

5th SUPPLEMENTAL TO
THE
OFFERING DOCUMENT OF
FAYSAL SHARIA PLANNING FUND
(Faysal Sharia Capital Preservation Plan IX) (FSCPP IX)

Category of CIS/Plan	Risk Profile	Risk of Principal Erosion
CPPI Strategy Based Funds	Medium	Principal at medium risk

MANAGED BY
FAYSAL ASSET MANAGEMENT LTD

Effective From: August 27, 2021

Duly vetted by the Shariah Advisors
Mufti Abdul Zahid Farooqi

The Faysal Sharia Planning Fund (the Fund/the Scheme/the Trust/the Unit Trust/FSPF) has been established through a Trust Deed (the Deed) dated through dated December 20, 2020, entered into and between Faysal Asset Management Limited, the Management Company, and Central Depository Company of Pakistan Limited, the Trustee, and is authorized under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the “Rules”) and Non-Banking Finance Companies and Notified Entities Regulation, 2008 (“Regulations”).

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 Faysal Sharia Planning Fund under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 and Non-Banking Finance Companies and Notified Entities Regulations 2008. The SECP has approved this Offering Document, under Regulation 54 of the NBFC & NE Regulations 2008.

The Shariah Advisors of the Fund Mufti Abdul Zahid Farooqi has reviewed this 5th Supplemental Offering Document of the FSCPP IX and provided his consent that this 5th Supplement to the Offering Document adheres to the principles of Shariah.

Objective of the Supplementary Offering Document

Faysal Asset Management Limited is introducing **Faysal Sharia Capital Preservation Plan IX (FSCPP IX)** via this 5th Supplementary Offering Document, in compliance with the relevant regulations and as stated in **Clause 1.10.5** of the Offering Document of **Faysal Sharia Planning Fund**.

1- The following clause has been added into clause 1.6 of the Offering Document and read as follows:

1.6 Initial Offer and Initial Period

1.6.3 Faysal Sharia Capital Preservation Plan IX

Initial Offer is made during the Initial Period which will be xxx Business Days and begins at the start of the banking hours on _____ and shall end at the close of the banking hours on _____. During the initial period, the Units shall be issued at the Initial Price of Rs 100 per Unit and subsequently at the price calculated and announced by the Management Company for every Dealing Day. No units shall be redeemable during the initial period of offer.

2- The Following clause has been added into 2.1.1 of the Offering Document and read as follows:

c) Faysal Sharia Capital Preservation Plan IX

The “Faysal Sharia Capital Preservation Plan IX” is an Islamic Plan under “Faysal Sharia Planning Fund” with an objective to earn a potentially competitive return through dynamic asset allocation between Shariah Compliant Sovereign Income/Money Market component, Shariah Complaint Equity Collective Investment Scheme and Islamic Banks deposit by using CPPI methodology, while aiming to providing Capital Preservation of the Initial Investment Value at maturity of the plan based on the Fund Manager’s outlook on the assets classes.

The plan is based on following details.

- (a) Capital Preservation/ Principal Preservation is provided through the investment structure of the allocation plan and CPPI methodology and not through any undertaking or guarantee by the Management Company or the Trustee.
- (b) Capital Preservation means that the Net Realizable Value of investment shall not fall below the Initial Investment Value subject to above point Clause 2.1.1(d), provided the investment is held for at least twenty four months from the commencement of life of plan as per the terms specified in this Offering Document. The Capital Preservation period shall begin from the commencement of the Life of the Plan.
- (c) The investments in the Capital Preservation Segment of the Plan, as specified in Clause 2.1.3 of this Offering Document shall only be triggered, on an occurrence of the Bond Event.
- (d) Capital Preservation will not be valid if Units of the Plan are redeemed before completion of twenty four months and a Contingent Load shall be charged on certain classes of units, as per details in **Annexure “B”** of this Offering Document.
- (e) Any redemption of units during the Life of the Plan on a specified date would be based on the NAV of the Plan on the day it is received within the cut-off time, as specified in **Annexure “B”** and will be charged a Contingent Load and the Capital Preservation does not apply to such Units if such redemption is made before completion of twenty four months.
- (f) The capital of the fund is protected only in terms of the base currency i.e. the Pakistani rupee. In addition, Capital Preservation is only valid in terms of the current tax and legal environment of Pakistan and is subject to force majeure factors as specified in Clause 11 “Force Majeure” of this Offering Document.
- (g) Capital Preservation is also not valid in case Plan is terminated before the twenty four months as defined in Clause 10.4.
- (h) The Plan shall be closed for new subscriptions after the close of the Subscription Period; after that no further issuance of units shall be allowed afterwards.

3- The Following has been added to the table clause 2.1.2 of the Offering Document and read as follows:

Allocation Plan	Benchmark
Faysal Sharia Capital Preservation Plan IX	Weighted average return of KMI 30 index and 6-months average deposit rate of Three (3) A rated Scheduled Islamic Banks or Islamic window of conventional banks or Three 3-months average deposit rate of Three (3) AA rated Scheduled Islamic Banks or Islamic window of conventional banks as selected by MUFAP based on the actual proportion of investment in Shariah Complaint Equity, Shariah compliant Sovereign Income/Money Market Scheme and bank deposit made by the allocation plan

- 4- **The Following has been added to the table and amended to 2.1.3 of the Offering Document and read as follows:**

“Allocation Plan” and underlying allocation to Collective Investment Schemes:

The Allocation Plans under this Scheme shall invest only in permissible Shariah Compliant CIS (clause 2.1.4) or in cash and/ or near cash instruments, as per the percentages defined in table in this clause and approved by the Commission and Shariah Advisor.

Initially the Scheme shall offer for Allocation Plan as described above. The allocation of the Plan to the underlying CIS shall be as stated below:

Allocation Plan	Islamic Equity Scheme(s)	Islamic Money Market and Islamic Sovereign Income Scheme(s)	Cash in Bank Accounts & TDR
Faysal Sharia Capital Preservation Plan IX	0% - 50%	0% - 100%	0% to 100% With Min AA- (Double AA minus) Rating

- 5- **The Following has been added to the table clause 2.1.4 of the Offering Document and read as follows:**

Name of Allocation Plan(s)	Categories of Collective Investment Schemes		
	Islamic Equity Scheme(s)	Islamic Money Market and Islamic Sovereign Income Scheme(s)	Bank deposits and TDR
Faysal Sharia Capital Preservation Plan IX	Faysal Islamic Dedicated Equity Fund managed by the Management Company and Other AMCs.	Islamic Money Market and Islamic Sovereign Income Scheme(s) managed by the Management Company and Other AMC's.	Islamic Bank deposit and TDR With Min AA- (Double AA minus) Rating

- 6- **The Following sub clause has been added to clause 2.1.6 of the Offering Document and read as follows:**

2.1.6.3 Basic features Faysal Sharia Capital Preservation Plan IX (FSCPP IX)

Term/ Duration of the allocation plan: The Maturity of the allocation plan shall be twenty four (24) months from the close of the subscription period of Faysal Sharia Capital Preservation Plan IX. The Management Company may re-open the subscription of units after initial maturity of the plan with the prior approval of the commission.

(a) Subscription Period:

FSCPP IX will be initially open for subscription from xxxx to xxxx both days inclusive. Subscription for the allocation plan is for limited time period upto 120 days only. Units shall be issued to investors at the prevailing NAV, during subscription period. The units shall be subject to Front-end and Contingent Load as disclosed in **Annexure “B”**.

7- In addition sub clause 3.13.1 (a) has been added and read as follows;

“CDC Trustee – Faysal Sharia Planning Fund- Faysal Sharia Capital Preservation Plan IX”

The Trustee, at the request of the Management Company, shall open Bank Account(s) titled CDC- Trustee Faysal Sharia Planning Fund- Faysal Sharia Capital Preservation Plan-IX” for the Unit Trust at designated Islamic Bank(s)/ Islamic window of Conventional Banks, subject to the relevant laws, Trust Deed, Rules and Regulations, for collection, investment, redemption or any other use of the Trust’s Funds.

8- In addition of the following points 4.2 to the Offering Document and reads as follows;

4.2.3 Faysal Sharia Capital Preservation Plan IX

(a) **Class "A" Units** shall be offered and issued in current Allocation Plans during the Pre-IPO, Initial Period of Offer (IPO) and during subscription period, and may be charged a Front-end Load at the discretion of the Management Company. These Units are also subject to a Contingent Load, where applicable, as specified for Allocation Plan in **Annexure “B”** of this Offering Document, in case of redemption before the completion of the Initial Maturity of the Plan.

Units redeemed during the Subscription Period will not carry Back-End Load and/ or Contingent Load.

(b) **Class "B" (Bonus Units):** Class “B” units of an Allocation Plan are the Bonus Units, which may be issued to the Unit Holders of in current Allocation Plans in case of dividend from time to time.

9- The Following sub-clause 4.4.4 (b) has been added and it read as follows:

For Faysal Sharia Capital Preservation Plan IX:

“CDC- Trustee Faysal Sharia Planning Fund”

“CDC- Trustee Faysal Sharia Planning Fund – Faysal Sharia Capital Preservation Plan IX”

10- The Following has been amended to the table under Annexure “B”;

ANNEXURE ‘B’

Current Level of Management Fee, Front End Load and Contingent Load

Allocation Plan	Class of units	Front End Load (%)	Contingent Load (%) **	Management Fee*(%)
Faysal Sharia Capital Preservation Plan IX	A	Up to 3%	For first year 2% For second year 1%	1%
Faysal Sharia Capital Preservation Plan IX	B	Nil	Nil	1%

*No Management Fee will be charged if the Fund invests in CIS managed by the Management Company.

**From close of subscription period of units until completion of one year 2% and 1% afterwards for second year from date of close of subscription period until maturity of the plan.

Note: AMC may charge sales load Maximum upto 3% of NAV if the Investor approaches directly for investment and may charge sales load maximum upto 1.5% of the NAV per unit where transactions are done online or through website.