and DFIs.	
Launch Date	____, 2026	
Maturity Date	____, 2026	
Expected Return	____ % to ____ % p.a. (from the close of Subscription period)	
Minimum Investment Amount	Rs.100,000/-	
Duration	____ days from the close of Subscription Period.	
Performance Benchmark	PKISRV rates on the last date of IOP of the plan with Maturity period corresponding to the maturity of plan.	
IPO/ Subscription Period	____ 2026	
Subscription / Redemption Days/ Timings	Transactions	Cut off Time
	Application for issuance of units, redemption of units, conversion of units and transfer of units	Monday to Friday 9:00 am to 5:00 pm
Reinvestment of Dividend	Any cash dividend entitled to the unit holder shall be reinvested at the ex-dividend NAV after deduction of all applicable taxes.	
Type of Units	Type A units	
Management Fee (% per annum)	Up to 1.00% p.a	

3. BRIEF INFORMATION ON THE PRODUCT CHARGES

Contingent Load	Contingent Load shall be commensurate with net loss incurred due to early Redemption and shall be made part of fund property.
------------------------	---

Total Expense Ratio (TER)

Investors are advised to consult the Fund Manager Report (FMR) of the respective CIS /Investment Plan for the latest information pertaining to the updated TER.

Applicable Taxes

Disclaimer- Income earned in the form of dividend or capital gain shall be charged at a rate as specified in Income Tax Ordinance 2001.

4. KEY STAKE HOLDERS

a) Asset Management Company:

Name: AKD Investment Management Limited
Address: 216-217, Continental Trade Centre, Block 8, Clifton, Karachi.
Contact: 92-21-111-253465
Website: www.akdinvestment.com

b) Trustee:

Name: Central Depository Company of Pakistan Limited
Address: CDC House, 99-B, Block B, SMCHS, Main Shahra-e-Faisal, Karachi.
Contact: UAN: +92 111-111-500
Website: www.cdcpakistan.com

c) Shariah Advisor:

Name: Al Hilal Shariah Advisors (Pvt.) Limited
Address: Suite 807, 8th Floor, Horizon Tower, Com 2/6, Khayaban -e- Saadi, Block 3 Clifton, Karachi.
Contact: 021-35305931-37
Website: www.alhilalsa.com

Disclaimer: All Investments in Mutual Funds are subject to market risks. Past performance is not necessarily indicative of the future results. The NAV of Units may go down or up based on the market conditions. Please read the Offering Document to understand the investment policies, tax implications and risks involved.

Key Fact Statement of
AKD Islamic Fixed Term Munafa Plan II
Type: Open Ended
Category: Shariah Compliant Fixed Rate/ Return Scheme
Managed by: AKD Investment Management Limited
Risk Profile: _____ (Principal at _____)
Issuance Date: ____ 2026

1. DISCLAIMER

Before you invest, you are encouraged to review the detailed features of the Fund and its investment plan (s) in the Offering Document and/ or in the monthly Fund Manager Report.

2. KEY ATTRIBUTES

Investment Objective	The objective of the Plan is to provide investors with potentially higher returns, for fixed tenure by investing primarily in Shariah Compliant fixed income instruments for a specific duration.	
Authorized Investment Avenues	Shariah Compliant Government Securities, Cash at Islamic Bank and/or Islamic branches windows of conventional banks, Term Deposit Receipts and Shariah Compliant Money Market Placements with Banks and DFIs.	
Launch Date	____, 2026	
Maturity Date	____, 2026	
Expected Return	____ % to ____ % p.a.(from the close of subscription period)	
Minimum Investment Amount	Rs.100,000/-	
Duration	More than ____ month from the close of Subscription period	
Performance Benchmark	PKISRV rates on the last date of IOP of the plan with Maturity period corresponding to the maturity of plan.	
IPO/ Subscription Period	____ 2026	
Subscription / Redemption Days/ Timings	Transactions	Cut off Time
	Application for issuance of units, redemption of units, conversion of units and transfer of units	Monday to Friday 9:00 am to 5:00 pm
Reinvestment of Dividend	Any cash dividend entitled to the unit holder shall be reinvested at the ex-dividend NAV after deduction of all applicable taxes.	
Type of Units	Type A units	
Management Fee (% per annum)	Up to 1.00% p.a	

3. BRIEF INFORMATION ON THE PRODUCT CHARGES

Contingent Load	Contingent Load shall be commensurate with net loss incurred due to early Redemption and shall be made part of fund property.
------------------------	---

Total Expense Ratio (TER)

Investors are advised to consult the Fund Manager Report (FMR) of the respective CIS /Investment Plan for the latest information pertaining to the updated TER.

Applicable Taxes

Disclaimer- Income earned in the form of dividend or capital gain shall be charged at a rate as specified in Income Tax Ordinance 2001.

4. KEY STAKE HOLDERS

a) Asset Management Company:

Name: AKD Investment Management Limited
Address: 216-217, Continental Trade Centre, Block 8, Clifton, Karachi.
Contact: 92-21-111-253465
Website: www.akdinvestment.com

b) Trustee:

Name: Central Depository Company of Pakistan Limited
Address: CDC House, 99-B, Block B, SMCHS, Main Shahra-e-Faisal, Karachi.
Contact: UAN: +92 111-111-500
Website: www.cdcPakistan.com

c) Shariah Advisor:

Name: Al Hilal Shariah Advisors (Pvt.) Limited
Address: Suite 807, 8th Floor, Horizon Tower, Com 2/6, Khayaban -e- Saadi, Block 3 Clifton, Karachi.
Contact: 021-35305931-37
Website: www.alhilalsa.com

Disclaimer: All Investments in Mutual Funds are subject to market risks. Past performance is not necessarily indicative of the future results. The NAV of Units may go down or up based on the market conditions. Please read the Offering Document to understand the investment policies, tax implications and risks involved.

Key Fact Statement of
AKD Islamic Fixed Term Munafa Plan III
Type: Open Ended
Category: Shariah Compliant Fixed Rate/ Return Scheme
Managed by: AKD Investment Management Limited
Risk Profile: _____ (Principal at _____)
Issuance Date: ____ 2026

1. DISCLAIMER

Before you invest, you are encouraged to review the detailed features of the Fund and its investment plan (s) in the Offering Document and/ or in the monthly Fund Manager Report.

2. KEY ATTRIBUTES

Investment Objective	The objective of the Plan is to provide investors with potentially higher returns, for fixed tenure by investing primarily in Shariah Compliant fixed income instruments for a specific duration.	
Authorized Investment Avenues	Shariah Compliant Government Securities, Cash at Islamic Bank and/or Islamic branches windows of conventional banks, Term Deposit Receipts and Shariah Compliant Money Market Placements with Banks and DFIs.	
Launch Date	_____, 2026	
Maturity Date	_____, 2026	
Expected Return	_____ % to _____ % p.a.(from the close of subscription period)	
Minimum Investment Amount	Rs.100,000/-	
Duration	More than _____ months from the close of Subscription period.	
Performance Benchmark	PKISRV rates on the last date of IOP of the plan with Maturity period corresponding to the maturity of plan.	
IPO/ Subscription Period	_____ 2026	
Subscription / Redemption Days/ Timings	Transactions	Cut off Time
	Application for issuance of units, redemption of units, conversion of units and transfer of units	Monday to Friday 9:00 am to 5:00 pm
Reinvestment of Dividend	Any cash dividend entitled to the unit holder shall be reinvested at the ex-dividend NAV after deduction of all applicable taxes.	
Type of Units	Type A units	
Management Fee (% per annum)	Up to 1.00% p.a	

3. BRIEF INFORMATION ON THE PRODUCT CHARGES

Contingent Load	Contingent Load shall be commensurate with net loss incurred due to early Redemption and shall be made part of fund property.
------------------------	---

Total Expense Ratio (TER)

Investors are advised to consult the Fund Manager Report (FMR) of the respective CIS /Investment Plan for the latest information pertaining to the updated TER.

Applicable Taxes

Disclaimer- Income earned in the form of dividend or capital gain shall be charged at a rate as specified in Income Tax Ordinance 2001.

4. KEY STAKE HOLDERS

a) Asset Management Company:

Name: AKD Investment Management Limited
Address: 216-217, Continental Trade Centre, Block 8, Clifton, Karachi.
Contact: 92-21-111-253465
Website: www.akdinvestment.com

b) Trustee:

Name: Central Depository Company of Pakistan Limited
Address: CDC House, 99-B, Block B, SMCHS, Main Shahra-e-Faisal, Karachi.
Contact: UAN: +92 111-111-500
Website: www.cdcpakistan.com

c) Shariah Advisor:

Name: Al Hilal Shariah Advisors (Pvt.) Limited
Address: Suite 807, 8th Floor, Horizon Tower, Com 2/6, Khayaban -e- Saadi, Block 3 Clifton, Karachi.
Contact: 021-35305931-37
Website: www.alhilalsa.com

Disclaimer: All Investments in Mutual Funds are subject to market risks. Past performance is not necessarily indicative of the future results. The NAV of Units may go down or up based on the market conditions. Please read the Offering Document to understand the investment policies, tax implications and risks involved.

Contents

1.	CONSTITUTION OF THE SCHEME.....	11
1.1	Constitution	11
1.2	Trust Deed (the “Deed”).....	12
1.3	Modification of Trust Deed	12
1.4	Duration.....	12
1.5	Trust property	12
1.6	Initial Offer and Initial Period.....	13
1.7	Transaction in Units after Initial Offering Period	14
1.8	Offering Document.....	15
1.9	Modification of Offering Document.....	15
1.10	Responsibility of the Management Company for information given in this Document	15
1.11	Structure of the Scheme	15
2.	INVESTMENT OBJECTIVES, INVESTMENT POLICY, RESTRICTIONS, RISK DISCLOSURE AND DISCLAIMER.....	16
2.1	Investment Objective.....	16
2.2	Investment Policy	16
2.3	Authorized Investment table of Investment Plans	16
2.4	Investment Restrictions	23
2.5	Exemption to Investment Restrictions	24
2.6	Shariah Compliant Financing Arrangements	24
2.7	Restriction of Transactions with Connected Persons.....	24
2.8	Risk Disclosure.....	25
2.9	Disclaimer	26
3	OPERATORS AND PRINCIPALS.....	26
3.1	Management Company	26
3.2	Role and Responsibilities of the Management Company	34
3.3	Maintenance of Unit Holders Register	37
3.4	Role of the Trustee	37
3.5	Shariah Governance/Shariah Advisory Services	39
3.6	Transfer Agent	41
3.7	Custodian.....	41
3.8	Distributors/Facilitators	41
3.9	Auditors.....	42
3.10	Legal Advisors	42
3.11	Bankers.....	42
3.12	Rating of the Scheme	43
3.13	Minimum Fund Size	43
3.14	Service Provider.....	43
4	CHARACTERISTICS OF UNITS.....	44
4.1	Units.....	44
4.2	Type of Units	44
4.3	Purchase and Redemption of Units	44
4.4	Procedure for Purchase of Units	44
4.5	Procedure for Redemption of Units	50
4.6	Purchase (Offer) and Redemption (Repurchase) of Units outside Pakistan	52
4.7	Determination of Redemption (Repurchase) Price	52
4.8	Procedure for Requesting Change in Unit Holder Particulars	53
4.9	Procedure for Pledge/ Lien/ Charge of Units.....	56
4.10	Temporary Change in Method of Dealing, Suspension of Dealing and Queue System	56
5	DISTRIBUTION POLICY.....	57
5.1	Declaration of Dividend	57
5.2	Determination of Distributable Income	58
5.3	Dispatch of Dividend Warrants / Advice	58
5.4	Reinvestment of Dividend.....	58

5.5	Bonus Units.....	58
5.6	Closure of Register.....	58
6	FEE AND CHARGES.....	58
6.1	Fees and Charges Payable by an Investor.....	58
6.2	Fees and Charges Payable by the Fund	59
6.3	Formation Costs	60
6.4	Other costs and expenses.....	60
6.5	Expenses Ratio.....	60
7	TAXATION	61
7.1	Taxation on the Income of the Fund.....	61
7.2	Withholding tax.....	61
7.3	Zakat on Fund.....	61
7.4	Taxation and Zakat on Unit Holders	61
7.5	Disclaimer	62
8	REPORTS TO UNIT HOLDERS	62
8.1	Account Statement	62
8.2	Financial Reporting	63
8.3	Trustee Report.....	63
8.4	Fund Manager Report.....	63
9	WARNING AND DISCLAIMER.....	63
9.1	Warning.....	63
9.2	Disclaimer	64
10	GENERAL INFORMATION.....	64
10.1	Accounting Period / Financial Year of the Fund	64
10.2	Inspection of Constitutive Documents.....	64
10.3	Transfer of Management Rights of the Fund.....	64
10.4	Extinguishment/Revocation of the Fund/Investment Plan (s).....	65
10.5	Liquidation of Investment Plan(s).....	65
10.6	Procedure and manner of Revocation of the Fund.....	65
10.7	Distribution of proceeds on Revocation	66
10.8	Additional Disclosure by Shariah Compliant Scheme.....	66
11	GLOSSARY	66

**OFFERING DOCUMENT OF
AKD ISLAMIC FIXED TERM FUND (AKDIFTF)
(An Open-End Shariah Compliant Fixed Rate/ Return Scheme
Wakalatul Istithmar based Fund)**

**MANAGED BY
AKD Investment Management Limited
An Asset Management Company Registered under the Non-Banking Finance Companies
[Establishment and Regulation) Rules, 2003
Date of Publication of Offering Document Dated <_____, 2026>**

Initial Offering Period from: _____ Up to _____ (both days inclusive)

The AKD Islamic Fixed Term Fund (the Fund/the Scheme/the Trust/the Unit Trust/AKDIFTF) has been established through a Trust Deed (the Deed), registration # **KAR/ST/038/2025** dated **October 27, 2025** under the Sindh Trusts Act, 2020 as amended vide Sindh Trusts (Amendment) Act, 2021 entered into and between AKD Investment Management Limited, the Management Company, and Central Depository Company of Pakistan Limited, the Trustee.

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 Islamic Fixed Term Fund (AKDIFTF) and registered, as a notified entity under the Companies Ordinance, 1984 (the “Ordinance”) read with Non-Banking Finance Companies, and Notified Entities Regulations 2008 (“Regulations”) vide letter no. **SCD/AMCW/AKDIFTF/329/2026** dated **May 13 2026** SECP has approved this Offering Document, under Regulation 54 of the NBFC & NE Regulations 2008 vide letter no. **SCD/AMCW/AKDIFTF/2026/375** dated **June 30, 2026**.

It must be clearly understood that in giving this approval, 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.

Offering Document

This Offering Document sets out the arrangements covering the basic structure of the **AKD Islamic Fixed Term Fund** (the “Fund”, the “Scheme”). It sets forth information about the Fund that a prospective investor should know before investing in any class of Unit of the Fund. The provisions of the Trust Deed, the Rules, the Regulations (*and the Shariah guidelines*), circulars, directives etc. issued by the SECP etc. as specified hereafter govern this Offering Document.

The Shariah Advisors of the Fund have reviewed this Offering Document and provided their consent that this Offering Document adheres to the principles of Shariah.

All Investments of the Investment Plans of the Fund shall be in adherence to the principles of Shariah. It is possible that adherence to the principles of Shariah will cause the Fund/Plans to perform differently from Funds/Plans with similar objectives, but that are not subject to the requirements of Shariah. The Management Company has obtained shariah compliance certificate as per the requirements of Companies Act, 2017 and the Shariah Governance Regulations, 2023 and shall comply with such requirements as may be specified by Commission.

Prospective investors in their own interest are advised to read carefully this Offering Document to understand the Investment Policy, Risk Factors, Warning and Disclaimer. If prospective investor has any doubt about the contents of this Offering Document, he/she should consult one or more from amongst their investment

advisers, Shariah advisor, legal advisers, bank managers, stockbrokers, or financial advisers to seek independent professional advice.

Investors must recognize that the investments involve varying levels of risk. The portfolio of the Investment Plan(s) under the Fund consists of 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 Investment Plan (s) under the Fund nor the dividend declared by the Investment Plan (s) of the Fund is, or can be, assured. Investors are requested to read the Risk Disclosure, Warnings and Disclaimer statement contained in Clause 2.8 and Clause 9 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 SECP. Copies of the following documents can be inspected at the registered office of the Management Company or the place of business of the Trustee:

- (1) License SECP/LRD/LD/5/AMCW/AKIML/2022 dated February 6, 2026 and License No. SECP/LRD/LD/5/AMC/AKDIML/2022 dated February 6, 2026 granted by SECP to AKD Investment Management Limited (AKDIML) to carry out Asset Management Services and Investment Advisor;
- (2) AKDIML has appointed the Central Depository Company of Pakistan Limited, with the consent, as the Trustee of the Fund;
- (3) Trust Deed (the Deed) of the Fund;
- (4) Letter No. AI-01-AKDIFT-28 dated July 31, 2025 from **Riaz Ahmad & Company, Chartered Accountants** Auditor of the Fund, consenting to the issue of statements and reports;
- (5) SECP's Letter No. **SCD/AMCW/AKDIFTF/329/2026** dated **May 13 2026** registering the Fund in terms of Section 282CA of the Ordinance read with Regulation 44 of the NBFC and Notified Entities Regulations 2008;
- (6) Assistant Director of Industries and Commerce Directorate of the Department has issued a certificate of registration bearing reference No. **KAR/ST/038/2025** dated **October 27, 2025** upon registration of the Trust under Sindh Trust Act 2020.
- (7) Shariah Advisor Mufti Irshad Ahmad Aijaz, consenting to act as Shariah advisor of AKD Islamic Fixed Term Fund; and
- (8) Letter dated July 31, 2025 from Bawaney & Partners – Advocates, Investment & Corporate Advisers, consenting to act as legal adviser of the AKDIFTF;
- (9) Shariah Compliance Certificate from IFD.
- (10) SECP's letter no. **SCD/AMCW/AKDIFTF/2026/375** dated **June 30, 2026** 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 **27 October, 2025** between:

- **AKD Investment Management Limited** a Non-Banking Finance Company incorporated under the Companies Act 2017 (the "Act"), and licensed by SECP to undertake asset management services having

its registered office at Ground Floor, Finance & Trade Centre, Karachi, Pakistan (hereinafter called the "**Management Company**") which expression where the context so permits shall include its successors in interest and assigns) of the one part; and

- **Central Depository Company of Pakistan Limited**, a public limited company incorporated in Pakistan under the Companies Act, 2017, and registered by SECP under Non-Banking Finance Companies and Notified Entities Regulations, 2008, to act as a Trustee of the Collective- Investment Scheme having its registered office at CDC House, 99-B, Block B, SMCHS, Main Shahra-e-Faisal, Karachi (hereinafter called the "**Trustee**") which expression where the context so permits shall include its successors in interest and assigns) of the other Part.

1.2 Trust Deed (the "Deed")

The Deed is subject to and governed by the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, Non-Banking Finance Companies and Notified Entities Regulations, 2008, Securities Act 2015, Companies Act 2017 and all other applicable laws and regulations including Shariah Advisor guidelines. The terms and conditions in the Deed and any supplemental deed(s) shall be binding on each Unit Holder. In the event of any conflict between the Offering Document and the Deed, the latter shall supersede and prevail over the provisions contained in this Offering Document. In the event of any conflict between the Deed and the Rules or Regulations and Circulars issued by SECP, the latter shall supersede and prevail over the provisions contained in the Deed.

Furthermore, all Investments of Investment Plan (s) of the Fund Property shall be in accordance with the Islamic Shariah as advised by the Shariah Advisor. The Fund shall also be subject to the rules and the regulations framed by the State Bank of Pakistan with regard to the foreign investments made by the Investment Plan (s) of the Fund and investments made in the Fund from outside Pakistan in foreign currency.

1.3 Modification of Trust Deed

The Trustee and the Management Company, acting together and with the approval of SECP, shall be entitled by supplemental deed (s) to modify, alter or add to the provisions of the Deed to such extent as may be required to ensure compliance with any applicable laws, Rules and Regulations and Shariah guidelines.

Where the Deed has been altered or supplemented, the Management Company shall duly notify to the Unit Holders and publish the altered Trust Deed on their official website.

1.4 Duration

The duration of the Fund is perpetual. However, Investment plan(s) under this Fund will have a limited life. The actual duration of the Investment plan(s) will be decided as per management discretion capped up to sixty (60) months from the date of closure of IPO/subscription period. However, actual duration of the Investment Plans shall be communicated at the time of announcement of Public Offering for the investors under intimation to the trustee and the Commission. However, SECP or the Management Company may wind it up or revoke, on the occurrence of certain events as specified in the Regulations or clause 10.4 of this document.

1.5 Trust property

The aggregate proceeds of all Units issued from time to time by each of the Investment Plans after deducting Duties and Charges, Transactions Costs, shall constitute part of the Trust Property and includes the Investment and all income, profit and other benefits arising there from and all cash, bank balances and other assets and property of every description for the time being held or deemed to be held upon trust by the Trustee for the benefit of the Unit Holder(s) pursuant to the Deed but does not

include any amount payable to the Unit Holders as distribution. However, any profit earned on the amount payable to the Unit Holders of Investment Plans as distribution shall become part of the Trust Property of the Investment Plan(s).

1.6 Initial Offer and Initial Period

1.6.1 AKD Islamic Fixed Term Munafa Plan I

The Management Company is launching AKD Islamic Fixed Term Munafa Plan I (AKDIFTMP-I) having maturity date up to sixty months from the date of closure of IOP/subscription period up to **60 days** as the case may be. The potential investors are invited to participate in this Plan through Pre IPO and/or IPO and/ or through subscription.

Initial Offer is made during the Pre-IPO and/or IPO period which will be _____ business days i.e. _____ days Pre-IPO and _____ days IPO for AKD Islamic Fixed Term Munafa Plan I (AKDIFTMP-I) begins at the start of the banking hours on _____ day of _____, 2026__ and shall end at the close of the banking hours on _____ day of _____, 2026__.

Similarly, after the close of IPO, subsequent subscription will be open for _____ business days and begins at the start of banking hours on _____ day of _____, 2026__ and shall end at the close of the banking hours on _____ day of _____, 2026__.

During the initial period, Units will be issued at Initial Price of Rs.50 per Unit and subsequently at the price calculated by the Management Company for every Dealing Day. The Management Company will convey the actual date of the IPO and/or subsequent subscription period as well as the actual date of maturity of the plan prior to its launch to potential investors, the Commission and the Trustee.

The Pre-IPO subscription in the investment plans being offered under the fFund shall only be initiated once a definite date for IPO is announced and the amounts/investments received during the Pre-IPO period shall remain locked-in till the date of IPO of the Investment Plans subject to a specific disclosure to Pre-IPO investors regarding the lock-in period.

1.6.2 AKD Islamic Fixed Term Munafa Plan II

The Management Company is launching AKD Islamic Fixed Term Munafa Plan II (AKDIFTMP-II) having maturity date up to sixty months from the date of closure of IOP/subscription period up to **60 days** as the case may be. The potential investors are invited to participate in this Plan through Pre IPO and/or IPO and/ or through subscription.

Initial Offer is made during the Pre-IPO and/or IPO period which will be _____ business days i.e. _____ days Pre-IPO and _____ days IPO for AKD Islamic Fixed Term Munafa Plan II (AKDIFTMP-II) begins at the start of the banking hours on _____ day of _____, 2026__ and shall end at the close of the banking hours on _____ day of _____, 2026__.

Similarly, after the close of IPO, subsequent subscription will be open for _____ business days and begins at the start of banking hours on _____ day of _____, 2026__ and shall end at the close of the banking hours on _____ day of _____, 2026__.

During the initial period, Units will be issued at Initial Price of Rs.50 per Unit and subsequently at the price calculated by the Management Company for every Dealing Day. The Management Company will convey the actual date of the IPO and/or subsequent subscription period as well as the actual date of maturity of the plan prior to its launch to potential investors, the Commission and the Trustee.

The Pre-IPO subscription in the investment plans being offered under the fund shall only be initiated once a definite date for IPO is announced and the amounts/investments received during the Pre-IPO period shall remain locked-in till the date of IPO of the Investment Plans subject to a specific disclosure to Pre-IPO investors regarding the lock-in period.

1.6.3 AKD Islamic Fixed Term Munafa Plan III

The Management Company is launching AKD Islamic Fixed Term Munafa Plan III (AKDIFTMP-III) having maturity date up to sixty months from the date of closure of IOP/subscription period up to **60 days** as the case may be. The potential investors are invited to participate in this Plan through Pre IPO and/or IPO and/ or through subscription.

Initial Offer is made during the Pre-IPO and/or IPO period which will be _____ business days i.e. _____ days Pre-IPO and _____ days IPO for AKD Islamic Fixed Term Munafa Plan III (AKDIFTMP-III) begins at the start of the banking hours on _____ day of _____, 2026__ and shall end at the close of the banking hours on _____ day of _____, 2026__.

Similarly, after the close of IPO, subsequent subscription will be open for _____ business days and begins at the start of banking hours on _____ day of _____, 2026__ and shall end at the close of the banking hours on _____ day of _____, 2026__.

During the initial period, Units will be issued at Initial Price of Rs.50 per Unit and subsequently at the price calculated by the Management Company for every Dealing Day. The Management Company will convey the actual date of the IPO and/or subsequent subscription period as well as the actual date of maturity of the plan prior to its launch to potential investors, the Commission and the Trustee.

The Pre-IPO subscription in the investment plans being offered under the fund shall only be initiated once a definite date for IPO is announced and the amounts/investments received during the Pre-IPO period shall remain locked-in till the date of IPO of the Investment Plans subject to a specific disclosure to Pre-IPO investors regarding the lock-in period.

1.7 Transaction in Units after Initial Offering Period

1.7.1 AKD Islamic Fixed Term Munafa Plan I

- (a) After the close of the initial public offerings/subscription period, the Issuance of units shall discontinue from the said Plan till the date of maturity of the Plan. The Units of the Investment Plan can then be redeemed at the Redemption Price, which shall be calculated on the basis of Net Asset Value (NAV) of the Investment Plan subject to applicable contingent load. However, until the closure of the subscription period, the units may be redeemed at applicable NAV with charge of contingent load. The Units will be available for redemption on each Dealing Day.
- (b) The Management Company may at some future time and at its own cost register the Units of Investment Plan with a Depository organization, such as the Central Depository Company of Pakistan Limited. Any transactions for de-materialized Units registered with Depository will take place according to the rules and regulations of the Depository Company and the constitutive documents of the Fund.

1.7.2 AKD Islamic Fixed Term Munafa Plan II

- (a) After the close of the initial public offerings/subscription period, the Issuance of units shall discontinue from the said Plan till the date of maturity of the Plan. The Units of the Investment Plan can then be redeemed at the Redemption Price, which shall be calculated on the basis of Net Asset Value (NAV) of the Investment Plan subject to applicable contingent load. However, until the closure of the subscription period, the units may be redeemed at applicable NAV with charge of contingent load. The Units will be available for redemption on each Dealing Day.
- (b) The Management Company may at some future time and at its own cost register the Units of Investment Plan with a Depository organization, such as the Central Depository Company of Pakistan Limited. Any transactions for de-materialized Units registered with Depository will take place according to the rules and regulations of the Depository Company and the constitutive documents of the Fund.

1.7.3 AKD Islamic Fixed Term Munafa Plan III

- (a) After the close of the initial public offerings/subscription period, the Issuance of units shall discontinue from the said Plan till the date of maturity of the Plan. The Units of the Investment Plan can then be redeemed at the Redemption Price, which shall be calculated on the basis of Net Asset Value (NAV) of the Investment Plan subject to applicable contingent load. However, until the closure of the subscription period, the units may be redeemed at applicable NAV with charge of contingent load. The Units will be available for redemption on each Dealing Day.
- (b) The Management Company may at some future time and at its own cost register the Units of Investment Plan with a Depository organization, such as the Central Depository Company of Pakistan Limited. Any transactions for de-materialized Units registered with Depository will take place according to the rules and regulations of the Depository Company and the constitutive documents of the Fund.

1.8 Offering Document

The provisions of the Trust Deed, the Rules, the Regulations, circulars and the Directive issued by the Commission and Shariah Advisor govern this Offering Document. It sets forth information about the Fund and its Investment plan(s) that a prospective investor should know before investing in any Unit. Prospective investors in their own interest are advised to read carefully this Offering Document to understand the Investment Policy, Risk Factors and Warning and Disclaimer and should consult their legal, financial and/or other professional adviser before investing.

1.9 Modification of Offering Document

This Offering Document will be updated to take account of any relevant material changes relating to the Fund and its Investment plan(s). Such changes shall be subject to prior consent of the Trustee, Shariah Advisor and approval from the Securities and Exchange Commission of Pakistan (SECP) and shall be circulated to all Unit Holders and/ or publicly notified by advertisements in the newspapers subject to the provisions of the Rules and the Regulations and duly posted on official website of the Management Company.

1.10 Responsibility of the Management Company for information given in this Document

The Management Company accepts the responsibility for the information contained in this Offering Document as being accurate at the date of its publication.

1.11 Structure of the Scheme

- I. The Fund is being launched in shell structure. The maximum number of active investment plans shall not be more than ten at any given point in time or as specified by the Commission.
- II. The duration of the Fund is perpetual; however, Management Company shall launch different Investment Plan(s) with pre-defined maturities.
- III. The Fund shall offer various Shariah Compliant Investment Plan(s) with expected rate of return with fixed maturity period based on their structure investing in the investable avenues as defined in the offering document/supplemental offering document of the fund.
- IV. The Management Company shall, with the prior approval of the Commission and with the consent of the Trustee, introduce Investment Plans through Offering Documents and/or supplement to the Offering Document, without the need to alter the Trust Deed.
- V. Each Investment Plan will invest directly as per the Investment Policy which will be disclosed in Offering Document or via supplemental Offering Document of the Fund.
- VI. Each Investment Plan may have one or more-unit types and will calculate separate NAVs which will rank parri passu inter se according to the number of Units of the respective Investment Plan(s). The management company shall announce the NAV of Investment Plans under the scheme within such time period and frequency as prescribed by SECP from time to time.

- VII. The investor of the Fund may hold different types of units of Investment Plan(s) and may be invested in any one or more of the available Investment Plan(s).
- VIII. The minimum size of a single investment Plan shall be fifty million at all times during the life of the plan or as specified by the Commission.
- IX. The Total Expense Ratio/Management Fee for each Investment plan(s) of the fund launched under this scheme shall be in accordance with the caps as specified in the NBFC Rules & Regulations 2008.
- X. The Management Company shall not charge any sales load to investor. However, contingent load shall be charged on redemption before maturity of the plan and it shall be made part of the scheme property; **provided that contingent load shall commensurate with the net loss incurred due to early redemption.**
- XI. Investment Plans shall make investments in such a manner that the original amount of investment is protected at maturity whilst having the potential to yield positive promised rate/ return.

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

2.1 Investment Objective

The objective of the Fund is to offer multiple shariah compliant investment plans and each investment plan shall provide investors with an expected return at the maturity date as per the investment policy, investment objective and terms and conditions of the respective investment plans as disclosed in the offering document or supplementary offering document of the Fund.

2.1.1 Investment Objective of Investment Plan(s)

a. AKD Islamic Fixed Term Munafa Plan I

The objective of the Plan is to provide investors with potentially higher returns, for fixed tenure by investing primarily in Shariah Compliant fixed income instruments for a specific duration.

b. AKD Islamic Fixed Term Munafa Plan II

The objective of the Plan is to provide investors with potentially higher returns, for fixed tenure by investing primarily in Shariah Compliant fixed income instruments for a specific duration.

c. AKD Islamic Fixed Term Munafa Plan III

The objective of the Plan is to provide investors with potentially higher returns, for fixed tenure by investing primarily in Shariah Compliant fixed income instruments for a specific duration.

2.2 Investment Policy

Since the Fund is not directly offering its units to the investor rather offering shall only be made through investment Plans launched from time to time under this Fund. Therefore, investment policy of the Fund is not applicable, however investment policy of each Investment Plan are disclosed below and shall be in accordance with the Rules, Regulations and directives issued by SECP from time to time.

2.2.1 Investment Policy of Investment Plan(s)

Each Investment Plan of AKD Islamic Fixed Term Fund in line with its investment objectives, will invest primarily in shariah compliant government securities, cash in bank accounts, money market placements, deposits and Islamic TDRs, as per their respective Authorized Investment Table of Investment Plans mentioned below, and as approved by SECP. The investment plans under this Fund shall be subject to such exposure limits as are specified in the Rules, the Regulations and directives issued by SECP from time to time.

2.3 Authorized Investment table of Investment Plans

a. AKD Islamic Fixed Term Munafa Plan I

S.No	Description	Entity Rating	Maximum Exposure	Minimum Exposure	Time To Maturity
1	Shariah Compliant Government Securities: GOP Ijara Sukuk, and other Government Securities / Government Guaranteed Securities.	NA	100%	0%	N/A
2	Cash at Islamic Bank and/or Islamic branches/windows of conventional banks (excluding TDRs).	AA and Above	100%	0%	
3	Term Deposit Receipts and any other Shariah Compliant money market placements with Banks and DFIs.	AA and Above	100%	0%	within or up to maturity date of plan

Note: Time to Maturity of Placements/securities/instruments shall not exceed maturity of Plan.

- I. Weighted average time to maturity of the 90% net assets of the plan shall not exceed 4 years or maturity of the plan whichever is earlier and this condition shall not apply to securities issued by Federal Government;
- II. Investments shall be made as per the authorized investment limits given above and may be made according to the following mode of Shariah Transaction such as; principles of Bai'-Mu'ajjal, Bai'-Mussawwama, Bai'-Salam, Istisna'a, Mudaraba, Murabaha and Musharakah or any other structure as approved by the Shariah Advisor from time to time.
- III. The Investment Plan of Fund, in light of its investment objective and investment policy, shall exclusively invest in Shariah Compliant investments/securities/instruments transacted, traded or listed in Pakistan. Any investment made outside Pakistan shall be subject to prior approval of the State Bank of Pakistan and SECP.
- IV. Rating of any bank and DFI with which funds are placed shall not be lower than AA (Double A) from a rating agency registered with the Commission.
- V. Investment Plan (s) of the fund shall not take exposure of more than 15% of net assets to a single entity in case of placements with DFIs.

b. AKD Islamic Fixed Term Munafa Plan II

S.No	Description	Entity Rating	Maximum Exposure	Minimum Exposure	Time To Maturity
1	Shariah Compliant Government Securities: GOP Ijara Sukuk, and other Government Securities / Government Guaranteed Securities.	NA	100%	0%	N/A
2	Cash at Islamic Bank and/or Islamic branches/windows of conventional banks (excluding TDRs).	AA and Above	100%	0%	

3	Term Deposit Receipts and any other Shariah Compliant money market placements with Banks and DFIs.	AA and Above	100%	0%	within or up to maturity date of plan
Note: Time to Maturity of Placements /securities/instruments shall not exceed maturity of Plan. I. Weighted average time to maturity of the 90% net assets of the plan shall not exceed 4 years or maturity of the plan whichever is earlier and this condition shall not apply to securities issued by Federal Government; II. Investments shall be made as per the authorized investment limits given above and may be made according to the following mode of Shariah Transaction such as; principles of Bai'-Mu'ajjal, Bai'-Mussawwama, Bai'-Salam, Istisna'a, Mudaraba, Murabaha and Musharakah or any other structure as approved by the Shariah Advisor from time to time. III. The Investment Plan of Fund, in light of its investment objective and investment policy, shall exclusively invest in Shariah Compliant investments/securities/instruments transacted, traded or listed in Pakistan. Any investment made outside Pakistan shall be subject to prior approval of the State Bank of Pakistan and SECP. IV. Rating of any bank and DFI with which funds are placed shall not be lower than AA (Double A) from a rating agency registered with the Commission. V. Investment Plan (s) of the fund shall not take exposure of more than 15% of net assets to a single entity in case of placements with DFIs.					

c. AKD Islamic Fixed Term Munafa Plan III

S.No	Description	Entity Rating	Maximum Exposure	Minimum Exposure	Time To Maturity
1	Shariah Compliant Government Securities: GOP Ijara Sukuk, and other Government Securities / Government Guaranteed Securities.	NA	100%	0%	N/A
2	Cash at Islamic Bank and/or Islamic branches/windows of conventional banks (excluding TDRs).	AA and Above	100%	0%	
3	Term Deposit Receipts and any other Shariah Compliant money market placements with Banks and DFIs.	AA and Above	100%	0%	within or up to maturity date of plan
Note: Time to Maturity of Placements /securities/instruments shall not exceed maturity of Plan. I. Weighted average time to maturity of the 90% net assets of the plan shall not exceed 4 years or maturity of the plan whichever is earlier and this condition shall not apply to securities issued by Federal Government; II. Investments shall be made as per the authorized investment limits given above and may be made according to the following mode of Shariah Transaction such as; principles of Bai'-Mu'ajjal, Bai'-					

	Mussawwama, Bai'-Salam, Istisna'a, Mudaraba, Murabaha and Musharakah or any other structure as approved by the Shariah Advisor from time to time.
III.	The Fund, in light of its investment objective and investment policy, shall exclusively invest in Shariah Compliant investments /securities/instruments transacted, traded or listed in Pakistan. Any investment made outside Pakistan shall be subject to prior approval of the State Bank of Pakistan and SECP.
IV.	Rating of any bank and DFI with which funds are placed shall not be lower than AA (Double A) from a rating agency registered with the Commission.
V.	Investment Plan (s) of the fund shall not take exposure of more than 15% of net assets to a single entity in case of placements with DFIs.

2.3.1 **Benchmark** of the Investment Plan(s)

Plan Name	Benchmark
AKD Islamic Fixed Term Munafa Plan I	PKISRV Rates on the last date of IPO/ Subscription Period of the plan with Maturity period corresponding to the maturity of plan.
AKD Islamic Fixed Term Munafa Plan II	PKISRV rates on the last date of IPO/ Subscription Period of the plan with Maturity period corresponding to the maturity of plan.
AKD Islamic Fixed Term Munafa Plan III	PKISRV rates on the last date of IPO/ Subscription Period of the plan with Maturity period corresponding to the maturity of plan.

* Benchmark for each plan shall be aligned with the maturity of the plan and shall be communicated to the Trustee and Commission before IPO for each Plan along with date of maturity of the plan.

2.3.2 **Basic features of Investment Plan(s)**

2.3.2.1 **AKD Islamic Fixed Term Munafa Plan I**

Term/ Duration of the Investment Plan	The duration of the Plan will start from the close of IPO/subscription period and will be up to sixty months (60) months.
Conversion-in is allowed for IPO and Subsequent Subscription Period Investor(s)	Conversion-in from other Collective Investment Scheme(s) under the Management of AKD Investment Management Limited is allowed for the IPO Investor and subsequent subscription in accordance to sub clause 4.8.5 of the Offering Document.
Subsequent Subscription Period	Initial Offer and Subsequent Subscription Period is specified in clause 1.6 of the offering Document and/or disclosed via Official Website at the time of launching of this Plan. Only Type "A" Units shall be issued to the Unit Holder during Pre-IPO, IPO, and subsequent subscription period. Redemption will be allowed during the subsequent subscription period with contingent load. (as mentioned in Annexure B).
Expected Return	The Management Company shall provide the expected disclosed market return to the investors. The expected return shall be net off all charges, fees and expenses but gross of any applicable taxes. The expected return shall

	be valid only for the investors who remain invested till the maturity of the pertinent plan. The expected return will be applicable on the Units available at the close of IPO/subscription period. In case the Unit Holder(s) redeems its investment before maturity, the Expected return shall not be applicable. Further Redemption shall be made at applicable NAV. <u>Expected Return</u> as disclosed in the term sheet will be applicable on the Units available at the close of subsequent subscription period.
Contingent Load	As disclosed in Annexure 'B'
Net Asset Value	Unknown pricing/Forward pricing method
Conversion-out is allowed from the Plan	Conversion-out from the Plan is allowed in other Collective Investment Scheme(s) under the Management of AKD Investment Management Limited throughout the tenure of the Plan subject to applicable contingent load.
Conversion of Units at the time of Maturity of AKDIFTMPI	At the time of maturity of AKDIFTMPI , the units available may be converted to the Units of Shariah Compliant Money Market Collective Investment Schemes and/or Shariah Compliant Fixed Rate/ Return Scheme under Management of AKD Investment Management Limited as directed by the Unit Holder(s).

2.3.2.2 AKD Islamic Fixed Term Munafa Plan II

Term/ Duration of the Investment Plan	The duration of the Plan will start from the close of IPO/subscription period and will be up to sixty months (60).
Conversion-in is allowed for IPO and Subsequent Subscription Period Investor(s)	Conversion-in from other Collective Investment Scheme(s) under the Management of AKD Investment Management Limited is allowed for the IPO Investor and subsequent subscription in accordance to sub clause 4.8.5 of the Offering Document.
Subsequent Subscription Period	Initial Offer and Subsequent Subscription Period is specified in clause 1.6 of the offering Document and/or disclosed via Official Website at the time of launching of this Plan. Only Type "A" Units shall be issued to the Unit Holder during Pre-IPO, IPO, and subsequent subscription period. Redemption will be allowed during the subsequent subscription period with contingent load. (as mentioned in Annexure B).
Expected Return	The Management Company shall provide the expected disclosed market return to the investors. The expected return shall be net off all charges, fees and expenses but gross of any applicable taxes. The expected return shall be valid only for the investors who remain invested till the maturity of the pertinent plan. The expected return will be applicable on the Units available at the close of IPO/subscription period. In case the Unit Holder(s) redeems its investment before maturity, the Expected return shall not be applicable. Further Redemption shall be made at applicable NAV. <u>Expected Return</u> as disclosed in the term sheet will be

	applicable on the Units available at the close of subsequent subscription period.
Contingent Load	As disclosed in Annexure 'B'
Net Asset Value	Unknown pricing/Forward pricing method
Conversion-out is allowed from the Plan	Conversion-out from the Plan is allowed in other Collective Investment Scheme(s) under the Management of AKD Investment Management Limited throughout the tenure of the Plan subject to applicable contingent load.
Conversion of Units at the time of Maturity of AKDIFTMPII	At the time of maturity of AKDIFTMPII , the units available may be converted to the Units of Shariah Compliant Money Market Collective Investment Schemes and /or Shariah Compliant Fixed Rate/ Return Scheme under Management of AKD Investment Management Limited as directed by the Unit Holder(s).

2.3.2.3 AKD Islamic Fixed Term Munafa Plan III

Term/ Duration of the Investment Plan	The duration of the Plan will start from the close of IPO/subscription period and will be up to sixty months (60) months.
Conversion-in is allowed for IPO and Subsequent Subscription Period Investor(s)	Conversion-in from other Collective Investment Scheme(s) under the Management of AKD Investment Management Limited is allowed for the IPO Investor and subsequent subscription in accordance to sub clause 4.8.5 of the Offering Document.
Subsequent Subscription Period	Initial Offer and Subsequent Subscription Period is specified in clause 1.6 of the offering Document and/or disclosed via Official Website at the time of launching of this Plan. Only Class "A" Units shall be issued to the Unit Holder during Pre-IPO, IPO, and subsequent subscription period. Redemption will be allowed during the subsequent subscription period with contingent load. (as mentioned in Annexure B).
Expected Return	The Management Company shall provide the expected disclosed market return to the investors. The expected return shall be net off all charges, fees and expenses but gross of any applicable taxes. The expected return shall be valid only for the investors who remain invested till the maturity of the pertinent plan. The expected return will be applicable on the Units available at the close of IPO/subscription period. In case the Unit Holder(s) redeems its investment before maturity, the Expected return shall not be applicable. Further Redemption shall be made at applicable NAV. <u>Expected Return</u> as disclosed in the term sheet will be applicable on the Units available at the close of subsequent subscription period.
Contingent Load	As disclosed in Annexure 'B'
Net Asset Value	Unknown/Forward pricing method
Conversion-out is allowed from the Plan	Conversion-out from the Plan is allowed in other Collective Investment Scheme(s) under the Management of AKD Investment Management Limited throughout the

	tenure of the Plan subject to applicable contingent load.
Conversion of Units at the time of Maturity of AKDIFTMPIII	At the time of maturity of AKDIFTMPIII , the units available may be converted to the Units of Shariah Compliant Money Market Collective Investment Schemes and /or Shariah Compliant Fixed Rate/ Return Scheme under Management of AKD Investment Management Limited as directed by the Unit Holder(s).

2.3.3 Risk Control in the Investment Process

The Management Company shall ensure that effective risk control measures are in place for the protection of the Unit Holders' interests.

The objective of the risk control process is endeavor to monitor and manage the various types of risks, including market risks, credit risks and operational risks, with a view to achieving the investment objective of the Scheme.

Exposure to the Authorized Investments shall be determined based on the fund manager's outlook on the economy, the Capital / Money market and any other factor considered important by the Management Company towards effective discharge of its duties under the Regulations, the Trust Deed and this Offering Document.

2.3.4 Management Company Can Alter Investment Mix

The Management Company can from time to time alter the weightings, subject to the specified limits as per Clause 2.3 above, between the various types of Authorized Investments if it is of the view that market conditions so warrant. The Investment Plan(s) of the Funds not invested in the foregoing avenues shall be placed as deposit with scheduled Islamic banks/Islamic Windows of conventional banks.

2.3.5 Changes in Investment Policy

The investment policy will be governed by the Regulations and/or SECP directives. Any Fundamental change in the Investment Policy will be implemented only after obtaining prior approval from SECP and giving 30 (thirty days) prior notice to the Unit Holders as specified in the Regulations.

2.3.6 Investments outside Pakistan

The Trustee shall, if requested by the Management Company, open Bank Accounts titled "**CDC-Trustee AKD Islamic Fixed Term Munafa Plan I**", "**CDC- Trustee AKD Islamic Fixed Term Munafa Plan II**", "**CDC- Trustee AKD Islamic Fixed Term Munafa Plan III**" in foreign countries where investments are made on account of the Fund, if such investments necessitate opening and operation of Bank Accounts by the Trustee. For this purpose, the Trustee shall be deemed to be authorized to sign and submit the prescribed account opening forms of such Banks. The opening, operation and maintenance of such Bank Accounts in foreign countries shall always be subject to the approval of the SBP and SECP and the exchange control regulations, as well as any directives of the SBP and the Commission. Any such proposal by the Management Company shall be submitted to the Commission and SBP with the prior consent of the Trustee. While opening and operating any type of account and/or making investments in outside Pakistan countries on the instructions of the Management Company, if the Trustee is required to provide any indemnities to outside Pakistan parties then Trustee and the Fund would be counter indemnified by the Management Company to such extent.

2.3.7 Disposal of Haram Income

Where any Haram income accrues by the Investment plan(s) under Fund, it will be donated to a registered/approved charitable institution in order to purify the Fund's income and the charity amount shall be verified and approved by the Shari'ah advisor. This will be done in accordance with the guidelines issued by the Shariah Advisor from time to time. Such income shall be paid to a charitable/welfare organization which is neither related to, nor a Connected Person of the Shariah Advisors, Management Company, Trustee, board of the Management Company or any of their employees.

2.4 Investment Restrictions

- a) The Trust Property shall be subject to such exposure limits or other prohibitions as are provided in the Regulations, Trust Deed, this Offering Document of the Fund, Shariah Advisor, circulars and directives and shall also be subject to any exemptions that may be specifically given to the Fund by SECP and are explicitly mentioned under the heading "Exceptions to Investment Restriction" in this offering document or subsequently in writing. If and so long as the value of the holding in a particular company or sector shall exceed the limit imposed by the Regulations, the Management Company shall not purchase any further Investments in such company or sector. In the event Exposure limits are exceeded due to corporate actions including taking up rights or bonus issue and/or owing to appreciation or depreciation in value of any Investment, disposal of any Investment or Redemption of Units, the excess exposure shall be regularized in such manner and within such time as specified in the Regulations, circular or notification issued by SECP from time to time.
- b) The Management Company on behalf of the Scheme and the plans under it shall not:
 - i. Make Investments in Non-Shariah Compliant Instruments and against the guidelines of Shariah Advisor of the Fund.
 - ii. Purchase or sell –
 - a. Bearer securities;
 - b. Securities on margin;
 - c. Real estate, commodities or commodity contracts;
 - d. Securities which result in assumption of unlimited liability;
 - e. Anything other than Authorized Investments as defined herein;
 - iii. Participate in a joint account with others in any transaction;
 - iv. Take exposure to equities;
 - v. Take Exposure in any other Collective Investment Scheme;
 - vi. Lend, assume, guarantee, endorse or otherwise become directly or contingently liable for or in connection with any obligation or indebtedness of any person as specified in the Regulations;
 - vii. Make any investment which will vest with the Management Company or its group the management or control of the affairs of the investee company;
 - viii. Invest in securities of the Management Company;
 - ix. Issue a senior security which is either stock or represents indebtedness, without the prior written approval of the Commission and Shariah Advisor;;
 - x. Sell or issue Units for consideration other than cash unless permitted by the Commission on the basis of structure and investment policy of the Scheme;
 - xi. Merge with, acquire or take over any scheme, unless it has obtained the prior approval of the SECP in writing to the scheme of such merger, acquisition or take over;
 - xii. Invest the subscription money until the closure of the initial offering period;
 - xiii. Enter on behalf of the Scheme, into underwriting or sub-underwriting contracts;
 - xiv. Subscribe to an issue underwritten, co-underwritten or sub-underwritten by group companies of the Management Company;
 - xv. Pledge any of the securities held or beneficially owned by the Scheme except as allowed under the Regulations;
 - xvi. Accept deposits; and

- xvii. Make a loan or advance money to any person from the assets of the Scheme.
- c) There is no restriction regarding time to maturity of any single asset in the Portfolio and duration of a single security in the Portfolio.
- (d) In case of redemption requests that are pending due to constraint of liquidity in any Investment Plan, for more than the period as stipulated in the Regulations, the Management Company shall not make any fresh investment or rollover of any investment.

2.5 Exemption to Investment Restrictions

In order to protect the right of the Unit Holders, the Management Company may take an Exposure in any unauthorized investment due to recovery of any default proceeding of any counter party of any Authorized Investment with the approval of the Commission and Shariah Advisor.

2.6 Shariah Compliant Financing Arrangements

- (a) Subject to any statutory requirements for the time being in force and to the terms and conditions herein contained, the Management Company may arrange Shariah compliant financing for the scheme, with the approval of the Trustee, from Islamic Banks, Islamic Financial Institutions, or such other companies as specified by the Commission from time to time. The financing, however, shall not be resorted to, except for meeting the redemption requests and shall be repayable within a period of ninety days and such financing shall not exceed fifteen (15) percent of the Net Assets of pertinent Investment Plan (s) or such other limit as specified by the Commission at the time of financing.

If subsequent to such financing the Net Assets of the Investment Plan(s) are reduced as a result of depreciation in the market value of the Trust Property or redemption of Units, the Management Company or the Trustee shall not be under any obligation to reduce such financing.

- (b) The charges payable to any Islamic Bank or Islamic Financial institution or an Islamic window of a commercial bank against financing on account of the Investment Plan(s) as permissible above shall not be higher than the normal prevailing bank charges or normal market rates for similar service and/or facility.
- (c) The charges payable to any Bank or institution against financing on account of the Scheme as permissible above shall be allocated to the Investment Plan(s) for which the financing has been made.
- (d) Neither the Trustee, nor the Management Company shall be required to issue any guarantee or provide security over their own assets for securing such financings from Islamic banks and Islamic financial institutions. The Trustee or the Management Company shall not be liable in any manner in their personal capacities for repayment of such financings.
- (e) For the purposes of securing any such financing the Trustee may upon instruction of the Management Company mortgage, charge or pledge in any manner all or any part of the Fund Property of the pertinent Investment Plan(s) provided that the aggregate amount secured by such mortgage, charge or pledge shall not exceed the limits provided under the Regulations and/or any law for the time being in force.
- (f) Neither the Trustee nor the Management Company shall incur any liability by reason

of any loss to the Trust or any loss that a Unit Holder(s) may suffer by reason of any depletion in the Net Asset Value that may result from any financing arrangement made hereunder in good faith. Any liability or loss incurred due to negligence of AMC or the Trustee shall be borne by them.

2.7 Restriction of Transactions with Connected Persons

- (a) The Management Company on behalf of the Scheme shall not without the approval of its Board of Directors in writing and consent of the Trustee, purchase or sell any security from or to any Connected Person or employee of the Management Company.
- (b) Provided that above shall not be applicable on sale or redemptions of Units.
- (c) For the purpose of sub-paragraphs (a) and (b) above the term director, officer and employee shall include spouse, lineal ascendants and descendants, brothers and sisters.
- (d) All transactions carried out by or on behalf of the Scheme with connected person(s) shall be made as provided in the Constitutive Documents, and shall be disclosed in the Scheme's annual reports.

2.8 Risk Disclosure

The Management Company shall ensure that effective risk control measures are in place for the protection of the Unit Holders.

Investors 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 the Investment Plan(s) is subject to market price fluctuations and other risks inherent in all such investments. The risks emanate from various factors that includes, but are not limited to:

- (1) 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.
- (2) Credit Risk** - Credit Risk comprises Default Risk and Credit Spread Risk a. Each can have negative impact on the value of the income and money market instruments including GOP Ijara Sukuk etc.
 - **Default Risk** - The risk that the issuer of the security will not be able to pay the obligation, either on time or at all;
 - **Credit Spread Risk** - The risk that there may be an increase in the difference between the Profit/return of any issuer's security and the return/markup rate of a risk free security. 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 income and including money market instruments;
- (3) Country or Political Risk** – The uncertainty of returns caused by the possibility of a major change in the political or economic environment of the country such as break down of law and order, war, natural disasters, etc. and any governmental actions or legislative changes or court orders restraining payment of principal or income.
- (4) Interest Rate Risk** – A rise or decline in interest rates during the investment term may result in a change in return provided to investors.

- (5) **Price Risk** - The price risk is defined as when the value of the Fund, due to its holdings in such securities rises and falls as a result of change in interest rates.
- (6) **Liquidity Risk** – Liquidity risk is the possibility of deterioration in the price of a security in the Fund when it is offered for sale in the secondary market.
- (7) **Settlement Risk** – At times, the Fund may encounter settlement risk in purchasing / investing and maturing / selling its investments, which may affect the Investment Plan's performance etc.
- (8) **Reinvestment Rate Risk** – In a declining interest/ markup rate economic environment, there is a risk that maturing securities or coupon payments will be reinvested at lower rates, which shall reduce the return of the Fund compared to return earned in the preceding quarters.
- (9) **Events Risk** - There may be adjustments to the performance of the Fund due to events including but not limited to, natural calamities, market disruptions, mergers, nationalization, insolvency and changes in tax law.
- (10) **Redemption Risk** - There may be special circumstances in which the redemption of Units may be suspended or the redemption payment may not occur within six working days of receiving a request for redemption from the investor.
- (11) **Distribution Risk** – Dividend distribution may also be liable to tax because the distributions are made out of the profits earned by fund and not out of the profits earned by each unit holder. Unit Holders who invest in a fund before distribution of dividends may be liable to pay tax even though they may not have earned any gain on their investment, as return of capital to investors upon distribution is also taxable.
- (12) **Shariah non-compliance Risk** - The risk associated with employing funds in investments that are not consistent with the Maqasid e Shariah.

Disclosure:

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

2.9 Disclaimer

The Units of the Investment Plan(s) are not bank deposits and are neither issued by, insured by, obligations of, nor otherwise supported by SECP, any Government agency, the Trustee (except to the extent specifically stated in this document and the Trust Deed) or any of the shareholders of the Management Company or any other bank or financial institution.

3 OPERATORS AND PRINCIPALS

3.1 Management Company

AKD Investment Management Limited is the Management Company of **AKD Islamic Fixed Term Fund (AKDIFTF)**, having its registered office as mentioned below:

AKD Investment Management Limited
216-217, 2nd Floor, Continental Trade Centre,
Block 8, Clifton, Karachi.

3.1.1 Organization

AKD Investment Management Limited, an Asset Management Company under the Non-Banking Finance Companies Rules, 2003, is a wholly owned subsidiary of AKD Group Holdings (Pvt.) Limited (formerly Aqeel Karim Dhedhi Securities (Pvt.) Limited). The Company is currently managing nine open-end funds with assets under management.

3.1.2 Principal Shareholders

The current shareholding structure of AKD Investment Management Limited is as follows:

Share Holders	Shareholding (%)
AKD Group Holdings (Pvt.) Limited (Formerly Aqeel Karim Dhedhi Securities (Pvt.) Limited)	99.97
Directors	00.02
Others	00.01
Total	100%

Board of Directors of the Management Company

Name of the Directors	Address	Position	Other Directorship
Mr. Imran Motiwala	58 Overseas Housing Society Block 7/8 Amir Khusroo Road, Karachi	Chief Executive Officer	Ellicot Spinning Mills Limited Meko Tex (Pvt.) Limited
Mr. Khalid Mahmood	H.No.215, Street No.32, Khayaban-e-Bukhari, D.H.A. Phase 6, Karachi	Director & Chairman	TPL Properties Limited Consilium Consultancy
Mr. Ali Wahab Siddiqui	H.No.193/1, Main Khayban-e- Hilal Phase 6, DHA, Karachi	Director	Maxima International (Partnership)
Ms. Anum Dhedhi	83/2, Khayaban-e-Hafiz, Phase 6, Defense, Karachi	Director	M3 Technologies Pakistan (Pvt.) Ltd
Mr. Hasan Ahmed	211-Garden Block, New Garden Town, Lahore-54600	Director	Nagina Cotton Mills Limited
Ms. Aysha Ahmed	H.No.193/1, Main Khayban-e- Hilal Phase 6, DHA, Karachi	Director	Toddler Town (Partnership)
Mr. Abid Hussain	House No.102-E, Peace Wood Land Housing Society, Main Bedian Road, Lahore Cantt, Lahore	Director	None

3.1.3 Profile of the Directors

Mr. Khalid Mahmood – Chairman

Mr. Khalid Mahmood is the Chairman of AKD Investment Management Limited. Khalid Mahmood served as a career civil servant for nearly forty years at important positions within and outside the country. He served as a Chairman of the Sindh Revenue Board from 2016 to 2021. Having vast exposure in the public sector, Mr. Mahmood offers extensive expertise in fiscal policy, economic & regulatory frameworks, international procurements, and multilateral negotiations. He has also been Pakistan's Commercial Counsellor to South

Korea from 2000 to 2004.

Mr. Hasan Ahmed – Director

Hasan Ahmed serves as a Director on the board of AKD Investment Management Limited. He brings with himself a wide array of experience spread across various sectors of the industry. Currently he is serving as the Chairman of Lahore City University. He also serves on the Board of Directors of Nagina Cotton Mills Limited. Mr. Ahmed is a Certified Public Accountant from United States and brings with him vast experience in the field of finance, capital market and corporate governance.

Mr. Ali Wahab Siddiqui – Director

Mr. Ali Wahab Siddiqui is currently serving on the board of AKD Investment Management Limited. With a career spanning well over 18 years, Mr. Siddiqui has in-depth knowledge regarding capital markets and investment banking transactions. An MBA from Institute of Business Administration, Karachi, Pakistan. Mr. Siddiqui has served in several well reputed companies in Pakistan and UAE including Wavetec, Pak Kuwait Investment Company and Sharjah Islamic Bank. He currently heads Debt Capital Markets business at Sharjah Islamic Bank where he is involved in fund raising as an issuer as well as bookrunner in sukuk transactions.

Ms. Aysha Ahmed – Director

Ms. Aysha Ahmed is currently serving on the board of AKD Investment Management Limited. With over 13 years of professional experience, of which over 8 years were in the UAE, Ms. Ahmed has expertise across the private equity, real estate and retail sectors. Ms. Ahmed has worked with renowned institutions including Abraaj Capital, Dubai Investment Listed Group and Burj Capital. Ms. Ahmed holds an Executive MBA in Corporate Strategic Management and an Honors BA in Political Science and Communication Studies from York University Canada.

Mr. Abid Hussain – Director

Mr. Abid Hussain serves as a Director on the board of AKD Investment Management Limited. He has over 30 years of diverse and extensive experience in Marketing and Resources Development. Mr. Hussain is currently working as Director Marketing and Resource Development in Namal Education Foundation Lahore. His expertise includes Marketing Strategies and Customer relation management. Mr. Hussain holds a Master Degree from College of Business Administration Lahore with major in Marketing.

Mr. Imran Motiwala – Chief Executive Officer

Mr. Imran Motiwala has been serving as the Chief Executive Officer of AKD Investment Management Limited since 2011; he also served the Company as CEO in 2009 for an interim period. While, also serving as a Director on the Company from 2007. Mr. Motiwala has also been serving as the Chief Executive Officer of Golden Arrow Selected Stocks Fund Limited since 2009. Mr. Motiwala joined AKD Investment Management Limited in February 2006 as the Company's Chief Operating Officer and also over viewed several key areas including fund management, sales and marketing besides serving as a Member of the Investment Committee. With a career spanning almost 26 years in the capital markets, Mr. Motiwala is a seasoned finance professional with experience ranging from stock broking to asset management. Mr. Motiwala initiated his career with Ali Hussain Rajabali as an equity sales trader for both domestic and foreign institutions. He has also had the privilege of working with several prestigious financial institutions during his career including JP Morgan as an institutional securities sales broker and after almost 8 years of securities broking moved to asset management with ABAMCO Limited (now JS Investments) where he served as a Fund Manager and led the team in launching the Company fixed income fund. After which Mr. Motiwala moved to Crosby Asset Management Limited as Head of Fund Management where his responsibilities entailed managing the entire asset management business. Mr. Imran Motiwala is a marketing graduate from Southeastern University and a Certified Director from the Pakistan Institute of Corporate Governance; he has also been certified by the Institute of Capital Markets for Fundamentals of Capital Markets, Pakistan's Market Regulations, Stock Broker and Mutual Fund Distributors.

Ms. Anum Dhedhi – Chief Investment Officer

Ms. Anum Aqeel Dhedhi joined AKD Investment Management Limited in May 2014 and is currently designated as the Chief Investment Officer, while also serving on the Board of the Company as an Executive Director and Golden Arrow Selected Stock Funds Limited (formerly a closed end investment company); since Oct 2017 to date and June 2014 to November 2019 respectively. Ms. Anum is responsible for all investment

strategies for the funds under management including fixed income and equity as an asset class. Her role entails key positions in the Investment Committee while providing essential insight to the broader company's business plan through sales development and revenue generation. She has been accredited and recognized for the award winning performance in the equity funds under the management of the Company. Prior to AKD Investment Management, Ms. Anum was an Economist at AKD Securities Limited a corporate stock broking firm for three (3) years undertaking various research related works on Pakistan and the capital markets. Ms. Anum holds a BSc in Financial Economics Degree from the City University of London, United Kingdom. Ms. Anum also serves as a non-executive director on the board of M3 Technologies Pakistan (Pvt.) Limited

3.1.4 Profile of the Management

Mr. Imran Motiwala – Chief Executive Officer

Please refer to profile given in sub-clause 3.1.3 above.

Ms. Anum Dhedhi – Chief Investment Officer

Please refer to profile given in sub-clause 3.1.3 above.

Mr. Muhammad Faisal - Chief Strategic Officer

Mr. Muhammad Faisal is a commerce graduate and has a vast banking experience (i.e. over 40 years) specially in the field of treasury, forex and international trade markets. He started his carrier with Chase Marathon bank then moved to Faysal Bank Limited (as a pioneer staff member). He also remained associated with Summit Bank Limited for 15 years. His last assignment was with Bank of Khyber as a Group Head Treasury and International Division. His professional capability of dealing in money, forex and equity markets with vast customer base supports him to be an excellent service provider.

Mr. Muzzamil Balagamwala, ACA – Chief Financial Officer

Muzzamil Balagamwala is a Chartered Accountant and currently serving as the Chief Financial Officer at AKD Investment Management Limited. He has extensive experience in financial management, governance, and regulatory compliance, with international exposure across Saudi Arabia and Luxembourg through his work with KPMG, as well as experience within a Saudi-listed entity. He brings strong expertise in financial reporting, strategic planning, and capital markets, supporting sustainable growth through disciplined financial leadership.

Mr. Syed Tahir Hasan Naqvi - Head of Trading

Tahir Hasan is a seasoned Capital Markets and Treasury professional with over 25 years of expertise in managing multi asset class portfolios, equity trading, and investment advisory. Having served in both buy-side and sell-side roles, he has held key leadership positions, including Head of Investments & Trading at The Bank of Punjab, and Head of Retail at AKD Securities Limited and Director Sales at Pearl Securities Limited. These roles highlight his proven track record in establishing robust investment frameworks, optimizing portfolio returns, and mitigating risks in high-pressure environments. A results-driven leader, Tahir excels in building high-performing teams, fostering strong relationships with institutional and high-net-worth investors, and navigating complex regulatory landscapes. Recognized for aligning investment strategies with dynamic market trends, he consistently achieves growth while exceeding performance benchmarks. Currently, he leads strategic initiatives to optimize portfolio performance and align investments with client objectives. His academic credentials include an MBA (Executive) from the prestigious Institute of Business Administration (IBA), Karachi.

Mr. Khurram Ali - Head of Internal Audit

Mr. Khurram Ali is CA Finalist from ICAP and a law graduate from Karachi University having over 18 years' experience in Internal Audit, External Audit, Compliance, Legal & Secretarial practices. After completing his articles from KPMG, he worked as Head of Internal Audit (Chief Internal Auditor) in Exide Pakistan Limited, Next Capital Limited, Singer Pakistan Limited, Saudi Pak Leasing and SME Leasing Limited before joining AKD Investment Management Limited in the same capacity. He has also served as Secretary Audit Committee in the various companies where he headed Internal Audit Function.

Mr. Rashid Ahmed - Head of Business Development

Mr. Rashid Ahmed has more than 28 years of working experience in the financial sector. He has been

associated with AKD Investment Management Limited since September 2004. Prior to taking over as the Head of Business Development, Mr. Ahmed was serving as Head of Compliance from January, 2014 to November, 2019. Mr. Ahmed was serving in the Finance Department in the capacity of Senior Manager Accounts. Mr. Ahmed is a Commerce Graduate from the University of Karachi. He has also been certified by the Institute of Financial Markets of Pakistan for Fundamentals of Capital Markets, Pakistan's Market Regulations.

Mr. Carrow Michael - Head of Administration & HR

Mr. Carrow Michael has been serving as Head of Administration & Human Resource since June 2016, he has started his career at AKD Investment Management Limited in 2006 as an Operations Officer and since then he has served at different positions in Operations Department including the Head of Operations till May 2014, He has also served as Head of Risk Management and as member of Investment Committee from May 2014 to May 2016. Mr. Michael holds a Master's Degree in Business Administration in Finance from Khadim Ali Shah Bukhari Institute of Technology. His areas of expertise include system development, customer support, information technology and employee's trainings. He has been certified by the Institute of Financial Markets of Pakistan for Fundamentals of Capital Markets, Pakistan's Market Regulations, Mutual Fund Distributors, and Risk Management. He has been the diploma holder in Human Resource Management from the Pakistan Institute of Management (PIM).

Mr. Toqir Hussain - Head of Information Technology

Mr. Toqir Hussain currently serves as the Head of Information Technology for AKD Investment Management Limited. Mr. Hussain joined AKDIML in 2007 as an IT Manager prior to which he was working with AMZ Access, the BPO arm of the AMZ Group. Mr. Toqir independently developed the IT department of AKD Investment Managements Limited from the scratch and equipped it with state of the art equipment. He also contributed towards the development of SOPs for the IT department along with successfully complying with all regulatory and statutory observations. Mr. Hussain has done MPA (MIS) from Karachi University.

3.1.5 Existing Schemes under Management and their performance

AKD Investment Management Limited are currently managing following open end mutual funds:

Name, Category, Launch date, Current NAV and Par values of existing schemes:

Name of CIS/ Mutual Fund	Category	Launch Date	Current NAV 31-Mar-2026 (PKR)	PAR Value (PKR)
AKD Aggressive Income Fund	Aggressive Fixed Income	Mar-2007	60.1216	50
AKD Opportunity Fund	Equity	Mar-2006	177.4126	50
AKD Index Tracker Fund	Equity	Oct-2005	36.2210	10
AKD Cash Fund	Money Market	Jan-2012	55.8951	50
Golden Arrow Stock Fund*	Equity	May-1983	29.8966	5
AKD Islamic Stock Fund	Shariah Compliant Equity	Feb-2018	92.8469	50
AKD Islamic Income Fund	Shariah Compliant Income	Feb-2018	55.0799	50
AKD Islamic Cash Fund (Formerly: AKD Islamic Daily Dividend Fund)	Shariah Compliant Money Market	Feb-2023	52.8893	50
AKD Alpha Income Fund**	Aggressive Fixed Income	Apr-2026	NA	50

* Date of Management Takeover: Sep-2004,

** Launch date: 10- April-2026

1. AKD Aggressive Income Fund (AKDAIF)

AKD Aggressive Income Fund is a dedicated fund that focuses primarily on fixed income securities and instruments. The objective of AKDAIF is to offer investors a convenient vehicle to invest in a diversified portfolio of fixed income securities/ instruments that provide consistent returns which concern for the preservation of capital over the longer term.

Distribution Details are as under:

AKD Aggressive Income Fund				
Year Ended June 30	NAV Per Unit	Net Assets (PKR mn)	Return	Dividend Payout
FY2016	51.6527	841.32	9.67%	7.00%
FY2017	51.6902	934.65	6.45%	6.58%
FY2018	53.5466	728.93	3.62%	4.40%
FY2019	51.1211	559.03	3.28%	3.81%
FY2020	51.0587	652.48	13.12%	13.56%
FY2021	51.1627	813.87	7.08%	7.01%
FY2022	51.0601	738.63	7.23%	7.62%
FY2023	51.2326	654.23	2.16%	2.19%
FY2024	51.5202	724.68	21.40%	20.90%
FY2025	53.4062	1,085.67	30.52%	27.50%

2. AKD Opportunity Fund (AKDOF)

AKD Opportunity Fund filters through the opportunity presented in the capital markets, searching for the optimal combination of investment strategies, mainly in equities, followed by fixed income and money market as contingent defensive strategy.

Distribution Details are as under:

AKD Opportunity Fund				
Year Ended June 30	NAV Per Unit	Net Assets (PKR mn)	Return	Dividend Payout
FY2016	80.2065	1,595.75	11.30%	4.00%
FY2017	95.7948	3,100.50	35.56%	26.00%
FY2018	82.8559	2,481.92	-13.38%	NIL
FY2019	66.0103	1,728.33	-20.33%	NIL
FY2020	67.0975	1,625.63	1.65%	NIL
FY2021	136.7162	3,527.23	103.76%	NIL
FY2022	100.9845	1,358.19	-26.14%	NIL
FY2023	88.8353	581.55	-12.03%	NIL
FY2024	110.3141	610.56	27.28%	5.50%
FY2025	166.3402	708.55	51.73%	2.00%

3. AKD Index Tracker Fund (AKDITF)

AKD Index Tracker Fund is to track the return of the KSE-100 Index with up to 85% accuracy, providing investors with a high quality, in-depth diversification instrument.

Distribution Details are as under:

AKD Index Tracker Fund				
Year Ended June 30	NAV Per Unit	Net Assets (PKR mn)	Return	Dividend Payout
FY2016	14.2589	451.74	4.73%	7.50%
FY2017	16.2999	519.95	20.77%	9.00%
FY2018	14.4140	460.99	-11.85%	NIL
FY2019	11.1261	370.79	-20.01%	NIL
FY2020	11.1052	387.31	-0.19%	NIL
FY2021	14.3166	478.98	34.58%	6.32%
FY2022	12.5729	427.60	-12.18%	NIL
FY2023	12.4341	422.88	-1.10%	NIL
FY2024	20.9332	823.51	84.42%	20.00%
FY2025	30.7230	1,301.93	55.32%	17.50%

4. AKD Cash Fund (AKDCF)

AKD Cash Fund objective is to provide optimum returns consistent with minimal risk from a portfolio constituted on high quality short term securities/instrument, which will provide liquidity.

Distribution Details are as under:

AKD Cash Fund				
Year Ended June 30	NAV Per Unit	Net Assets (PKR mn)	Return	Dividend Payout
FY2016	50.1283	262.65	5.45%	5.44%
FY2017	50.2392	165.79	6.34%	6.13%
FY2018	52.5896	163.20	4.77%	4.63%
FY2019	50.4878	102.40	7.89%	7.51%
FY2020	50.5831	533.22	12.24%	12.16%
FY2021	50.6287	418.56	6.38%	6.36%
FY2022	50.7461	1,273.40	9.64%	9.50%
FY2023	51.2690	1,910.44	17.24%	16.77%
FY2024	51.5544	1,239.41	22.32%	21.80%
FY2025	51.9909	1,820.68	14.64%	14.20%

5. Golden Arrow Stock Fund (GASF)

Golden Arrow Stock Fund is Disciplined and balanced fund management strategy focusing on fundamentally strong companies offering deep-value, coupled with few cherry-picked growth companies.

Distribution Details are as under:

Golden Arrow Stock Fund				
Year Ended June 30	NAV Per Unit	Net Assets (PKR mn)	Return	Dividend Payout
FY2016	11.2711	1,714.31	9.60%	21.00%
FY2017	12.4334	1,891.10	49.86%	88.00%
FY2018	9.9400	1,513.11	-10.83%	NIL
FY2019	8.1505	1,239.68	-18.06%	NIL
FY2020	7.7766	989.39	-4.59%	NIL

FY2021	16.6266	2,227.60	113.80%	-
FY2022	13.4231	1,806.44	-19.27%	NIL
FY2023	12.0312	1,291.62	-10.37%	NIL
FY2024	18.9174	1,658.23	61.40%	10.00%
FY2025	29.2345	2,748.00	57.27%	10.00%

6. AKD Islamic Stock Fund (AKDISF)

AKD Islamic Stock Fund objective is to invest in the Capital Markets through an optimal combination of strategies in Shariah compliant equities providing capital growth and dividends.

Distribution Details are as under:

AKD Islamic Stock Fund				
Year Ended June 30	NAV Per Unit	Net Assets (PKR mn)	Return	Dividend Payout
FY2018*	47.0309	215.84	-5.94%	NIL
FY2019	34.8013	135.60	-25.95%	NIL
FY2020	29.9116	127.01	-14.05%	NIL
FY2021	49.7968	425.36	66.48%	NIL
FY2022	40.4732	253.33	-18.72%	NIL
FY2023	33.2222	104.86	-17.92%	NIL
FY2024	58.7944	229.21	94.74%	11.70%
FY2025	89.2512	432.43	55.75%	4.50%

*Since inception absolute return (launch date: 20-Feb-2018)

7. AKD Islamic Income Fund (AKDISIF)

AKD Islamic Income Fund objective is to provide investors with an investment vehicle that strives to enhance capital coupled with regular halal income by investing in Shariah Compliant Income Investments.

Distribution Details are as under:

AKD Islamic Income Fund				
Year Ended June 30	NAV Per Unit	Net Assets (PKR mn)	Return	Dividend Payout
FY2018*	50.7805	230.34	4.30%	1.56%
FY2019	50.1537	225.59	8.43%	8.12%
FY2020	50.2054	297.59	11.54%	11.46%
FY2021	50.4424	723.89	6.95%	6.47%
FY2022	50.5961	892.87	9.39%	9.14%
FY2023	50.8934	1,308.93	17.65%	17.33%
FY2024	51.3594	1,707.77	20.52%	19.80%
FY2025	51.6011	1,306.64	15.52%	15.40%

*Since inception absolute return (launch date: 20-Feb-2018)

8. AKD Islamic Cash Fund (AKDICEF) (Formerly AKD Islamic Daily Dividend Fund)

AKD Islamic Cash Fund objective is to provide optimum returns consistent with minimal risk from a portfolio constituted of high quality Shariah Compliant short term securities / instruments, which will provide liquidity.

Distribution Details are as under:

AKD Islamic Cash Fund <i>(Formerly AKD Islamic Daily Dividend Fund)</i>				
Year Ended June 30	NAV Per Unit	Net Assets (PKR mn)	Return	Dividend Payout
FY2023*	50.0000	216.51	17.60%	6.27%
FY2024	50.0000	532.73	20.31%	18.54%
FY2025	50.0000	271.91	13.33%	12.52%

**Since inception absolute return (launch date: 17-Feb-2023)*

9. AKD Alpha Income Fund (AKDALIF) (launch date: 10-April-2026)

AKD Alpha Income Fund (AKDALIF) seeks to deliver premium risk-adjusted returns by employing an active, aggressive fixed-income approach, focusing on spread transactions and strategically reallocating across a diversified range of fixed-income instruments, with an emphasis on minimizing risk and optimizing income potential.

3.2 Role and Responsibilities of the Management Company

The Management Company shall manage, operate and administer the Scheme in accordance with the Rules, Regulations, directives, circulars and guidelines issued by SECP and the Trust Deed and this Offering Document and conditions (if any), which may be imposed by the SECP from time to time.

The Fund is based on the Shariah principles of “Wakala”, in which the Management Company shall administer the Scheme in accordance with the Rules, the Regulations, the Trust Deed and this Offering Document. The Management Company shall manage and operate the Scheme and Fund Property in the interest of the Principal (Unit Holders) in good faith, and to the best of its ability.

3.2.1 Administration of the Scheme

The Management Company shall administer the Scheme in accordance with the Rules, the Regulations, the Trust Deed and this Offering Document and directives of the Shariah Advisor and the conditions (if any), which may be imposed by the Commission from time to time.

3.2.2 Management of Fund Property

The Management Company shall manage the Fund Property/Investment Plan Property in the interest of Unit Holders while ensuring shariah compliance in good faith, to the best of its ability and without gaining any undue advantage for itself or any of its Connected Persons and group companies or its officers, and subject to the restrictions and limitations as provided in the Trust Deed and the Rules and Regulations. Any purchase or sale of investments made under any of the provisions of the Trust Deed shall be made by the Trustee according to the instructions of the Management Company in this respect, unless such instructions are in conflict with the provisions of the Trust Deed or the Rules and Regulations. The Management Company shall not be liable for any loss caused to the Trust or to the value of the Fund Property due to elements or circumstances beyond its reasonable control.

The Management Company shall comply with the provisions of the Regulations, the Trust Deed and this Offering Document of the Scheme for any act or matter to be done by it in the performance of its duties and such acts or matters may also be performed on behalf of the Management Company by any officer(s) or responsible official(s) of the Management Company or by any nominee or agent appointed by the Management Company and any act or matter so performed shall be deemed for all the purposes of the Trust Deed to be the act of the Management Company. The Management Company shall be responsible for the acts and omissions of all persons to whom it may delegate any of its functions, as if these were its

own acts and omissions and shall account to the Trustee for any loss in value of the Trust Property where such loss has been caused by willful act and / or omission or of its officers, officials or agents.

3.2.3 Appointment of Distributors

The Management Company, shall from time to time under intimation to the Trustee appoint, remove or replace one or more suitable persons, entities or parties as Distributor(s) for carrying on Distribution Function(s) at one or more location(s) locally or internationally. The Management Company may also itself act as a Distributor for carrying on Distribution Functions and updated list of distributors would be available on official website of the Management Company.

The Management Company shall ensure, where it delegates the Distribution Function, that:

- i) The Distributors, to whom it delegates, have acquired license \ registration from SECP/MUFAP as registered service providers.
- ii) The Distributor selling Mutual Fund Units of single Asset Management Company shall comply and abide by all applicable requirements as issued by SECP from time to time.
- iii) The written contract with the Distributors clearly states the terms and conditions for avoidance of frauds and sales based upon misleading information.
- iv) The Asset Management Company, following the execution of a written agreement with the distributors, is obligated to disclose the list of its distributors on all of its digital platforms, including its website.
- v) The Management Company and Distributor shall not:
 - a. Involve either directly or indirectly in the mis-selling of Collective Investment Scheme; and
 - b. Sell units of Collective Investment Scheme directly or indirectly by making a false and mis-leading statement, concealing or omitting material facts of the Scheme and concealing the risk factors associated with the Scheme;
- vi) The Management Company or distributor shall take reasonable care to ensure suitability of the scheme to the investor. For the purpose of this, the Asset Management Company or the Distributor shall ensure proper acknowledgment from investors on risk profiling and recommended Scheme as per risk profiling and in case investor select high risk product on its own choice, the Asset Management Company or the Distributor shall also ensure proper acknowledgment from investor of his such selection.

The Management Company or distributor shall ensure that;

- a. Any performance reporting/ presentation is accompanied by all explanations, qualifications, limitations and other statements that are necessary to prevent such information from misleading investors;
- b. Promotional materials do not contain untrue statements or omit to state facts that are necessary in order to prevent the statements from being misleading, false or deceptive; and
- c. Performance is measured and presented after taking into account the risk-tolerance, investment objectives, and level of understanding and knowledge of the recipient.

3.2.4 Appointment of Investment Facilitator

The Management Company may, at its own responsibility & cost, from time to time appoint Investment Facilitators to assist it in promoting sales of Units. An update list of investment facilitators appointed by the Management Company shall be made available at all times on the websites of the Management Company.

The Management Company shall ensure, where it appoints the investment facilitator, that:

- a) the investment facilitator has acquired registration with the Mutual Funds Association of Pakistan (MUFAP) as registered service providers and are abiding by the code of conduct prescribed by the Association; and
- b) the written contract with the Investment facilitator clearly states the terms and conditions for avoidance of frauds and sales based upon misleading information.
- c) The Investment Facilitator shall not: (i) involve either directly or indirectly in the mis-selling of the Scheme; (ii) sell units of the Scheme directly or indirectly by making a false or misleading statement; (iii) sell units of the Scheme directly or indirectly by concealing or omitting material facts of the Scheme; and (iv) sell units of the Scheme directly or indirectly by concealing the risk factors associated with the Scheme.
- d) The Investment Facilitator shall take reasonable care to ensure suitability of the Scheme to the investor. For the purpose of this, the Investment Facilitator shall ensure proper acknowledgment from investors on risk profiling and recommended Scheme as per risk profiling and in case investor select high risk product on its own choice, the Investment Facilitator shall also ensure proper acknowledgment from investor of his such selection.

3.2.5 Maintenance of Accounts and Records

The Management Company shall maintain at its principal office, complete and proper accounts and records to enable a complete and accurate view to be formed of the assets and liabilities and the income and expenditure of the Scheme, all transactions for the account of the Scheme, amounts received by the Scheme in respect of issue of Units, payments made from the Scheme on redemption of the Units and by way of distributions and payments made at the termination of the Scheme. The Management Company shall maintain the books of accounts and other records of the Scheme for a period of not less than ten years.

The Management Company shall ensure that no entry and exit from the Scheme (including redemption and re-issuance of Units to the same Unit Holders on different NAVs) shall be allowed other than the following manners, unless permitted otherwise by the Commission under the Regulations:

- a) Cash settled transaction based on the formal issuance and redemption requests.
- b) Net off issuance and redemption transaction at same net asset value when redemption request is ready to disburse and rank at the top in the list of pending redemption requests (if any).

The Management Company shall clearly specify Cut-Off Timings (for acceptance of application forms of issuance, redemption, and conversion of Units of the Scheme) in this Offering Document, on its web site and at designated points. Such Cut-Off Timing shall uniformly apply on all Unit Holders.

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

3.2.6 Back Office Accounting

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

3.3 Maintenance of Unit Holders Register

3.3.1 A Register of Unit Holders may be maintained by the Management Company itself or such other company, as the Management Company may appoint after giving prior notice to the Unit Holders.

3.3.2 IT Minds is the Transfer Agent and is located at **CDC House, 99-B, Block 'B' S.M.C.H.S., Main Shahrah-e-Faisal Karachi – 74400**, Pakistan, Karachi, Pakistan, where Register of Unit Holder will maintain.

3.3.3 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.

3.3.4 Disclaimer

The Management Company shall not be under any liability except such liability as may be expressly assumed by it under the Rules, Regulations and the Constitutive Documents, nor shall the Management Company (save as herein otherwise provided) be liable for any act or omission of the Trustee nor for anything except for its own gross negligence or willful breach of duty and the acts and omissions of all persons to whom it may delegate any of its functions as manager as if they were its own acts and omissions. If for any reason it becomes impossible or impracticable to carry out the provisions of the Constitutive Documents, the Management Company shall not be under any liability therefore or thereby and it shall not incur any liability by reason of any error of law or any matter or thing done or suffered or omitted to be done in good faith hereunder. The Management Company shall not be liable for any loss caused to the Fund or to the value of the Trust Property due to any elements or circumstances of Force Majeure.

3.4 Role of the Trustee

The trustee shall perform its role as specified in the Rules, Regulation and directives issued there under, this Trust Deed and the Offering Document.

The Trustee shall exercise all due diligence and vigilance in carrying out its duties and in protecting the interests of the Unit Holder(s). The Trustee shall not be under any liability on account of anything done or suffered by the Trust, if the Trustee had acted in good faith in performance of its duties under this Trust Deed or in accordance with or pursuant to any request of the Management Company provided it is not in conflict with the provisions of this Trust Deed or the Rules and Regulations. Whenever pursuant to any provision of this Trust Deed, any instruction, certificate, notice, direction or other communication is required to be given by the Management Company, the Trustee may accept as sufficient evidence thereof:

- a document signed or purporting to be signed on behalf of the Management Company by any authorized representative(s) whose signature the Trustee is for the time being authorized in writing by the Management Committee to accept; and
- Any Instructions received online through the software solution adopted by the

Management Company/Trustee in consultation with each other shall be deemed instructions from the authorized representative(s).

The Trustee shall not be liable for any loss caused to the Fund or to the value of the Trust Property due to any elements or circumstances of Force Majeure.

In the event of any loss caused due to any gross negligence or willful act and/or omission, the Trustee shall have an obligation to replace the lost investment forthwith with similar investment of the same class and issue together with all rights and privileges pertaining thereto or compensate the Trust to the extent of such loss. However, the trustee shall not be under any liability thereof or thereby and it shall not incur any liability by reason of any error of law or any matter or thing done, suffered, or omitted to be done in good faith hereunder.

3.4.1 Obligations under Regulations and Constitutive Document

The Trustee shall perform all the obligations entrusted to it under the Regulations, circulars, directives, the Trust Deed and this Offering Document and discharge all its duties in accordance with the Rules, Regulations, the Trust Deed and this Offering Document. Such duties may also be performed on behalf of the Trustee by any officer or responsible official of the Trustee or by any nominee or agent appointed by the Trustee under intimation to the Management Company. Provided that the Trustee shall be responsible for the willful acts and omissions of all persons to whom it may delegate any of its duties, as if these were its own acts and omissions and shall account to the Trust for any loss in value of the Fund Property where such loss has been caused by negligence or any reckless willful act or omission of the Trustee or any of its attorney (ies), or agents.

3.4.2 Custody of Assets

The Trustee has the responsibility for being the nominal owner and for the safe custody of the assets of the Fund on behalf of the beneficial owners (the Unit Holders), within the framework of the Regulations, the Trust Deed and Offering Document issued for the Fund.

3.4.3 Investment of Fund Property at direction of Management Company

The Trustee shall invest the Fund Property from time to time at the direction of the Management Company strictly in terms of the provisions contained and the conditions stipulated in the Trust Deed, this Offering Document(s), the Regulations, circulars, directives and the conditions (if any) which may be imposed by the Commission from time to time.

3.4.4 Carrying out instructions of the Management Company

The Trustee shall carry out the instructions of the Management Company in all matters including investment and disposition of the Fund Property unless such instructions are in conflict with the provisions of the Trust Deed, this Offering Document(s), the Regulations, the Circulars and Directives of SECP or any other applicable law.

3.4.5 Liabilities of the Trustee

The Trustee shall not be under any liability except such liability as may be expressly assumed by it under the Rules, the Regulations and/or the Trust Deed, nor shall the Trustee (save as herein otherwise provided) be liable for any act or omission of the Management Company or for anything except for loss caused due to its willful acts or omissions or that of its agents in relation to any custody of assets of investments forming part of the Fund Property. If for any reason, it becomes impossible or impracticable to carry out the provisions of the Deed the Trustee shall not be under any liability therefore or thereby and it shall not incur any liability by reason of any error

of law or any matter or thing done, suffered, or omitted, to be done in good faith hereunder. The Trustee shall not be liable for any loss caused to the Trust or to the value of the Fund Property due to any elements or circumstances beyond its reasonable control.

3.4.6 Disclaimer

The Trustee shall not be under any liability except such liability as may be expressly assumed by it under the Rules and Regulations and the Trust Deed nor shall the Trustee be liable for any act or omission of the Management Company nor for anything except for loss caused due to its willful acts or omissions or that of its agents in relation to any custody of assets of investments forming part of the Trust Property. If for any reason, it becomes impossible or impracticable to carry out the provisions of the Trust Deed the Trustee shall not be under any liability therefore or thereby and it shall not incur any liability by reason of any error of law or any matter or thing done, suffered, or omitted to be done in good faith hereunder.

3.5 Shariah Governance/Shariah Advisory Services

All activities of the Fund shall be undertaken in accordance with the guidelines prescribed or issued by the Shariah Advisors from time to time. Investment Plan (s) of the Fund shall not invest in schemes that are related to activities that are non Shariah compliant or are unlawful in Shariah which may, among others, include:

- a) Activities related to the investment in interest-based transactions, conventional insurance transactions, intoxicants, gambling, pornography, Haram meat;
- b) Activities related to taking interest bearing deposits or raising interest-bearing loans; and
- c) Any other activities/investments declared restricted under Shariah by the Shariah Advisors.

The Management Company shall appoint Shariah Advisor(s) of the Fund as deemed appropriate by the Management Company. Such Shariah Advisor(s), as an entity or as a group of individuals shall be experts on Shariah and have good understanding of Finance. The Management Company shall make such appointments in accordance with the guidelines as specified by SECP from time to time. The Shariah Advisors will be appointed through writing offer and acceptance of such appointment(s) for an agreed period and may be reappointed on completion of their term.

The Management Company as appointed Al-Hilal Shariah Advisors (Pvt.) Limited as the Shariah Advisor of the Fund, who shall advise the Management Company regarding Shariah compliance and advisory. Profile of the Shariah Advisor has been annexed as **Annexure “D”**.

The Management has appointed the Shariah Advisor for a period of indefinite validity. However, the Management Company may at any time, with prior notice to the Trustee and intimation to the Commission, terminate the Agreement with the Shariah Advisor by giving a notice as per the Agreement with the Shariah Advisor, before the completion of the term, and fill the vacancy under intimation to Commission and the Trustee. Furthermore, the agreement entered into for the appointment of the Shariah Advisor shall be furnished to the Commission.

The Management Company will engage external Shariah Auditor to conduct the Shariah audit and an annual report by Shariah Auditors as required under regulation 29 (5) of the Shariah Governance Regulations, 2023 shall be submitted to Board of Directors.

3.5.1 Duties and Responsibilities of Shariah Advisor

The Shariah Advisor shall

- (a) advise the Management Company on matters relating to Shariah Compliance, including advising in respect of Shariah related matters pertaining to the legal documents of the Fund and recommend

investment guidelines consistent with the Shariah. Any verdict or Fatwa issued by the Shariah Advisors in respect of any Shariah related matter would be final and acceptable by the Trustee, the Management Company, the Unit Holders and other parties related with that matter.

- (b) determine that Fund's activities including those of the respective Allocation Baskets/Plans comply with the principles of Shariah in all respects;
- (c) prepare yearly report of the Fund's compliance with the principles of Shariah for inclusion in the Fund's financial reports.
- (d) provide technical guidance and support on various aspects of Shariah so as to enable the Management Company to operate the Fund as a Shariah Compliant collective investment scheme.
- (e) recommend general investment guidelines consistent with the Shariah and regulations issued by the Commission. Any verdict issued by the Shariah Advisor in respect of any Shariah related matter shall be final and acceptable to the Trustee, the Management Company, the Unit Holders and other parties related with that matter. In case of any dispute between the Shariah Advisor and the management, the matter may be referred to Shariah Advisory Committee ("SAC") of SECP for resolution.
- (f) At the end of annual Accounting Period, issue a Shariah review report, to be included in the Fund's financial reports, in respect of Shariah Compliance of the preceding year's operations of the Fund and the Shariah Advisor may, at the expense of the Fund, conduct such reviews or other investigations as may be necessary for the issuance of the Shariah review report.
- (g) At the end of each Annual and Semi-Annual Accounting Period or such other interval as the Commission may require, the Shariah Advisor shall issue a certificate to be included in the Annual reports or such other report in respect of the Shariah compliance of the preceding year's or past operations of the Fund.
- (h) at the end of Annual Accounting Period, issue a certificate, to be included in the Fund's financial reports, in respect of Shariah Compliance of the preceding year's operations of the Fund.
- (i) co-ordinate with the Management Company in drawing up of the Trust Deed and other related material documents including Constitutive Documents for the formation of the Unit Trust and to further provide technical guidance and support on various aspects of Shariah, so as to enable the Management Company to mould the Unit Trust into a Riba free/Halal avenue of investment.
- (j) do the research as appropriate on the criteria followed by Islamic Unit Trusts all over the world for the purpose of screening of investments. The Shariah Advisor will then decide as to which criteria are relevant to be used in the context of Pakistani Markets and the instruments available therein, and which need to be modified/added/deleted.
- (k) certify that all the provisions of the Constitutive Documents of the Fund and proposed Investments to be made on account of the Fund are Shariah compliant with the established criteria.
- (l) evaluate and advise upon all new financial instruments as and when introduced for their Shariah permissibility.
- (m) The Shariah Advisor has certified that Investment Policy of the Trust is compliant with the requirements of Shariah. However, in case there is a requirement for any amendment, based on future research for purposes of increasing the Shariah acceptability of the Investment Policy, permission for necessary amendments of the Trust Deed may be sought from the Commission.
- (n) determine the methodology for calculation of Haram income through percentage of income and cash flows included in the income and cash flows of the companies in which the Unit Trust has invested from activities not in accordance with the principles of the Shariah, and recommend to the

Management Company the criteria for selecting the Charities registered under relevant Pakistani laws to whom such sums shall be donated, , subject to the condition that such charity organization is not related to the Shariah Adviser, Management Company or any of their employees.

3.6 Transfer Agent

The Management Company has appointed IT Minds Limited having its registered office at **CDC House, 99-B, Block 'B', S.M.C.H.S., Main Shahrah-e-Faisal, Karachi, Pakistan**, as the Transfer Agents of AKDIFTF. The IT Minds Limited will be responsible for maintaining the Unit Holder's Register, preparing, and issuing account statements, Unit Certificates and dividend warrants/advice and providing related services to the Unit Holders.

3.7 Custodian

Central Depository Company of Pakistan Limited will be performing the functions of the custodian of the Trust Property. The salient features of the custodial function are:

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

The Trustee may, in consultation with the Management Company, from time to time, appoint, remove or replace one or more Custodian(s) for performing the Custodian Function at one or more locations, on terms and conditions to be agreed between the Custodian and the Trustee and agreed by the Management Company for the safe keeping of any portion of the Trust Property.

3.8 Distributors/Facilitators

- 3.8.1** 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 (if they fulfill the requirements of regulations) or terminate the arrangement with any Distributor and intimate the Trustee and Commission accordingly. The Management Company may itself perform the functions of a Distributor either directly or through sub- distributors.
- 3.8.2** The Distributors will be responsible for receiving applications for Purchase, Redemption, Conversion or Transfer of Units etc. They will be interfacing with and providing services to Unit Holders, including receiving applications for change of address or other particulars or applications for issuance of duplicate certificates, requests for income tax exemption or Zakat exemption, etc. for immediate transmission to the Management Company or Transfer Agent as appropriate for further action. The Management Company shall remunerate the Distributors out of its resources.
- 3.8.3** The Management Company may, at its sole discretion, from time to time, appoint Investment Facilitators (Facilitators). The Facilitators' function is to identify, solicit and assist investors in investing in the Fund. The Management Company shall remunerate the Facilitators out of its resources and/or from Front-end Load.

3.9 Auditors

Riaz Ahmad & Company

Chartered Accountants

Office No. 5, 20th

Floor, Bahria Town

Tower Block 2,

P.E.C.H.S. Karachi.

- 3.9.1** 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 end of the Accounting Period and will, afterwards, be eligible for reappointment by the Management Company with the concurrence of the Trustee. However, an auditor may be reappointed for such terms as stipulated by the Regulations and/or the Act, as amended from time to time. The appointment of Auditor and contents of the Auditor's report shall be in accordance with the provisions of the Rules and Regulations.
- 3.9.2** 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, Transfer Agent 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.
- 3.9.3** 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 Regulations.
- 3.9.4** 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, profit and loss account, cash flow statement and statement of movement in Unit Holders' Funds and on every other document forming part of the balance sheet and profit and loss account, including notes, statements or schedules appended thereto.
- 3.9.5** The contents of the Auditors report shall be as mentioned in the Regulations.

3.10 Legal Advisors

Bawaney & Partners

3rd & 4th Floor, 68-C, Lane-13,

Bukhari Commercial Area,

Phase-VI, DHA, Karachi,

3.11 Bankers

Bankers to the Scheme shall be any bank (must be Shariah compliant/ Islamic banks and Shariah compliant/ Islamic Windows of Conventional Banks)) having minimum rating of A- , appointed by the Management Company. The Trustee shall maintain and operate the Bank Accounts of the Scheme at the said Bank(s).

3.11.1 Bank Accounts

- i. The Trustee, at the request of the Management Company, shall open Bank Account(s) titled **“CDC-Trustee AKD Islamic Fixed Term Fund ,“CDC-Trustee AKD Islamic Fixed Term Munafa Plan I”, “CDC-Trustee AKD Islamic Fixed Term Munafa Plan II” , “CDC-Trustee AKD Islamic Fixed Term Munafa Plan III”** for the Unit Trust at designated Islamic Bank(s)/ Islamic Window of Conventional Banks having a minimum rating A- inside or outside Pakistan, subject to

the relevant laws, Trust Deed, Rules and Regulations, for collection, investment, redemption or any other use of the Trust's Funds.

- ii. While opening and operating any type of account and/or making investments in offshore countries on the instructions of Management Company, if the Trustee is required to provide any indemnities to offshore parties then Trustee and the Fund would be counter indemnified by the Management Company to such extent.
- iii. The Management Company may also require the Trustee to open Bank Account(s) as Distribution Account(s) for dividend distribution out of the each Investment plan under Unit Trust. Notwithstanding anything in the Trust Deed, the beneficial ownership of the balances in the Accounts shall vest in the Unit Holders.
- iv. All bank charges for opening and maintaining Bank Accounts for the Trust shall be charged to the respective Investment Plan.
- v. All income, profit etc., earned in the Distribution Account(s), including those accruing on unclaimed dividends, shall form part of the Trust Property for the benefit of the Unit Holders and shall be transferred periodically from the Distribution Account(s) to the main Bank Account of the each Investment plan of Trust.
- vi. The amounts received from the Investors before the Initial Period shall be deposited in a Bank Account of the Investment Plan and any income, profit etc., earned and/or accrued on the investments of that amount up to and including the day before the opening of Initial Period shall not form part of the Trust Property and shall be paid by the Management Company or the Trustee to those Investors participated before the Initial Period, either in cash or in additional Units as selected by those Investors, in proportion of their investments.
- vii. The Trustee shall, if requested by the Management Company at its discretion also open a separate Account designated by the Management Company. These account(s) may be used for the purpose of collection of sale proceeds, where collections received on account of subscription of Units by investors of various unit trusts and the administrative plans that are managed by the Management Company shall be held prior to their being allocated and transferred to pertinent unit trust(s). Such accounts shall be in the title of **CDC-Trustee AKD Islamic Fixed Term Fund**. Bank Accounts shall only be opened in Scheduled Islamic Banks, Islamic banking windows of scheduled commercial banks. In case an account needs to be opened with a conventional bank, it shall only be a current account and it shall be opened after specific approval from the Shariah Advisor. Collection Account shall only be used for soliciting online investment through payment aggregators like 1 Link and other similar payment gateways subject to prior approval of the Commission. The Management Company shall maintain separate Collection Account(s) for each Trustee. Moreover, the maximum time period for transfer of money from a Collection Account to respective fund account is within one working day.

3.12 Rating of the Scheme

The Management Company will be obliged to obtain a rating of the Scheme, once the Scheme becomes eligible for rating as per the criteria of the rating agency, and such rating shall be updated at least once every Financial Year and also published in the annual and quarterly reports of the Scheme as well as on the Management Company's website.

3.13 Minimum Fund Size

The minimum size of the single Investment Plan shall be fifty million rupees at all times during the life of the Plan. In case after the Initial Offering Period or subsequently at any time if the size of the investment plan falls below the minimum size of fifty million rupees, the Management Company shall ensure compliance with the minimum size of single plan within three (3) months of its breach

and if the fund size remains below the minimum fund size limit for consecutive ninety (90) days, the Management Company shall immediately intimate the grounds to the Commission upon which it believes that the Scheme is still commercially viable and its objective can still be achieved.

3.14 Service Provider

- 3.14.1 The Management Company has signed an agreement with ITMinds Limited (Service Provider) having its registered address at **99-B, Block 'B', S.M.C.H.S., Main Shahrah-e-Faisal, Karachi**, to appoint ITMinds Limited as service provider. The appointment has been made after due assessment of Service Provider capacity to satisfactorily perform the delegated functions for which the service provider is being appointed, which includes availability of relevant IT infrastructure and Systems along with competent human resources to undertake the Back Office functions.
- 3.14.2 The management company shall have the primary obligation, accountability and responsibility for complying with any regulatory requirements at all times notwithstanding delegation of any function a Service provider.
- 3.14.3 The Management Company hereby indemnifies that rights of the Unit Holder either directly or indirectly would not affect due to any action / service performed under the agreement. Further, in the event of any conflict between Service Level Agreement executed between the Management Company and service provider and the provision of the Offering Documents / Trust Deed, NBFC Rules, and NBFC & NE Regulations, the latter shall supersede and prevail over the provisions contained in the Service Level Agreement.
- 3.14.4 The Management The responsibility of the Management Company/Trustee as contained in the Rules/Regulations and Constitutive Documents shall not be affected by the delegation of Back Office functions in line with SECP Circular No. 24/2013, as amended from time to time.

4 CHARACTERISTICS OF UNITS

4.1 Units

All Units of Investment Plan(s) and fractions thereof represent an undivided share in the Investment Plan(s) and rank pari passu as to their rights in the net assets, earnings, and the receipt of the dividends and distributions in their respective Investment Plan(s). Each Unit Holder has a beneficial interest in the particular type of Unit of Investment Plan(s) proportionate to the Units held by such Unit Holder under the pertinent Investment Plan(s). For the convenience of investors, the Management Company may issue Units with different options for different arrangements as chosen by the investor from time to time, after seeking prior approval of the Commission and Shariah Advisor amending the Offering Document.

The Management Company will issue following types of Units for each of the Investment Plans being offered by the Management Company.

4.2 Types of Units

Type "A" shall be issued to the Investors participated during Pre-IPO, IPO and during subscription period in each Investment Plan.

All Units of an Investment Plan(s) issued from time to time shall rank pari passu inter se and shall have such rights as are set out in the Trust Deed and this Offering Document unless stated otherwise.

The Management Company may offer additional types of Units through Supplementary Offering Documents or the Management Company may, terminate further issue of certain types of Units.

4.3 Purchase and Redemption of Units

- (a) Units are purchased at the Offer Price and redeemed at the Redemption Price at any of the Authorized Distribution Offices during Business Hours on any Dealing Day in accordance with the procedure set out in of this Offering Document.
- (b) Units of the each Investment plan shall be allocated on the basis of Purchase (Offer) Price applicable on the date of receipt of duly completed purchase application along with the online payment proof/payment instrument within cutoff timings.
- (c) During the period the register is closed, the sale, redemption and conversion of Units will be suspended.
- (d) The Management Company may decline an applicant for issue of units if it is of the opinion that it will not be possible to invest the substantial inflow of funds or to meet any regulatory requirements.

4.4 Procedure for Purchase of Units

4.4.1 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. Application may be made pursuant to the procedures described in paragraph 4.5.2 below by any qualified or authorized investor(s) including, but not limited to, the following:

- a) Citizens of Pakistan resident in Pakistan. In respect of minors below 18 years of age, applications may only be made by their guardians.
- b) Companies, corporate bodies, financial institutions, banks, partners of a firm and societies incorporated in Pakistan provided such investment be permitted under their respective memorandum and articles of association and/or byelaws.
- c) Pakistanis resident abroad, foreign nationals and companies incorporated outside Pakistan can apply for Units subject to the regulations of the State Bank of Pakistan and the Government of Pakistan and any such regulations and laws that may apply to their place of residence, domicile and citizenship. The payment of dividends and redemption proceeds to such investors shall be subject to the relevant taxation and exchange regulations/laws. Any person making an application for the Purchase of Units in the Fund shall warrant that he/she is duly authorized to purchase such Units.
- d) Provident Funds constituted by companies registered under the Ordinance, subject to conditions and investment limits as laid down in Employees Provident Fund (Investment in Listed Securities) Rules, 1996, as amended from time to time, including by SROs.
- e) Provident Funds, Pension Funds and Gratuity Funds constituted by organizations other than companies under Section 20 (h) of the Trusts Act 1882, (11 of 1882).
- f) Takaful Companies/ Insurance companies under the Insurance Ordinance, 2000, including their products.
- g) Non-Profit Organization under Rule 213 (i) of the Income Tax Rules, 2002.
- h) Any other investor as allowed under regulations from time to time.

4.4.2 How can Units be purchased?

Account Opening Procedure

The procedure given below is designed for paper-based transactions. The Management Company at a later date after seeking approval of the Commission may introduce electronic/ Internet based options for the transactions.

- a) Before purchasing Units of the Investment Plan(s), an investor must open an account with Management Company using the Account Opening Form.
- b) In case of individuals, a photocopy of the Computerized National Identity Card (CNIC), NICOP or Passport etc. of the applicant or any other form of identification acceptable to the Management Company needs to be furnished.
- c) In case of a body corporate or a registered society or a trust the following documents would be required;
 - i) Duly certified copy of the memorandum and articles of association/Trust Deed/ Charter/ Byelaws or rules and regulations;
 - ii) Duly certified copy of power of attorney and/or relevant resolution of the board of directors delegating any of its officers to invest the Funds and/ or to realize the Investment; and
 - iii) Duly certified copy of the Computerized National Identity Card (CNIC) of the officer to whom the authority has been delegated.
 - iv) Duly certified copy of the Computerized National Identity Card (CNIC) of all members of the Board of Directors, Partners, and Trustees.
 - v) The Asset Management Company may also requires other documents for processing account opening request in accordance with the laws as may be applicable from time to time.
- d) In case of existing Unit Holders, if any of the documents in (a) to (c) above have previously been submitted with the Management Company and/or Transfer Agent, fresh submission of documents will not be required provided that submitted documents are acceptable to Management Company. However, the account number must be provided to facilitate linking.

Any change of name or address of any Unit Holder as entered in the Register shall forthwith be notified in writing by relevant Unit Holder to the Distribution Company or Transfer Agent.
- e) The Distribution Company and/or Management Company will be entitled to verify the particulars given in the Account Opening Form. In case of any incorrect information, the application may be rejected if the applicant fails to rectify the discrepancy.
- f) If subsequent to receipt of the application by the Distributor, but prior to issue of the Units, the application is found by the Registrar or the Distributor to be incomplete or incorrect in any material manner, the Registrar or the Distributor will advise the applicant in writing to remove the discrepancy, in the meanwhile the application will be held in abeyance for fifteen days and in the event the discrepancy is not removed in the said fifteen days, the amount will be refunded without any profit or mark-up. 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 and if the investor, in the opinion of the Registrar, 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.
- g) The Investor Account Opening Form can be lodged with any Distributor or directly lodged with the Management Company. No other person (including Investment Facilitators) is authorized to accept

the forms or payment.

- h) The Management Company will make arrangements, from time to time, for receiving Account Opening Forms from outside Pakistan and will disclose these arrangements through its website and its Distributors and agents outside Pakistan.

4.4.3 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 Account Opening Form and submit a copy of Computerized National Identity Card, NICOP, Passport and other identification document and is also required to fulfill the FACTA and KYC requirements.
- b) The principal Holder shall receive all notices and correspondence with respect to the account, as well as proceeds of any redemption, or dividend payments. Such person's receipt or payment into the person's designated bank account shall be considered as a valid discharge of obligation by the Trustee and the Management Company.
- c) In the event of death of the first Holder, the person first in the order of survivor(s) as stated in the Account Opening Form, shall be the only person recognized by the Trustee and the Management Company to receive all notices and correspondences with regard to the accounts, as well as proceeds of any redemption requests or dividend. Such person's acknowledgement of receipt of proceeds shall be considered as the valid discharge of obligation by the Trustee and the Management Company.

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.

Note: Documentation may vary subject to the requirement of Anti Money Laundering Laws applicable.

4.4.4 Purchase of Units

- a) After opening an account, an account holder may purchase Units of Investment Plan(s) the Fund using the Investment Application Form attached to this Offering Document. Payment for the Units must accompany the form.
- b) Application for Purchase of Units of Investment Plan (s) shall be made by completing the prescribed Investment Application Form and submitting it to the authorized branches of the Distributor or to the Management Company together with the payment by cheque, demand draft, pay order or online transfer as the case may be in favor of Trustee Bank Account and crossed "Account Payee only" as specified below;

1. AKD Islamic Fixed Term Munafa Plan I

- Demand draft, Pay order, Online transfer and cheque in favor of **CDC- Trustee AKD Islamic Fixed Term Munafa Plan I**

2. AKD Islamic Fixed Term Munafa Plan II

- Demand draft, Pay order, Online transfer and cheque in favor of **CDC- Trustee AKD Islamic Fixed Term Munafa Plan II**

3. AKD Islamic Fixed Term Munafa Plan III

- Demand draft, Pay order, Online transfer and cheque in favor of **CDC- Trustee AKD Islamic Fixed Term Munafa Plan III**

- c) 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 with the prior approval of Commission.

- d) Applicants must indicate their account number in the Investment Application Form except in cases where the Investor Account Opening Form is sent with the Investment Application Form.
- e) The applicant must obtain a copy of the application signed and stamped by an authorized officer of the Distributor acknowledging the receipt of the application, copies of other documents prescribed herein and the demand-draft, pay-order, cheque or deposit slip as the case may be. Acknowledgement for applications and payment instruments can only be validly issued by Distributors.
- f) The Distribution Company and/or Management Company will be entitled to verify the detail given in the Investment Form. In case of any incorrect information, the application may be rejected if the applicant fails to rectify the discrepancy (except for discrepancy in payment instrument, in which case application will be rejected immediately).
- g) The Management Company will make arrangements, from time to time, for receiving Investment Request Forms and payments from outside Pakistan and will disclose these arrangements through its website and its Distributors and agents outside Pakistan.

4.4.5 Minimum Amount of Investment

Initially Units shall be issued at Par Value of Rs.50 with a minimum investment size of Rs.100,000/ (Rupees One Hundred Thousand only) and thereafter the minimum amount for investment would be of Rs.100,000 (Rupees One Hundred thousand only). The Management Company reserves the right to alter the minimum amounts stated hereinabove after giving thirty days prior notice to the Unit Holders. However, enhancement in current minimum monetary investments shall not take effect retrospectively. The minimum initial and subsequent investment size will not be applicable to Conversion of one CIS to another CIS, Transfer and Transmission.

4.4.6 Determination of Purchase (Public Offer) Price

- (a) Units offered during the Initial period will be as specified in clause 1.6.
- (b) Purchase Offer Price of the Investment Plan(s)

1. AKD Islamic Fixed Term Munafa Plan I

After the initial period, the Purchase (Offer) Price for the Units shall be determined from time to time hereafter and shall be announced by the Management Company for Dealing Days during the period when the Investment Plan is open for subscription.

- (c) The Purchase (Offer) Price shall be equal to the sum of:
 - i. The Net Asset Value of the Investment Plan as of the close of the Business Day (Unknown / Forward Pricing);
 - ii. Such amount as the Management Company may consider an appropriate provision for Duties and Charges;
 - iii. Such amount as the Management Company may consider an appropriate provision for Transaction Costs.; and
 - iv. Such a sum shall be calculated up to four decimal places.

2. AKD Islamic Fixed Term Munafa Plan II

After the initial period, the Purchase (Offer) Price for the Units shall be determined from time to time hereafter and shall be announced by the Management Company for Dealing Days during the period when the Investment Plan is open for subscription.

(c) The Purchase (Offer) Price shall be equal to the sum of:

- i. The Net Asset Value of the Investment Plan as of the close of the Business Day (Unknown / Forward Pricing);
- ii. Such amount as the Management Company may consider an appropriate provision for Duties and Charges;
- iii. Such amount as the Management Company may consider an appropriate provision for Transaction Costs.; and
- iv. Such a sum shall be calculated up to four decimal places.

3. AKD Islamic Fixed Term Munafa Plan III

After the initial period, the Purchase (Offer) Price for the Units shall be determined from time to time hereafter and shall be announced by the Management Company for Dealing Days during the period when the Investment Plan is open for subscription.

(c) The Purchase (Offer) Price shall be equal to the sum of:

- i. The Net Asset Value of the Investment Plan as of the close of the Business Day (Unknown / Forward Pricing);
- ii. Such amount as the Management Company may consider an appropriate provision for Duties and Charges;
- iii. Such amount as the Management Company may consider an appropriate provision for Transaction Costs.; and
- iv. Such a sum shall be calculated up to four decimal places.

4.4.7 Allocation/ Issue of Units

- a) The Purchase Price determined shall apply to all Investment Request Forms, complete in all respects, received by the Management Company at its registered address or by the Distributor at its Authorized Branch(s) during Business Hours on that Dealing Day along with online payment proof/ payment instrument. Any Investment Request Forms received after Business Hours will be transferred to the next Dealing Day.
- b) Units will be allotted at the Purchase Price as determined in clause 4.6.6. above and issued after realization of funds in the bank account of the Investment Plan (s) of the Fund. However; in case of online investment through 1 link, units will be allocated and issued upon intimation from 1-link that the investments have been received and credited in common collection account.
- c) The Transfer Agent shall send an account statement or report to the Unit Holder each time there is an activity in the account. Such statements or report shall be sent by electronic means or ordinary mail to the Unit Holder's address recorded in the Register of Unit Holders.
- d) In case the Management Company announces a suspension of further issue of Units of an Investment Plan, it may allow existing Unit Holder to continue acquiring Units out of any dividend declared on the Units held. Also, if issue of Units of an Investment Plan is suspended, Units for other Investment Plan(s) under the Fund may continue unaffected.

4.4.8 Issuance of Physical Certificates

- a) Unit Certificates will be issued only if requested by the Unit Holder.
- b) Unit Holder can apply for the issue of Certificate by completing the prescribed application form and submitting it to the relevant Distribution Company together with a fee at the rate of **Rs. 100** per Certificate or any other amount as determined by the Management Company from time to time.
- c) The Certificate will be posted at the applicant's risk within 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 Unit Holder, if the relevant Unit or Units are jointly held.
- d) The Certificate will be available in such denomination as Management Company and the Trustee decide from time to time. Unless, the Unit Holder has instructed to the contrary, the minimum number of Certificates will be issued.
- e) A Unit or any fraction thereof shall not be represented by more than one Certificate at any one time.

4.4.9 Replacement of Certificates

- a) The Transfer Agent 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 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.
- b) The Unit Holder shall on application on prescribed form be entitled to consolidate the entire holding in the Fund into one (01) Certificate upon surrender of existing Certificates.
- c) Each new issue of Certificates will require payment of **Rs. 50** per Certificate, subject to revisions of fee from time to time by the Management Company.

4.4.10 Issuance of Units in Book Entry form in CDS

Unit Holder may obtain Units of Investment Plan (s) under the Fund in Book Entry form in CDS, if and/ or when the Fund becomes CDS eligible. The Issuance of Units in CDS shall be made in accordance with the procedure laid down in CDCPL Regulations.

4.5 Procedure for Redemption of Units

4.5.1 Who Can Apply?

All Unit Holders shall be eligible for redemption after the closure of the Initial Offer Period.

4.5.2 Redemption Application Procedure

- a) Request for Redemption of Units of Investment Plan (s) under the fund shall be made by completing the prescribed redemption form and the same is received at the Authorized Branch or office of the Distributor on a Dealing Day during the Business Hours as may be announced by the Management Company from time to time. The Distributor may retain a copy of the Redemption Form and a copy may be supplied to the Registrar, if so required by the Management Company.
- b) The Management Company may redeem only part of the Units comprised in a Certificate and reissue a new Certificate for the remaining Units, however, in the case where Certificate is not issued any number of Units may be redeemed by the Unit Holder thereof. The relevant Certificate shall accompany the application for Redemption of Units, if issued. At the discretion of the Management Company certificate charges may apply for the reissued Certificate.

- c) The Registrar with the consent of the Trustee may dispense with the production of any Certificate that shall have become lost, stolen or destroyed upon compliance by the Unit Holder(s) with the like requirements to those arising in the case of an application by him for the replacement thereof.
- d) In case of application for redemption by joint Unit Holders, unless otherwise specified by the joint holders, such application should be signed by all the joint Holders as per their specimen signatures provided at the time of opening of the account within the Unit Holder Register, through the investor account opening Form.
- e) The Distribution Company or the Registrar shall verify the particulars given in the application for Redemption of Units. The signature of any Unit Holder or joint Unit Holder on any document required to be signed by him under or in connection with the application for redemption of Units may be verified by Management Company or the Registrar or otherwise authenticated to their reasonable satisfaction. In case of submission of electronic on-line redemptions the Unit Holder's user ID and password will authenticate his identity.
- f) The Unit Holder will receive a note confirming the receipt of the application for redemption from the relevant Distribution Office.
- g) If subsequent to receipt of the redemption application by the Distributor, but prior to the redemption of the Units, the application is found by the Management Company or the Registrar or the Distributor to be incomplete or incorrect in any material manner, the Management Company or Registrar or the Distributor will advise the applicant to remove the discrepancy. In the meanwhile, the application will be held in abeyance for fifteen days. In the event the discrepancy is not removed in the said fifteen days, the application for redemption will be cancelled treating the same as null and void. The Unit Holder will then have to submit a fresh application for Redemption of Units.
- h) The Management Company shall ensure all valid redemption request are paid based on ranking of the request in a queue.
- i) The amount payable on redemption shall be paid to the Unit Holder or first named joint Unit Holder by dispatching a cheque/ bank draft/ pay order for the amount to the registered address of the Unit Holder or may be paid to the Unit Holder through Electronic Bank transfer to the Unit Holder's designated bank account as mentioned in the Investor Account Opening Form or Redemption form within six Business Days from the date of presentation of the duly completed Redemption form, electronic or otherwise, at the Authorized Branch or office of the Distributor or the Management Company. The amount can also be paid to the third party upon instruction of the Unit Holder through Electronic Bank transfer to the Unit Holder's designated bank account as mentioned in the Investor Account Opening Form or Redemption form.
- j) No Money shall be paid to any intermediary except the Unit Holder or his/her immediate family members.
- k) The Management Company may make arrangements through branches of banks to facilitate redemption of Units of the Unit Trust. A request for redemption of Units may also be made through the use of electronic means such as Internet or ATM facilities under prior arrangement with the Trustee and under intimation to SECP.
- l) The receipt of the Unit Holders for any amount payable in respect of the Units shall be a good discharge to the Trustee and the Management Company. In case of joint Unit Holders any one of them may give effectual receipt for any such moneys. Application for Redemption of Units will be received at the authorized offices or branches of the Distributor on all Dealing Days. Where redemption requests on any one Dealing Day exceed ten (10) percent of the total number of Units outstanding of the investment Plan (s) of the Fund, such redemption requests in excess of ten (10) percent may be deferred in accordance with the procedure elaborated in the Clause 4.11.4.
- m) On the occurrence of any circumstance specified in the Regulation or the Trust Deed that may require the Investment Plan(s) under the fund should be suspended, the Management Company shall suspend the Sale and Redemption of units of the pertinent Investment Plan and the intimation of suspension shall be made to the Unit Holders, the Trustee and the Commission according to the procedure laid down in the Regulation.

4.5.3 Redemption of Units in Book Entry form in CDS

Unit Holder may redeem their Units of Investment Plan (s) under the fund held in Book Entry form in CDS. The Redemption of Units in CDS shall be made in accordance with the procedure laid down in CDCPL Regulations.

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

4.6.1 Subject to exchange control, SECP prior approval and other applicable laws, Rules and Regulations, in the event of arrangements being made by the Management Company for the Purchase (Public Offer) of Units to persons not residing in Pakistan or for delivery in any country outside Pakistan, the price at which such Units may be issued may include in addition to the Purchase (Public 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.

4.6.2 In the event that the Redemption Price for Units shall be paid in any country outside Pakistan, the price at which such Units may be redeemed may include as a deduction to the Redemption Price as hereinbefore 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. Provided however, neither the Management Company, nor the Trustee give any assurance or make any representation that remittance would be allowed by the State Bank of Pakistan at the relevant time.

4.6.3 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 the Units in any other currency and shall not be held liable, save as may be specifically undertaken by the Management Company, for receipt or payment in any other currency or for any obligations arising there from.

4.7 Determination of Redemption (Repurchase) Price

I. AKD Islamic Fixed Term Munafa Plan I

After the initial offer, Redemption (Repurchase) Price of the Investment Plan shall be equal to the Net Asset Value as of the close of business day (unknown/ forward pricing) less:

- a) Any applicable Contingent Load as per the details in this Offering Document Annexure “B”;
- b) Such amount as the Management Company may consider an appropriate provision for Duties and Charges and other levies etc;
- c) Such amount as the Management Company may consider an appropriate provision for Transaction Costs; and
- d) Such sum shall be rounded to the nearest paisa up to four decimal places.

II. AKD Islamic Fixed Term Munafa Plan II

After the initial offer Redemption (Repurchase) Price of the Investment Plan shall be equal to the Net Asset Value as of the close of business day (unknown/ forward pricing) less:

- e) Any applicable Contingent Load as per the details in this Offering Document Annexure “B”;
- f) Such amount as the Management Company may consider an appropriate provision for Duties and Charges and other levies etc;
- g) Such amount as the Management Company may consider an appropriate provision for

Transaction Costs; and

- h) Such sum shall be rounded to the nearest paisa up to four decimal places.

III. AKD Islamic Fixed Term Munafa Plan III

After the initial offer Redemption (Repurchase) Price of the Investment Plan shall be equal to the Net Asset Value as of the close of business day (unknown/ forward pricing) less:

- i) Any applicable Contingent Load as per the details in this Offering Document Annexure “B”;
- j) Such amount as the Management Company may consider an appropriate provision for Duties and Charges and other levies etc;
- k) Such amount as the Management Company may consider an appropriate provision for Transaction Costs; and
- l) Such sum shall be rounded to the nearest paisa up to four decimal places.

4.7.1 The Repurchase (Redemption) Price so determined shall apply to redemption requests, complete in all respects, received by the Distributor or the Management Company during the Business Hours on the Dealing Day on which a correctly and properly filled redemption application is received.

4.7.2 The Redemption Price determined by the Management Company shall be made available for every Dealing day to the public at the office and branches of the Distributors.

4.8 Procedure for Requesting Change in Unit Holder Particulars

4.8.1 Who Can Request Change?

All Unit Holders are eligible to change their Unit Holder details if they so desire. For such change in particulars, a request shall be made via the Special Instructions Form. These Forms may be obtained from Distributors or Investment Facilitators, from the Management Company, or through its website. However, if Units are held in CDS account then request should be made through CDS Participant or the Investor Account Services (IAS) with which the account is maintained, according to the procedure laid down in CDC Regulations.

4.8.2 Application Procedure for Change in Particulars

- a) Some of the key information which the Unit Holder can change is as follows:
- i. Change in address
 - ii. Nominee detail
 - iii. Change in Bank Account details
 - iv. Account Operating instructions
 - v. Frequency of profit payments
 - vi. Systemic Conversion Option

Change will not be allowed in Title of account, CNIC and Joint holder details.

- b) Fully completed Special Instructions Form has to be submitted by both Individuals and/or 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 through an Investment Facilitator within Business Hours on a Dealing Day.
- c) The applicant must obtain a copy of the Special Instructions Form signed and duly verified by an Authorized Officer of the Distributor or Management Company.
- d) The Distribution Company and /or Management Company will be entitled to verify the particulars given in the Special Instructions Form. In case of any incorrect information, the application may be rejected if the applicant does not rectify the discrepancy.

- e) The Unit Holder will be liable for any taxes, charges or duties that may be levied on any of the above changes. Either these taxes, charges or duties may be recovered by redemption of Unit Holder equivalent Units at the time of the service request or the Management Company may require separate payment for such services.
- f) Unless the Joint Unit Holder(s) of Units have specified otherwise, all the Joint Unit Holder(s) shall sign the Special Instructions Form for such Units.

4.8.3 Transfer, Nomination & Transmission

- a) Unit Holder may, subject to the law, transfer any Units of Investment Plan (s) held by them either in case of succession (Transmission) or as a gift (blood relation or spouse). The transfer as a gift shall be carried out after the Management Company/Transfer Agent has been satisfied that all the requisite formalities including the payment of any taxes and duties have been complied with.
- b) Both the transferor and the transferee must sign every instrument of transfer and the transferor shall be deemed to remain the Holder of the Units transferred until the name of the transferee is entered in the register. Every instrument of transfer must be duly completed in all respects including affixation of transfer stamps of the requisite value.
- c) Where Certificates have been issued, the Management Company / Transfer Agent with the consent of the Trustee may dispense with the production of any Certificate that shall have become lost, stolen or destroyed upon compliance by the Unit Holder(s) with the like requirements to those arising in the case of an application by him for the replacement thereof as provided in this Offering Document. The Management Company or the Transfer Agent shall retain all instruments of transfer.
- d) The Transfer Agent shall, with the prior approval of the Management Company or the Management Company itself be entitled to destroy all instruments of transfer or the copies thereof, as the case may be, which have been registered at any time after the expiration of ten years from the date of registration thereof and all the Certificates which have been cancelled at any time after the expiration of ten years from the date of cancellation thereof and all registers, statements and other records and documents relating to the Trust at any time after the expiration of ten years from transmission to the Trust. The Trustee or the Management Company or the Transfer Agent shall be under no liability, whatsoever, in consequence thereof and it shall conclusively be presumed in favor of the Trustee or the Management Company or the Transfer Agent that every Unit of Transfer so destroyed was a valid and effective instrument duly and properly registered by the Trustee or the Management Company or the Transfer Agent and that every Certificate so destroyed was a valid Certificate duly and properly cancelled, provided that (i) this provision shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document may be relevant; (ii) nothing in this sub-clause shall impose upon the Trustee or the Management Company or the Transfer Agent any liability in respect of the destruction of any document earlier than as aforesaid or in any case where the conditions of provision (i) above are not fulfilled. Reference herein to the destruction of any document includes reference to the disposal thereof in any manner. Complete list of unclaimed dividends will be maintained by AMCs and shall not be destroyed. Unit Holder may nominate any successor/nominee for transmission, subject to all legal requirements, in case of the decease of Unit Holder.
- e) Transmission of Units to successors in case of inheritance or distribution of the estate of a deceased Unit Holder shall be processed by the Transfer Agent or the Management Company itself as Registrar after satisfying as to all legal requirements such as intimation of death of deceased Unit Holder along-with certified copy of death certificate, and deceased Unit Holder, original unit certificate (in case of physical certificate) etc. The legal costs and taxes, if any, shall be borne and paid by the transferees. However, the processing fee shall not be payable by successors or the beneficiaries of the estate in the case of transmission. The Management Company shall pay the relevant processing fee to the Transfer Agent.

- f) A Unit Holder may convert the Units in a Unit Trust Scheme managed by the Management Company into Units of another Unit Trust Scheme managed by the Management Company by redeeming the Units of first Scheme and issuance of Units of later Scheme(s) at the relevant price applicable for the day. The Transfer Agent or Management Company itself shall carry out the conversion after satisfying that all the requisite formalities have been fulfilled and payment of the applicable taxes, fees and/or load, if any, has been received. The Management Company may impose a time limit before which conversion may not be allowed.
- g) A Unit Holder may merge the Units, which he/she has invested with two folio/registration numbers into one folio/ registration number. The Transfer Agent shall carry out the merger after satisfying that all the requisite formalities have been completed and payment of applicable taxes and fee, if any, has been received.

4.8.4 Partial Transfer

Partial transfer of Units either in case of succession or as a gift to blood relation or spouse shall be covered by a single Certificate is permitted provided that in case of physical certificates issued, the Unit Holder must apply for splitting of the unit certificate representing the partial amount and then the new certificate shall be applied for transfer.

4.8.5 Conversion

Conversion of Units of the Investment Plan to Units of any other Fund/ Investment Plan managed by the Management Company can be carried out by submitting the duly filled Conversion Application Form, or any other Form as designated by the Management Company for the purpose of conversion from time to time, to the Authorized Branch of the Management Company together with any certificate / document required , subject to applicability of pertinent transaction fee, contingent loads of respective investment plan. Physical Certificates, if issued, must accompany the form.

4.9 Procedure for Pledge / Lien / Charge of Units

Who Can Apply?

- 4.9.1 All Unit Holders of Investment Plan(s) are eligible to apply for pledge / lien / charge of Units if they so desire. Such Pledge / Lien / Charge can be made via the Pledge of Units Form as available on the Management Company's website www.akdinvestment.com. These forms may be obtained from Distributors or Investment Facilitators or from the Management Company or through its website. However, if Units are held in CDS account then request should be made to the CDS Participant or the Investor Account Service (IAS) with which the account is maintained, according to the procedure laid down in CDC Regulations.
- 4.9.2 Any Unit Holder of Investment Plan (s) either singly or Jointly (where required) may request the Management Company or Transfer Agent 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 Management Company or Transfer Agent shall register a lien on any Unit 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 Management Company or Transfer Agent with the Units marked in favor of the Pledgee. The onus for due process having been followed in registering alien shall lie with the party claiming the lien.
- 4.9.3 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 Transfer Agent, shall be liable for ensuring the validity of any such pledge / charge / lien. The disbursement of any loan or undertaking of any obligation against the constitution of such pledge/charge/lien by any party shall be at the entire discretion of such party and neither the Trustee nor the Management Company and the Transfer Agent shall take any responsibility in this matter.
- 4.9.4 Payments of cash 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 / charge / pledge shall be paid to the order of the lien / charge / pledgee holder's bank account or posted to the registered address of Pledgee mentioned in the Pledge Form and/or Investor Account Opening Form submitted. In case of Units are pledged through Central Depository System, payments of cash dividends or the issuance of bonus units goes to the Pledger as per Central Depositories Act.

- 4.9.5 The Distribution Company and / or Management Company will be entitled to verify the particulars given in the Pledge Form. In case of any incorrect information, the application may be rejected if the applicant does not rectify the discrepancy.
- 4.9.6 Fully completed Pledge of Units Form has to be submitted by both Individuals and/or 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 directly or through an Investment Facilitator within Business Hours on a Dealing Day.
- 4.9.7 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.

4.10 Temporary Change in Method of Dealing, Suspension of Dealing and Queue System

4.10.1 Temporary Change in the Method of Dealing

Under the circumstances mentioned in Clause 4.12.2 & 4.12.3, Subject to compliance with Regulation (having regard to the interests of Unit Holders), the Management Company may request the Trustee to approve a temporary change in the method of dealing in Units. A permanent change in the method of dealing shall be made after expiry of at least one-month' notice to Unit Holders and with the approval of Trustee.

4.10.2 Suspension of Fresh Issue of Units

The Management Company may, under the following circumstances, suspend issue of fresh Units.

- The situation of Force Majeure as defined in this Offering Document;
- A situation in which it is not possible to invest the amount received against issuance of fresh Units
- Any other situation in which issuance of fresh Units is, in Management Company's opinion, against the interests of the existing/remaining Unit Holders.
- Such suspension may however not affect existing Unit Holders as a result of profit distribution The Management Company shall announce the details of circumstances at the time a suspension of fresh issue is announced. The Management Company shall immediately notify SECP and Trustee if issuance of Units is suspended and shall have the fact published, immediately following such decision, in the mode of announcement prescribed by SECP.
- In case of suspension of redemption of Units of an Investment Plan (s) due to extraordinary circumstances, the issuance of Units of Investment Plan (s) shall also be kept suspended until and unless redemption of Units of Investment Plan (s) is resumed. In case of suspension of issuance / redemption of Units of an Investment Plan(s), the issuance / redemption of other Investment Plan(s) may continue unaffected Investment application form received on the day of suspension will not be processed and the amount received shall be returned to the investor.

4.10.3 Suspension of Redemption of Units

The Redemption of Units may be suspended during extraordinary circumstances/ Force Majeure. Redemption requests received on the day of the suspension shall be rejected.

4.10.4 Queue System

In the event redemption requests on any day exceed ten percent (10%) of the Units of the Investment Plan(s) in issue, the Management Company may invoke a queue system whereby requests for redemption of the Units of the pertinent Investment Plan(s) shall be processed on a first come first served basis for up to ten percent (10%) of the Units of such Investment Plan(s) in issue. The Management Company shall proceed to sell adequate assets of the Investment Plan(s) and/ or arrange Shariah Compliant financing as it deems fit in the best interest of the Holders and shall determine the Redemption Price to be applied to the redemption requests for Units under the pertinent Investment Plan(s) 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 Dealing Day, such requests shall be processed on a basis proportionate to the size of the requests. The Management Company shall provide all redemption requests duly timed and date stamped to the Trustee within 24 hours of receipt of any such request following the queue system. The redemption requests in excess of ten percent (10%) of the Units of the Investment Plan(s) in issue will be carried over to the next Dealing Day. However, if the carried over requests and the fresh requests received on the next Dealing Day still exceeds ten percent (10%) of the Units in issue of such Investment Plan(s), these shall once again be treated on first-come-first-served basis and the process for generating liquidity and determining the Redemption Price shall be repeated and such procedure shall continue till such time the outstanding redemption requests come down to a level below ten percent (10%) of such Investment Plan(s) of the Units then in issue.

4.10.5 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 selloff 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 the assets under their respective Investment Plan(s) and determining the final Redemption Price for the Investment Plan(s) being offered under this Fund. However, interim distributions of the proceeds may be made if the Management Company finds it feasible. In case of shortfall, neither the Trustee nor the Management Company shall be liable to pay the same.

5 DISTRIBUTION POLICY

5.1 Declaration of Dividend

- (a) The Management Company shall decide as soon as possible but not later than forty five days or any time stipulated in the Companies Act, 2017 or the Rules and the Regulations after the Accounting Date / interim period whether to distribute among Unit Holders, profits, in form of cash dividend or Bonus Unit, if any, available for the distribution at the end of the Accounting Period and shall advise the Trustee of the amount of such distribution per Unit. The Fund will comply with regulatory and taxation requirements and the distribution policy may be amended accordingly.
- (b) The Management Company on behalf of the Investment Plan (s) under the fund shall, for every accounting year, distribute by way of dividend to the Unit Holders of each Investment Plan, not less than ninety per cent of the accounting income of the Investment Plan received or derived from sources other than capital gains as reduced by such expenses as are chargeable to a Collective Investment Scheme under the Regulations.
- (c) For the purpose of this Clause, the expression “accounting income” means income calculated in accordance with the requirements of International Accounting Standards (IAS) as are notified under the Companies Act, 2017, the Regulations and the directives issued by SECP. Wherever the requirement of Regulations or the directives issued by SECP differs with the requirement of IAS, the Regulations and the said directives shall prevail.

- (d) Further provided that dividend amount less than 1 as decided by the management from time to time shall not be taken into account and dividend shall not be entitled if holding in register of any unit-holder(s) is less than one unit.

5.2 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 the sum total of:

- (a) The total income earned on the Investment plan(s) under Fund during such Accounting Period including all amounts received in respect of profit etc.
- (b) Whole or part of the realized and/or unrealized appreciation of Investment Assets, at the option of the Management Company.
- (c) From the above amounts shall be deducted expenses and such other adjustment as the Management Company may determine, in line with the regulations, circular or direction etc.

5.3 Dispatch of Dividend Warrants/Advice

Dividend warrants/advice/payment instruments and/or Account Statements shall be dispatched to the Unit Holders or the charge-holders at their registered addresses.

5.4 Reinvestment of Dividend

Subject to prior consent of the unit holder in writing, any cash dividend entitled to the unit holder of Investment Plan(s) of the Fund shall be reinvested at the ex-dividend NAV after deduction of all applicable taxes.

5.5 Bonus Units

The Management Company may decide to distribute, wholly or in part, the distributable income in the form of stock dividend (which would comprise of the Bonus Units of the Trust) if it is in the interest of Unit Holders after meeting the statutory requirement as per Income Tax Ordinance. After the fixing of the rate of bonus distribution per Unit, in case of distribution in the form of Bonus Units, the Management Company shall, under intimation to the Trustee, issue additional Units issued in the name of the Unit Holders as per the bonus ratio. The Bonus Units would rank pari passu as to their rights in the Net Assets, earnings and receipt of dividend and distribution with the existing Units from the date of issue of these Bonus Units. The account statement or Unit Certificate shall be dispatched to the Unit Holder within fifteen days of the issue of Bonus Units and as per regulatory requirement.

5.6 Closure of Register

The Management Company may close the Register by giving at least seven (7) days' notice to Unit Holder of Investment Plan (s) of the fund provided that the time period for closure of register shall not exceed six (6) working days at a time and whole forty five days in a Financial Year . During the closure period, the sale, redemption, conversion of Units or transfer of Units will be suspended. Notice for closure of register should be published as per directives of SECP.

6 FEE AND CHARGES

6.1 Fees and Charges Payable by an Investor

The following fees and charges shall be borne by the Investor:

6.1.1 Contingent Load

The amount payable by the unit holder on redemption of Units to cover loss incurred by Investment

Plan (s) of Fund due to disinvestments if units are redeemed before the maturity of the investment plan and such amount would be treated as part of the Investment Plan Property. The current level of Contingent Load is indicated in Annexure “B”.

6.1.2 Other Charges

Transfer of Units from one owner to another may be subject to a Processing charge of an amount not exceeding 1% percent of the Net Asset Value at the date the request is lodged, which shall be recovered from the transferee. However, the processing charge shall not be payable by successors in the case of inheritance or distribution of the estate of a deceased Unit Holder.

Units issued to an Account holder through conversion from another scheme run by the Management Company, shall be issued at a price based on the Net Asset Value) on that date.

6.1.3 Expenses borne by the Management Company and the Trustee

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

6.1.4 Remuneration of Distribution Company / Investment Agent / Investment Facilitator

The Distribution Company employed by the Management Company will be entitled to a remuneration payable by the Management Company out of its own resources on terms to be agreed between the Management Company and the Distribution Company. The Investment Facilitator/Investment Adviser/Sales Agent employed by the Management Company will be entitled to a remuneration payable by the Management Company out of its own resources.

Distributors located outside Pakistan may, if so authorized by Trustee and the Management Company, be entitled to remuneration (from Management Company’s own resources) on terms to be agreed between them and the Management Company, subject to the law for the time being in force.

6.2 Fees and Charges Payable by the Fund

The following expenses shall be borne by the Investment Plan(s):

6.2.1 Remuneration of the Management Company

The remuneration shall begin to accrue from the close of the Initial Offering Period. In respect of any period other than an Annual Accounting Period, such remuneration shall be prorated on the basis of the actual number of days for which such remuneration has accrued in proportion to the total number of days in the Annual Accounting Period concerned.

Current level Management Fee is disclosed in **Annexure “B”**. Any increase in the current level of Management Fee, provided it is within the maximum limit prescribed in the Regulations shall be subject to giving a (30) thirty days prior notice to the Unit Holders of Investment Plan(s) of Fund and the Unit Holders of respective Plan (s) of Fund shall be given an option to exit at the applicable NAV without charge of any exit load.

6.2.2 Remuneration of the Trustee

The Trustee shall be entitled to a monthly remuneration out of the Trust Property determined in accordance with **Annexure “A”**.

The remuneration shall begin to accrue following the expiry of the Initial Period. For any period other

than an Annual Accounting Period, such remuneration will be prorated on the basis of the actual number of days for which such remuneration has accrued in proportion to the total number of days in an Annual Accounting Period concerned.

6.3 Formation Costs

All preliminary and floatation expenses of the Fund including expenses incurred in connection with the establishment and authorization of the Fund, including execution and registration of the Constitutive Documents, issue, legal costs, printing, circulation and publication of the Offering Document, and all expenses incurred during and up to the Initial Offering Period subject to a maximum 1.5% of the net assets at the close of the IPO for the first Investment Plan (s) under the Fund, offered individually or simultaneously or ten million rupees whichever is lower, shall be borne by the respective investment plan(s) under the fund subject to the audit of expenses and amortized over a period of not less than five years or within the maturity of the Investment Plan(s) whichever is lower. This cost shall be reimbursable by a collective investment scheme to an AMC subject to the audit of expenses.

Provided that where the formation cost is not entirely amortized and the Management Company introduces a new investment plan, the unamortized portion of the formation cost will be distributed proportionately among all operational investment Plans based on the respective Net Assets at the end of the IOP for each Investment Plan. However, any Initial expense directly associate with the launch of the first investment plan(s) will not be charged from the subsequently launched plans, and vice versa.

Provided further that any Investment Plan(s) launched after the expiry of 5 years from the date of the first amortization of the formation cost for the respective Investment Plan (s) shall not bear or amortize any expenses incurred under the head of formation cost for the subject CIS.

The Formation Cost shall be reported by the Management Company to the Commission and the Trustee giving their break-up under separate heads, as soon as the distribution of the securities is completed.

6.4 Other costs and expenses

The following charges shall also be payable out of the Fund Property:

- (i) remuneration of the Asset Management Company
- (ii) remuneration of trustee or custodian;
- (iii) listing fee payable to the stock exchange, in case of CIS, including renewals;
- (iv) charges and levies of stock exchange, national clearing and settlement company and central depository company;
- (v) rating fee of CIS payable to approved rating agency;
- (vi) auditors' fees and out of pocket expenses as billed by them;
- (vii) fees payable to the Commission;
- (viii) formation cost of the CIS not exceeding 1.5 per cent of the net assets at the close of initial public offering (IPO) in case of an Open-End Scheme or ten million rupees whichever is lower;
- (ix) brokerage and transaction costs related to investing and disinvesting of the assets of the CIS;
- (x) expenses incurred by trustee in affecting registration of all registerable assets in the name of the trustee;
- (xi) legal and related costs incurred in protecting the interests of the unit, certificate, shareholders of the CIS
- (xii) bank charges, borrowing and financial costs;
- (xiii) taxes, fees, duties and other charges applicable to the CIS or on its income or its properties, including taxes, fees, duties
- (xiv) shariah advisory fee and Shariah Audit Fee;
- (xv) Any amount, which the Shariah Advisor may declare to be Haram and to be paid to Approved Charity Institution.
- (xvi) any other expense or charge as may be allowed by the Commission.

6.5 Expenses Ratio

The Total Expense Ratio shall be disclosed to the Unit Holder in the Fund Manager Report (FMR) or through any other means as may be directed by the SECP from time to time.

7 TAXATION

7.1 Taxation on the Income of the Fund

7.1.1 Liability for Income Tax

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

Under the Tax Law in Pakistan, the definition of a public company includes a trust formed under any law for the time being in force. 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:

- (i) Dividend income as applicable according to the relevant law;
- (ii) Capital Gains Tax as applicable according to the relevant law; and
- (iii) Return from all other sources / instruments are taxable at the rate applicable to a public company.

7.1.2 Liability for Income Tax if Ninety Percent of Income is distributed

Notwithstanding the tax rate given above, the income from the Fund will be exempted from tax if not less than 90% of the income for the year as reduced by as reduced by capital gains whether realized or unrealized is distributed amongst the Unit Holders as dividend.

The Fund will distribute not less than 90% of its income received or derived from sources other than capital gains (realized and unrealized) as reduced by such expenses as are chargeable to the Fund.

7.2 Withholding tax

Under the provision of Clause 47(B) of part (IV) of second schedule of the income Tax Ordinance 2001, the Fund's income from dividend from Shariah Compliant term finance certificates, Sukuks, return on (Riba free) deposits with banks/financial institutions, return (Ribba Free) from contracts, securities or instruments of companies, organizations and establishments will not be subject to any withholding tax.

7.3 Zakat on Fund

The Fund is Saheb-e-Nisab under the Zakat and Ushr Ordinance, 1980. The balance in the credit of savings in Islamic Banks account/Islamic Banking Window of Commercial Bank account, or similar account with a bank standing on the first day of Ramzan-ul- Mubarak will be subjected to Zakat deduction @ 2.5%.

7.4 Taxation and Zakat on Unit Holders

7.4.1 Taxation on Income from the Fund of the Unit Holder

The following is a brief description of the Income Tax Ordinance, 2001, applicable in respect of Unit Holder of the Investment Plan(s). This section is for advice only and potential investors should consult their tax experts for their liability with respect to taxation on income from investment in the Fund. This part does not cover tax liability of non-Pakistani resident investors with respect to taxes in their

own jurisdiction.

7.4.2 Unit Holders of the Investment Plan(s) will be subject to Income Tax as per applicable income tax rate on dividend income distributed by the respective Investment Plan of the Fund.

7.4.3 The tax deducted on dividend at the rates specified in Tax Laws will be the final tax (except for companies, or where specific exemption from withholding is available to any person(s).) and the payer will be required to withhold the amount of tax at source from payment of dividend except payment to the banking companies.

7.4.4 Capital gain arising from sale/redemption of Units of the Investment Plan(S) will be subject to tax at the applicable tax rate as mentioned in Income Tax Ordinance 2001.

7.4.5 Unit Holders who are exempt from income tax may obtain exemption certificate from the Commissioner of Income Tax and provide the same to the Management Company and/or Transfer Agent and on the basis of Exemption Certificate income tax will not be withheld. Unitholders may be liable to pay tax even though they may not have earned any gain on their investment as return of capital through distribution to investors is taxable as per Income Tax Ordinance, 2001

7.4.6 Zakat

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

Above deduction will not be made if Unit Holder provides declaration in due course of time to the Management Company.

7.5 Disclaimer

The tax and Zakat information given above is based on the Management Company's tax advisor's interpretation of the law, which, to the best of the Management Company's understanding, is correct. Investors are expected to seek independent advice so as to determine the tax consequences 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 been incorporated herein.

8 REPORTS TO UNIT HOLDERS

8.1 Account Statement

AMC shall send a time-stamped acknowledgement for all transactions and activities in an investor's accounts with AMC to each unit or certificate holder on the registered postal address or through any electronic means including registered email and SMS provided by the unit or certificate holder within 48 hours of such transaction and activity. In case of acknowledgement through electronic means including email or SMS, a real-time intimation be sent for each transaction and activity: Provided that an Asset Management Company may send electronic transaction/ activity acknowledgement, in lieu of a physical statement, through electronic means including the registered email address of the unit or certificate holder only after obtaining consent in writing from the unit or certificate holder for sending electronic acknowledgement.

The Unit Holder of Investment Plan(s) of Fund will be entitled to ask for copies of his account statement on any Dealing Day within Business Hours by applying to the Management Company/Transfer Agent in writing and providing before the Cut-off Time

AMC shall send an investment account statement to each unit or certificate holder on the registered postal address or through any electronic means including registered email provided by the unit or

certificate holder on semi-annual basis within fifteen (15) days of close of such semi-annual period:

Provided that an Asset Management Company may send electronic account statement, in lieu of a physical statement, through any electronic means including registered email to the unit or certificate holder, only after obtaining consent in writing through physical or electronic means from the unit or certificate holder for sending electronic account statement: Provided further that an Asset Management Company shall be required to send a semi-annual account statement to every unit or certificate holder, even if the respective unit/certificate holder has chosen the hold mail option:

Provided also that an Asset Management Company shall provide the account statement to the investors within seven working days from the receipt of such request.

8.2 Financial Reporting

- (a) The Management Company shall prepare and transmit the annual report in such form and manner as set out in Regulations as amended or substituted from time to time.
- (b) The Management Company shall prepare and transmit quarterly reports in such form and manner as set out in Regulations as amended or substituted from time to time.
- (c) Annual Shariah Review Report as required under regulation 23(2) of Shariah Governance Regulations, 2023, shall also form part of annual report.
- (d) details of any shariah –non compliant asset or liability as on reporting date if any along with the reasons and justifications and treatment mentioned in annual report.

8.3 Trustee Report

The Trustee shall report to the Unit Holder, to be included in the annual and second quarter Financial Reports issued by the Management Company to the Unit Holders, as to whether in its opinion the Management Company has in all material respects managed the Fund in accordance with the provisions of the Regulations, the Constitutive Documents 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.

8.4 Fund Manager Report

The Management Company shall prepare Fund Manager Report each month as per guideline issued by MUFAP and transmit the same to Unit Holders and also make available at their web site.

9 WARNING AND DISCLAIMER

9.1 Warning

- 9.1.1 If you are in any doubt about the contents of this Offering Document, you should consult your bank manager, Legal advisor, Shariah Advisor or other financial advisor.
- 9.1.2 Investment in Investment Plans under this Fund is suitable for investors who have the ability to take the risks associated with financial market investments. Capital invested in the financial markets could in extreme circumstances lose its entire value. The historical performance of this Fund, other Funds managed by the Management Company, the financial markets, or that of any one security or transaction included in the Fund's portfolio will not necessarily indicate future performance. The price of the Units of this Fund and the income of this Fund (from which distributions to Unit Holders is made) may increase or decrease
- 9.1.3 In case of initiation of any legal proceeding or if any case is filed against this Scheme, impacting any Investment Plan(s), may also affect the unit holders of other Investment Plan(s) under this Scheme.

9.2 Disclaimer

The Units of the Investment Plans under the Fund are not bank deposits and are neither issued by, insured by, obligation of, nor otherwise supported by SECP, any Government Agency, Trustee (except to the extent specifically stated in this document and the Trust Deed) or any of the shareholders of the Management Company or any of the Pre-IPO Investors or any other bank or financial institution. The portfolio of the Fund is subject to market risks and risks inherent in all such investments.

10 GENERAL INFORMATION

10.1 Accounting Period / Financial Year of the Fund

Accounting Period means a period ending on and including an accounting date and commencing (in case of the first such period) on the date on which the Trust Property is first paid or transferred to the Trustee and (in any other case) from the next day of the preceding accounting period.

Annual Accounting Period means the period commence on 1st July and shall end on 30th June of the succeeding calendar year.

10.2 Inspection of Constitutive Documents

The copies of constitutive documents, such as the Trust Deed and the Offering Document, can be inspected free of charge at the addresses given below, however such documents shall also be available on the web site of the Management Company:

AKD Investment Management Limited

216-217, Continental Trade Centre,
Block 8, Clifton, Karachi.

Central Depository Company of Pakistan Limited

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

10.3 Transfer of Management Rights of the Fund

The management rights of the Fund may be transferred to another Management Company upon the occurrence of any of the following events in accordance with the procedure laid down in the Regulation, the Trust Deed and the Directive issued by the Commission:-

- (i) the Management Company goes into liquidation, becomes bankrupt or has a liquidator appointed over its assets, or its license has been cancelled or does not hold valid license;
- (ii) where the Management Company is unable to remove the suspension of redemption of Units of the Fund within the fifteen business days of suspension and the Unit Holders representing at least three fourth in value of total outstanding Units of the concerned scheme pass a resolution or have given consent in writing that the scheme be transferred to another Management Company;
- (iii) If in the opinion of the Commission further management of the Fund by the existing Management Company is detrimental to the interest of the Unit Holders, the Commission may direct the Trustee to transfer the Fund to another Management Company.
- (iv) If the Management Company may retire voluntarily with the prior written consent of the Commission.

10.4 Extinguishment/Revocation of the Fund/Investment Plan (s)

The Fund or any of the Investment plan(s) may be extinguished by the occurrence of any of the following events in accordance with the procedure laid down in the Regulation, the Trust Deed and the Directive issued by the Commission;-

- i. The Investment Plan may be liquidated upon reaching its maturity date as specified in the Offering Documents.
- ii. where the Management Company is unable to remove the suspension of redemption of Units of the Investment Plan(s) within the fifteen business days of suspension and the Unit Holders representing at least three fourth in value of total outstanding Units of the concerned scheme pass a resolution or have given consent in writing that the scheme / plan be revoked;
- iii. where the Management Company goes into liquidation, becomes bankrupt or has a liquidator appointed over its assets, or its license has been cancelled or does not hold valid license;
- iv. In the opinion of the Management Company the scheme is not commercially viable or purpose of the scheme cannot be accomplished subject to the consent of Trustee;
- v. The Management Company subject to regulatory approval, may announce winding up of the Trust / Investment plan in the event redemption requests build up to a level where the Management Company is of the view that the disposal of the Trust Property to meet such redemptions would jeopardize the interests of the remaining Unit Holder(s) and that it would be in the best interest of all the Unit Holder(s) that the Trust / plan be wound up.
- vi. On occurrence of any event or circumstances which, in the opinion of the Trustee, requires the Fund / plan to be revoked; and
- vii. Where the Commission deems it necessary to revoke the Fund so directs either Trustee or the Management Company in the interest of Unit Holders;

However, the simultaneous liquidation / maturity of all the Investment plans does not constitute the liquidation of Trust.

10.5 Liquidation of Investment Plan(s)

10.5.1 The Trustee on the recommendation of the Management Company shall from time to time distribute to the Unit Holders pro rata to the number of Units of the Investment Plan held by them respectively all net cash proceeds derived from the realization of the Trust Property under the respective Investment Plan after repayment of the following expenses:

- a. Repayment of any / financing affected by the Trust of that particular Investment Plan together with any profit remaining unpaid.
- b. Retention of such sums as considered appropriate by the Management Company for all costs, charges, expenses, claims and demands (if any) as approved by SECP.

10.5.2 The Trustee shall however not be liable if the sale proceeds of the Investments fall short of the adjustments in 10.5.1(a) and 10.5.1 (b) above. However, if there is any surplus out of the sum so retained by the Trustee, the same shall be distributed pro-rata amongst the Unit Holders of the pertinent Investment Plan(s).

However, the simultaneous liquidation of all the Investment Plans does not constitute the liquidation of Trust.

10.6 Procedure and manner of Revocation of the Fund

Revocation of the Fund shall be done in accordance with the procedures and in the manner as mentioned in the Regulations or through circulars / guidelines issued by the SECP from time to time.

10.7 Distribution of proceeds on Revocation

In case of Revocation of the Fund the Trustee shall according to the procedure laid down in Regulations refund the net proceeds to the Unit Holders in proportion to the number of units held by them.

10.8 Additional Disclosure by Shariah Compliant Scheme

- **Underlying Shariah Structure & Shariah Opinion**

Shariah structure is mentioned in 3.5 clause of this offering document and shariah opinion on offering document is mentioned in Annexure E.

- **Shariah Governance Frame work and Shariah Advisor Profile**

The manner to ensure shariah compliance on ongoing basis is mentioned in 3.5 clause of this offering document and Shariah Advisor profile is mentioned in **Annexure E**.

- **Certificate of Shariah Compliance**

The Management Company seeking approval of the Commission regarding Certificate of Shariah-compliance under the Shariah Governance Regulations, 2023 read with Section 451 of the Companies Act, 2017

- **Key Compliance issues.**

The Management Company will report to unit holders with respect to key Shariah Compliance issues in annual financial statements.

11 GLOSSARY

Unless the context requires otherwise the following words or expressions shall have the meaning respectively assigned to them:

“Accounting Date” means the thirtieth day of June in each year and any interim date on which the financial statements of the Trust are drawn up. Provided that the Management Company may, with the written consent of the Trustee and after obtaining approval from the Commission and the Commissioner of Income Tax may change such date to any other date and such change shall be intimated to the Commission.

“Account Opening / Investment Account Opening Form” means standardized form prescribed by the Management Company to be duly filled by the investors at the time of opening an account with the Fund.

“Accounting Period” means a period ending on and including an accounting date and commencing (in case of the first such period) on the date on which the Trust Property is first paid or transferred to the Trustee and (in any other case) from the next day of the preceding accounting period.

“Act” means the Companies Act, 2017.

“Annual Accounting Period” or “Financial Year” means the period commence on 1st July and shall end on 30th June of the succeeding calendar year.

“Asset Management Company” means an asset Management Company as defined in the Rules and Regulations.

“Auditor” means the Auditor of the Trust appointed by the Management Company, with the consent of the Trustee, as per the Regulations.

“Authorized Branches” means those Branches of Distributors or Distribution Companies which are allowed by the Management Company to deal in Units of the Funds managed by the Management Company.

“Authorized Broker” means those Brokers which are authorized to deal in Government Securities.

“Authorized Investments” “Authorized Investments are those as defined in the **clause 2.3** of this Offering Document

“Bank” means institution(s) providing banking services under the Banking Companies Ordinance, 1962, or any other regulation in force for the time being in Pakistan, or if operating outside Pakistan, under the banking laws of the jurisdiction of its operation outside Pakistan.

“Bank Accounts” means those account(s) opened and maintained for the Trust and/ or the Investment Plan(s) by the Trustee in Islamic Bank or Islamic window of conventional banks, the beneficial ownerships in which shall vest in the Unit Holder(s).

“Broker” means any person engaged in the business of effecting transactions in securities for the account of others.

“Business Day” means any day on which scheduled banks/stock exchanges are open for business in Pakistan.

“Charity” is a portion of income that is declared by Shariah Advisor to be Haram, and means amount paid by the Trustee, upon instruction of the Asset Management Company and in consultation with the Shariah Advisor, out of the income of the Fund to charitable/ welfare organization, representing income which is impermissible/Haram. The list of charitable/welfare organizations along with the amount paid shall be disclosed in the annual report.

“Certificate” means the definitive certificate acknowledging the number of Units registered in the name of the Unit Holder issued at the request of the Unit Holder pursuant to the provisions of the Trust Deed.

“CIS” / “Collective Investment Scheme(s)” means Open-ended Scheme(s) managed by the Management Company and / or by other Asset Management Companies (both local and international).

“Connected Person” shall have the same meaning as assigned in the Rules and Regulations.

“Contingent Load” means Load payable by the Unit Holder at actual basis to the extent of loss incurred by fund due to disinvestments if Units are redeemed by any major Unit Holder in such period of time that the Management Company believes may adversely affect the interest of other Unit Holder(s). Any Contingent Load received will form part of the Investment Plan Property

“Constitutive Documents” means the Trust Deed or such other documents as defined in the Regulations.

“Custodian” means a Bank, a Depository or an Investment Finance Company licensed under the Regulations, which may be appointed by the Trustee in consultation with the Management Company to hold and protect the Fund Property 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.

“Cut-Off Time” / “Business Hours” means the day time for dealing in Units of the Fund. The current Cut-Off Timing/Business Hours are mentioned in **Annexure “B”** of this Offering Document.

“Dealing Day” means every Business Day from Monday to Friday of every week in which Units will be available for dealing (purchase, redemption, transfer, switching etc) on Dealing Days during Cut-off Time. Provided that the Management Company may with the prior written consent of the Trustee

and upon giving not less than seven days' notice in two widely circulated English or Urdu newspapers in Pakistan declare any particular Business Day(s) not to be a Dealing Day(s).

“DFI” means Development Financial Institution and includes the Pakistan Industrial Credit and Investment Corporation (PICIC), the Saudi Pak Industrial and Agricultural Investment Company Limited, the Pak Kuwait Investment Company Limited, the Pak Libya Holding Company Limited, the Pak Oman Investment Company (Pvt.) Limited, Investment Corporation of Pakistan, House Building Finance Corporation, Pak Brunei Investment Company Limited, Pak-Iran Joint Investment Company Limited, Pak-China Investment Company Limited, and any other financial institution notified under Section 3-A of the Banking Companies Ordinance, 1962.

“Distribution Account” means the Bank 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 Holder(s)

shall be transferred. 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 Trust Property for the benefit of the Unit Holder(s).

“Distributor / Distribution Company” means Company(ies), Firm(s), Sole Proprietorship concern(s), individual(s), Banks or any other Financial Institution appointed by the Management Company under intimation to the Trustee for performing any or all of the Distribution Functions and who are registered with MUFAP as Registered Service Providers. The Management Company may itself also performs the Distribution Function.

“Distribution Function” means the functions with regard to:

- (a) receiving applications for issue of Units together with the aggregate Offer Price for Units applied for by the applicants;
- (b) issuing receipts in respect of (a) above;
- (c) interfacing with and providing services to the Holders including receiving redemption/transfer applications, conversion notices and applications for change of address or issue of duplicate Certificates for immediate transmission to the Management Company or the Transfer Agent as appropriate;
- (d) Accounting to the Management Company for all:
 - (i) payment instruments received from the applicants for issuance of Units;
 - (ii) payments instruments to the Holders on redemption of Units; and
 - (iii) expenses incurred in relation to the Distribution Function.
- (e) The above functions may be performed electronically, if appropriate systems are in place.

“Duties and Charges” means in relation to any particular transaction or dealing all stamp and other duties, taxes, Government charges, bank charges, transfer fees, registration fees and other duties and charges in connection with the increase or decrease of the Trust Property or the creation, issue, sale, transfer, redemption or purchase of Units or the sale or purchase of Investment or in respect of the issue, transfer, cancellation or replacement of a Certificate or otherwise which may have become or may be payable in respect of or prior to or upon the occasion of the transaction or dealing in respect of which such duties and charges are payable, but do not include the remuneration payable to the Distribution Company or any Commission payable to agents on sales and redemption of Units or any Commission charges or costs which may have been taken into account in ascertaining the Net Asset Value.

“Exposure” shall have same meanings as provided in the Regulations.

“Federal Government” means the Federal Government of Islamic Republic of Pakistan.

“Financial Institution” means a Bank, Development Finance Institution, Non-Banking Finance Company, Modaraba or an institution registered under relevant laws to provide financial services within or outside Pakistan.

“Force Majeure” means any occurrence or circumstance or element which delays or prevents performance of any of the terms and conditions of this Trust Deed or any obligations of the Management Company or the Trustee and shall include but not limited to any circumstance or element that cannot be reasonably controlled, predicted, avoided or overcome by any party hereto and which occurs after the execution of this Trust Deed and makes the performance of the Trust Deed in whole or in part impossible or impracticable or delays the performance, including but not limited to any situation where performance is impossible without unreasonable expenditure. Such circumstances include but are not limited to floods, fires, droughts, typhoons, earthquakes and other acts of God and other unavoidable or unpredictable elements beyond reasonable control, such as war (declared or undeclared), insurrection, civil war, acts of terrorism, accidents, strikes, riots, turmoil, civil commotion, any act or omission of a governmental authority, failure of communication system, hacking of computer system and transmissions by unscrupulous persons, closure of stock exchanges, banks or financial institutions, freezing of economic activities and other macro-economic factors, etc.

“Formation Cost” means preliminary expenses relating to regulatory and registration fees of the Scheme, flotation expenses of the Scheme, expenses relating to authorization of the Scheme, execution and registration of the Constitutive Documents, legal costs, printing, circulation and publication of this Offering Document, announcements describing the Scheme and all other expenses incurred until the end of the Initial Period.

“Fund” means “AKD Islamic Fixed Term Fund”, or “AKDIFTF”, or “Scheme”, or “Trust”, or “Unit Trust”.

“Government Securities” includes monetary obligations of the Government or a Provincial Government or a corporation wholly owned or controlled, directly or indirectly, by the Federal Government or a Provincial Government and guaranteed by the Federal Government and any other security as the Federal Government may, by notification in the official Gazette, declare, to the extent determined from time to time, to be a Government Security.

“Holder or Unit Holder” means the investor for the time being entered in the Register as owner of a Unit including investors jointly so registered pursuant to the provisions of the Trust Deed.

“Haram income” means income that is declared Haram by Shariah Advisor.

“Immediate Family Member” in respect of an individual unitholder, shall include his parents, spouse and dependent children.

“Initial Period” or “Initial Offering Period” means a period determined by the Management Company during which Units will be offered as mentioned in clause 1.6 of this Offering Document.

“Initial Price” or “Initial Offer” means the price per Unit on the first day of the Initial Period determined by the Management Company.

“Investment” means any Authorized Investment forming part of the Trust Property.

“Investment Plan(s)” means approved Investment Plan(s) offered under the Scheme. Each Investment Plan shall invest only in permissible asset classes and/or other instruments/ authorized investment as approved by the Commission. Details of the Investment Plan(s) are disclosed in this Offering Document of the Scheme.

“Investment Facilitators/Advisors” means an individual, firm, corporate or other entity appointed

by the Management Company to identify, solicit and assist investors in investing in the Scheme. The investment facilitator/advisor is not authorized to perform the Distribution Functions. The Management Company shall compensate the Investment Facilitators.

“Investment Form” means a standardized form prescribed by the Management Company to be duly filled by the investor to purchase Units and will be stated in this Offering Document.

“Local Governments” mean all the local / city governments in Pakistan.

“Management Company” is defined in the preamble hereto;

“Net Assets of the Investment Plan(s)”, means, the excess of assets over liabilities of the pertinent Investment Plan(s) being offered under the Fund, such excess being calculated in accordance with the Regulations.

“Net Assets of the Scheme”, means, the excess of assets over liabilities of all Investment Plan(s) combined together, such excess being calculated in accordance with the Regulations.

“Net Asset Value” or “NAV” of the Investment Plan(s) means per Unit value of the pertinent Investment Plan(s) being offered under the Fund arrived at by dividing the Net Assets of the Investment Plan(s) by the number of Units outstanding for such Investment Plan(s).

“Offer Price or Purchase (Public Offer) Price” means the sum to be paid by the investor for purchase of one Unit, such price to be determined pursuant to this document.

“Offering Document” means the prospectus or other document (issued by the Management Company with written consent of the Trustee and approved by the Commission) which contains the investments and distribution policy, unit structure(s) and all other information in respect of the Unit Trust, as required by the Rules and Regulations and is circulated to invite offers by the public to invest in the Scheme.

“Online” means transactions through electronic data-interchange whether real time transactions or otherwise, which may be through the internet, intranet networks and the like.

Ordinance” means the Companies Ordinance, 1984.

“Par Value” means the face value of **Rs.50** for a Unit of the Investment Plan under the Fund.

“Personal Law” means the law of inheritance and succession as applicable to the individual Unit Holder.

“Profit Distribution Date” means the date on which the Management Company decides to distribute the profits (if any).

“Provincial Governments” mean the Provincial Governments of all four provinces of Pakistan.

“Pledge Form” means a standardized form prescribed by the Management Company to be duly filled by the investor to Pledge his/her Units and will be stated in this Offering Document.

“Redemption Form” means a standardized form prescribed by the Management Company to be duly filled by the investor to redeem Units and will be stated in this Offering Document.

“Redemption Price or Repurchase Price” means the amount to be paid to the relevant Holder of the pertinent Investment Plan(s) upon redemption of that Unit, such amount to be determined pursuant to this document.

“Register Function” means the functions with regard to:

- (a) Maintaining the Register, including keeping a record of change of addresses/other particulars of the Holders;
- (b) Issuing account statements to the Holders;
- (c) Issuing Certificate, including Certificates in lieu of undistributed income to Holders;
- (d) Cancelling old Certificates on redemption or replacement thereof;
- (e) Processing of applications for issue, redemption, transfer and transmission of Units, recording of pledges, liens and changes in the data with regard to the Holders;
- (f) Issuing and dispatching of Certificates;
- (g) Dispatching income distribution warrants, and bank transfer intimation and allocating Units to Holders on re- investment of dividends;
- (h) Receiving applications for redemption and transfer/transmission of Units directly from Holder or legal representatives or through Distributor;
- (i) Maintaining record of lien/pledge/charge; and
- (j) Keeping record of change of addresses/other particulars of the Holders.

“Regular Interval” means monthly, quarterly, half yearly or annual periods.

“Rules” mean Non-Banking Finance Companies (Establishment and Regulation) Rules 2003 as amended from time to time.

“Regulations” mean Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the Schedules and Forms attached to it as amended/replaced from time to time.

“Subscription Period” means the period in which units are offered for purchase of the respective Investment Plan as defined in the Offering Document.

“Shariah” means divine guidance as given by the Holy Qur'an and the Sunnah of Holy Prophet Muhammad (PBUH) and embodies all aspects of the Islamic faith, including beliefs, practices, rules and principles as per the interpretation of the Shariah Advisor of the fund.

“Shariah Compliant Scheme” means Collective Investment Scheme that has been declared Shariah-compliant under the Companies Act, 2017 read with the Shariah Governance Regulations, 2023.

“SECP” or “Commission” means Securities and Exchange Commission of Pakistan established under Securities and Exchange Commission of Pakistan Act, 1997 and shall include its successor.

“Special Instruction Form” means a standardized form prescribed by the Management Company to be duly filled by the investor to change his/her particulars and will be stated in this Offering Document.

“Stock Exchange” means Stock Exchanges registered under the Securities and Exchange Ordinance, 1969.

“Sukuk” means a type of Islamic bond that is backed by assets of the issuer that earn profit or rent.

“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 Trust's portfolio, *inter alia*, necessitated by creation or cancellation of Units, which costs may be added to the NAV for determining the Offer Price of Units or to be deducted from the NAV in determining the Redemption Price.

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

“Transfer Form” means a standardized form prescribed by the Management Company to be duly filed by the investor to transfer Units and will be stated in this Offering Document.

“Trust Deed” or “Deed” means the Trust Deed of the Fund executed between the Management Company and the Trustee along with all the exhibits appended hereto.

“Trust” or “Unit Trust” or “Fund” or “Scheme” means the Unit Trust constituted by the Trust Deed for continuous offers for sale of Units.

Words and expressions used but not defined herein shall have the meanings assigned to them in the Act and Rules and Regulations, words importing persons include corporations, words importing the masculine gender include the feminine gender, words importing singular include plural and words “written” or “in writing” include printing, engraving lithography, or other means of visible reproduction. The headings and table of contents are for convenience only and shall not affect the construction of the Trust Deed.

ANNEXURE ‘A’

REMUNERATION OF TRUSTEE AND ITS AGENT

TARIFF STRUCTURE FOR SHARIAH COMPLIANT FIXED TERM SCHEMES

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

Trustee Fee subject to review by either party.

Tariff
0.055% p.a. of Net Assets

ANNEXURE 'B'

Current level of Contingent Load and Management Fee:

Investment Plans	Contingent Load	Management Fee %
AKD Islamic Fixed Term Munafa Plan I	Contingent Load shall be commensurate with net loss incurred due to early Redemption and shall be made part of Investment Plan property.	Up to 1.00% of average annual Net Assets
AKD Islamic Fixed Term Munafa Plan II	Contingent Load shall be commensurate with net loss incurred due to early Redemption and shall be made part of Investment Plan property.	Up to 1.00% of average annual Net Assets
AKD Islamic Fixed Term Munafa Plan III	Contingent Load shall be commensurate with net loss incurred due to early Redemption and shall be made part of Investment Plan property.	Up to 1.00% of average annual Net Assets

The Management shall disclose actual rate of management fee charged as percentage of net assets of collective investment scheme in monthly Fund Manager Report.

Business Hours & Cut-Off Timing:

a) **Cut-off timings for dealing in units**

Monday to Friday - 9:00 a.m. to 5:00 p.m.

Note:

- Any increase in management fee shall be notified after prior approval of the Commission through a supplemental Offering Document.
- Any change in the above-mentioned Cut-Off Timings/Business Hours including for the month of Ramadan shall be notified to the Unit-Holders through website of the Management Company.

ANNEXURE ‘C’

Designated Distribution Outlets

Management Company of the Fund is AKD Investment Management Limited and other information of the Fund can be collected from the address of the Management Company available on www.akdinvestment.com or from the branches of the Distribution Company.

Head Office

AKD Investment Management Limited
216-217, Continental Trade Centre,
Block 8, Clifton, Karachi.
UAN: 111-253-465
Fax: 021-35303125.

Lahore Branch

AKD Investment Management Limited
Plaza # 250, 2nd Floor, Phase IV,
Block-FF, D.H.A., Lahore Cantt.
Concerned person: Syed Afzaal Sebtain
Contact # 0333-0342762-4.

ANNEXURE ‘D’

Shariah Advisor

Name of Shariah Advisor: Al-Hilal Shariah Advisor (Pvt.) Ltd.
SECP Registration No: (Reg # SECP/IFD/SA/015)

Dr. Mufti Irshad Ahmad Aijaz

Dr. Mufti Irshad Ahmad Aijaz is a prominent Islamic scholar, highly respected for his deep expertise in Islamic jurisprudence and modern financial systems. He completed his Dars-e-Nizami and specialization in Islamic Fiqh (Takhassus fil Fiqh) from Jamia Darul Uloom Karachi, where he studied under the supervision of renowned scholars, including Justice (R) Mufti Muhammad Taqi Usmani. His academic background is further supported by degrees in Arabic and Islamic Studies, equipping him with a balanced understanding of classical Shariah and contemporary issues. Further, he went on to pursue his MBA in finance followed by M.Phil. in Islamic Finance. Recently he completed his PHD in Islamic Finance. He has served for two terms as the Chairman of the Shariah Advisory Committee of the State Bank of Pakistan, playing a pivotal role in shaping the regulatory framework for Islamic banking in the country. In addition to this, Mufti Irshad is also the chairman of the Shariah Advisory Committee of Securities and Exchange Commission of Pakistan. Further he is the Shariah Advisor to various Islamic financial institutions, including banks, mutual funds, and takaful companies in Pakistan, Middle East and some Central Asian republics. His guidance is widely sought after in the structuring of Shariah-compliant products and financial instruments, ensuring adherence to Islamic principles while meeting the needs of the modern economy. His prominent works include chairman of the Shariah Board at Bank Islami, Standard Chartered Sadiq, shariah board member at AAOIFI, Bahrain and member shariah committee at Shariah Review Bureau, Bahrain. He is the chairman of the shariah supervisory council of Al Hilal Shariah Advisors.

Faraz Younus Bandukda

Faraz Younus Bandukda, CFA is the founding Chief Executive at Al Hilal Shariah Advisors and Al Hilal Securities Advisors as well as the Co-founder at Hilal Invest. Faraz is an entrepreneurial evangelist and has worked alongside a number of startups advising them on product development and finances. An Islamic Capital Markets expert, Faraz brings with him more than 17 years of experience in Shariah compliant investments and wealth management along with financial structures and fund raising. Before starting Al Hilal, Faraz worked for Al Meezan Investments heading the firm's product development and shariah compliance function. He holds a bachelors in Computer Science from FAST - National University and an MBA from IBA Karachi. He is also a CFA charter holder and has completed a Post Graduate Diploma in Islamic Banking and Finance. He also serves as an Independent Director of Pakistan Synthetics Limited (a company listed on the Pakistan Stock Exchange).

ANNEXURE "E"

April 27, 2026



الحمد لله رب العالمين، والصلاة والسلام على سيد الأنبياء والمرسلين، وعلى آله وصحبه أجمعين، وبعد

SHARIAH PRONOUNCEMENT FOR AKD ISLAMIC FIXED TERM FUND (AKDIFTF) MANAGED BY AKD INVESTMENT MANAGEMENT LIMITED BASED ON WAKALA ARRANGEMENT

The objective of this Fund is to provide investors with potentially higher Shariah compliant returns for a specific duration. The funds of the unit holders will be utilized for providing Investors with potentially higher returns, for fixed tenure by investing primarily in Shariah Compliant fixed income instruments for a specific duration. Under this arrangement, the unit holder will invest in (AKDIFTF) by executing an Investment Agency contract (Aqd ul Wakalat us Istithmar) by appointing AKD Investment Management Limited as Investment agent (Wakeel) to manage the funds. The Investment Agent Wakeel will invest the funds in Shariah Compliant avenues i.e. in Shariah compliant Government securities, Cash in Islamic bank, TDRs and any other Shariah Compliant money market placements with Banks and DFIs. The return generated by the fund will be passed on to the unit holders after deducting the management fees (Wakala fee). Following are important points of the fund Issue:

1. A Trust Deed and Offering Document under an Investment Agency Agreement (Aqd ul Wakalat us Istithmar) shall be entered into whereby the Investors will appoint an "Investment Agent (Wakeel)" to carry out the transaction for and on behalf of the Investors.
2. A Trustee appointment agreement will be signed between Investment Agent (Wakeel) and a financial institution licensed to act as Trustee stating the responsibilities of both the parties during the fund tenure.

Al-Hilal Shariah Advisors (Pvt) Limited
Suite 807, 8th Floor, Horizon Towers, Corn 2/6, Khayaban-e-Saadi,
Block 03 Clifton, Karachi
Tel : +92-21-35305931-37, Web: www.alhilalsharia.com



Observations of the Shariah Advisor:

Keeping in view the above-mentioned points, it is resolved that the structure of AKD Islamic Fixed Term Fund (AKDIFTF) based on wakala arrangement managed by AKD Investment Management Limited is Shariah compliant and does not have any element repugnant to Shariah principles and the guidelines issued by Shariah Advisor and the Securities and Exchange Commission of Pakistan from time to time.

- There is no involvement of Riba because the return is derived from the Shariah Compliant Investment avenues.
- There is no involvement of Gharar because the units are assigned on same day once the payment is realized in Trustee bank account.
- Investment Agent (Wakeel) will ensure compliance with shariah guidelines and will update if any Non-Compliance occurs.
- A shariah audit procedure has also been developed to monitor the ongoing transactions of the fund to ensure shariah compliance.
- Upon identification of any Shariah non-compliant income generated by the (AKDIFTF); it shall be segregated from the Fund's assets and shall be kept in separate bank accounts.
- The Shariah non-compliant income amount shall be paid to charitable causes or charitable organizations approved by the Shariah Advisor to purify the non-compliant income earned by the Fund
- Trust Deed and Offering Document are based on Investment Agency Agreement (Aqd ul Wakalat us Istithmar) and are consistent with the Shariah Principles.

والله أعلم بالصواب، وصلى الله على نبينا محمد وعلى آله وصحبه وبارك وسلم

For and on behalf of Al-Hilal Shariah Advisors (Pvt.) Limited.



Mufti Irfad Ahmad Aijaz
Member Shariah Council



Faraz Younus Bandukda, CFA
Chief Executive

Date: April 27, 2026