

**INVESTORS ARE ADVISED IN THEIR OWN INTEREST TO CAREFULLY READ THE CONTENTS OF THE OFFERING DOCUMENT, IN PARTICULAR INVESTMENT POLICY, RISK DISCLOSURE, DISCLAIMER AND WARNINGS MENTIONED IN CLAUSES 4.2, 4.7, 4.8 & PART 13 RESPECTIVELY, BEFORE MAKING ANY INVESTMENT DECISION.**

# **Offering Document**

## **FAYSAL ISLAMIC SAVINGS GROWTH FUND**

**An Open End Islamic Income Fund**

<b>Category of Fund</b>	<b>Risk Profile</b>	<b>Risk of Principal Erosion</b>
<b>Income Scheme</b>	<b>Medium</b>	<b>Principal at Medium</b>

**Managed by:**

**FAYSAL ASSET MANAGEMENT LIMITED**

## TABLE OF CONTENTS

<b>PART I INTRODUCTION</b> .....	<b>1</b>
<b>PART II – REGULATORY APPROVAL AND CONSENTS</b> .....	<b>1</b>
2.1 APPROVAL OF SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN .....	1
2.2 GOVERNING LAW.....	3
FILING OF THIS OFFERING DOCUMENT.....	2
<b>PART III – CONSTITUTION OF THE SCHEME</b> .....	<b>3</b>
3.1 CONSTITUTION .....	3
3.2 REGISTERED ADDRESS, PLACE AND DATE OF CREATION .....	3
3.3 TRUST DEED .....	3
3.4 MODIFICATION OF TRUST DEED .....	3
3.5 MODIFICATION OF THE OFFERING DOCUMENT .....	4
3.6 DURATION .....	4
3.7 OPEN ENDED FUND .....	4
3.8 UNITS.....	5
3.9 INITIAL OFFER .....	5
3.10 TRANSACTION IN UNITS AFTER INITIAL OFFERING PERIOD.....	5
<b>PART IV – INVESTMENT OBJECTIVES, INVESTMENT POLICY AND INVESTMENT RESTRICTIONS</b> .....	<b>6</b>
4.1 INVESTMENT OBJECTIVES.....	6
4.2 INVESTMENT POLICY .....	6
4.2. a Benchmark.....	7
4.2. b Minimum Entity / Instrument Rating Applicable To The Fund's Investments .....	7
4.2. c Asset Allocation.....	8
4.3 INVESTMENT RESTRICTION AND EXPOSURE LIMITS .....	10
4.4 EXCEPTION TO INVESTMENT RESTRICTIONS.....	13
4.5 BORROWING RESTRICTIONS.....	13
4.6 RESTRICTION OF TRANSACTIONS WITH CONNECTED PERSONS.....	14
4.7 RISK DISCLOSURE .....	14
4.8 DISCLAIMER.....	17
<b>PART V – OPERATORS AND PRINCIPALS</b> .....	<b>17</b>
5.1 MANAGEMENT COMPANY.....	17
5.2 BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY.....	19
5.3 EXISTING FUNDS UNDER MANAGEMENT .....	23
5.4 DUTIES AND RESPONSIBILITIES OF THE MANAGEMENT COMPANY .....	24
5.5 THE TRUSTEE.....	29
5.6 BASIC ROLE OF THE TRUSTEE.....	29
5.7 CORE AND PRE-IPO INVESTORS.....	31
5.8 REGISTRAR .....	32
5.9 CUSTODIAN.....	32
5.10 DISTRIBUTORS/INVESTMENT ADVISORS/FACILITATORS/SALES AGENT .....	33
5.11 AUDITORS .....	33
5.12 LEGAL ADVISORS.....	34
5.13 BANKERS .....	34
5.14 SHARIAH ADVISORY BOARD .....	35

<b>PART VI – CHARACTERISTICS OF UNITS .....</b>	<b>37</b>
6.1 TYPES OF UNITS.....	37
6.2 PURCHASE AND REDEMPTION OF UNITS .....	39
6.3 PROCEDURE FOR PURCHASE OF UNITS.....	40
6.4 PROCEDURE FOR REDEMPTION OF UNITS .....	43
6.5 PROCEDURE FOR TRANSFER OF UNITS .....	46
6.6 PROCEDURE FOR REQUESTING CHANGE IN UNIT HOLDER PARTICULAR.....	47
6.7 PROCEDURE FOR PLEDGE / LIEN / CHARGE OF UNITS .....	48
6.8 SUSPENSION OF DEALING, QUEUE SYSTEM AND WINDING UP.....	48
6.9 ISSUE AND REDEMPTION OF UNITS IN EXTRAORDINARY CIRCUMSTANCES.....	50
6.10 FREQUENCY OF VALUATION, DEALING AND MODE OF THE PRICE ANNOUNCEMENT.....	51
6.11 TRANSFER, TRANSMISSION AND CONVERSION PROCEDURE.....	53
<b>PART VII – DISTRIBUTION POLICY .....</b>	<b>54</b>
7.1 DISTRIBUTION POLICY.....	54
7.2 DECLARATION OF DIVIDEND .....	54
7.3 DETERMINATION OF DISTRIBUTABLE INCOME.....	54
7.4 REINVESTMENT OF DIVIDEND .....	55
7.5 BONUS UNITS .....	55
7.6 PAYMENT OF DIVIDEND .....	55
7.7 DISPATCH OF DIVIDEND WARRANTS/ADVICE .....	56
7.8 CLOSURE OF REGISTER .....	56
<b>PART VIII – FEES AND CHARGES .....</b>	<b>56</b>
8.1 FEES AND CHARGES PAYABLE BY INVESTOR .....	56
8.2 FEES AND CHARGES PAYABLE BY FAYSAL ISLAMIC SAVINGS GROWTH FUND .....	57
8.3 EXPENSES OF THE MANAGEMENT COMPANY AND TRUSTEE.....	58
8.4 REMUNERATION OF CUSTODIAN.....	58
8.5 FORMATION COST TO BE AMORTIZED AGAINST THE PROPERTY OF THE SCHEME.....	58
8.6 FEE AND CHARGES PAYABLE OUT OF THE PROPERTY OF SCHEME.....	59
8.7 ANNUAL FEE OF THE COMMISSION.....	60
<b>PART IX – TAXATION .....</b>	<b>60</b>
9.1 TAXATION ON THE INCOME OF THE FUND .....	60
9.2 TAXATION ON UNIT HOLDERS.....	61
9.3 DIVIDEND .....	61
9.4 DISCLAIMER.....	61
<b>PART X – REPORTS AND ACCOUNTS .....</b>	<b>62</b>
10.1 FINANCIAL YEAR OF THE FAYSAL ISLAMIC SAVINGS GROWTH FUND.....	62
10.2 FINANCIAL REPORTING.....	62
<b>PART XI – SERVICE TO UNIT HOLDERS .....</b>	<b>63</b>
11.1 AVAILABILITY OF FORMS.....	63
11.2 REGISTER OF UNIT HOLDERS .....	63
11.3 INFORMATION IN THE REGISTER.....	63
11.4 ACCOUNT STATEMENT .....	64
11.5 CERTIFICATES .....	65
11.6 REPLACEMENT OF CERTIFICATES.....	65
11.7 PLEDGE/LIEN OF UNITS/CHARGE .....	66
11.8 NOMINATION.....	66

<b>PART XII – FINANCIAL INFORMATION.....</b>	<b>67</b>
12.1 AUDITORS CERTIFICATE ON CORE INVESTORS' INVESTMENT IN THE UNITS OF THE FUND.....	68
12.1 AUDITORS CERTIFICATE ON THE NET ASSET VALUE OF THE FUND.....	68
12.3 FORMATION COST.....	70
<b>PART XIII – WARNING .....</b>	<b>70</b>
13.1 OFFERING DOCUMENT.....	70
13.2 FLUCTUATION IN PRICE AND INCOME.....	70
13.3 DISCLAIMER .....	70
<b>PART XIV – GENERAL INFORMATION .....</b>	<b>70</b>
14.1 INSPECTION OF CONSTITUTIVE DOCUMENTS .....	70
14.2 DATE OF PUBLICATION OF OFFERING DOCUMENTS.....	70
<b>PART XV – TERMINATION OF FAYSAL ISLAMIC SAVINGS GROWTH FUND .....</b>	<b>71</b>
15.1 BY THE MANAGEMENT COMPANY .....	71
15.2 BY THE SECURITIES & EXCHANGE COMMISSION OF PAKISTAN .....	71
15.3 WINDING UP .....	71
<b>PART XVI – DISTRIBUTION OF PROCEEDS ON DE-AUTHORIZATION, EVOCATION AND WINDING UP OF THE FUND .....</b>	<b>72</b>
<b>PART XVII – ARBITRATION.....</b>	<b>72</b>
<b>PART XVIII –CLARIFICATION REGARDING CERTAIN PROVISIONS.....</b>	<b>72</b>
<b>PART XIX – GLOSSARY.....</b>	<b>73</b>
 ANNEXURE	
ANNEXURE A	
ANNEXURE B	
ANNEXURE C	
ANNEXURE D	
ANNEXURE E	

**OFFERING DOCUMENT OF**  
**FAYSAL ISLAMIC SAVINGS GROWTH FUND**  
**(An Islamic Income Scheme)**

Managed by

**Faysal Asset Management Limited (FAML)**

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

Date of Publication of this Offering Document June 7, 2010

**Initial Offering Period: June 14, 2010 till June 16, 2010 (both days inclusive)**

**PART I - INTRODUCTION**

The Faysal Islamic Savings Growth Fund (the Fund/the Scheme/the Trust/the Unit Trust/FISGF) has been established in Karachi as an Open-ended Islamic Income fund under the Non-Banking Finance Companies and Notified Entities Regulations, 2008 ("Regulation") vide a registered Trust Deed (the Trust deed) dated 22nd day of April 2009, entered into and between Faysal Asset Management Company Limited, as the Management Company and the Central Depository Company of Pakistan Limited as the Trustee.

**PART II - REGULATORY APPROVALS AND CONSENTS**

**2.1 Approval of the Securities & Exchange Commission of Pakistan**

The Securities and Exchange Commission of Pakistan (the Commission) has authorized the offer of Units of Faysal Islamic Savings Growth Fund under the Regulation 44 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 vide letter No. NBFC/MF-RS/AD-KAM/FAM/570/2009 dated June 4, 2009. The Commission has approved this Offering Document under Regulation 54 of the Non Banking Finance Companies and Notified Entities Regulations, 2008 vide its letter No. SCD/NBFC-II/FISGF/458/2010 dated May 31, 2010.

It must be clearly understood that in granting the aforementioned approval, the Commission does not take any responsibility for the financial soundness of the Fund or the accuracy of any statement made or any opinion expressed in this offering Document.

The provisions of the Trust Deed, the Rules and the Regulation govern this Offering Document. It sets forth the information about the FISGF that a prospective investor should know before investing in the Fund. Perspective investors should consult one or more from amongst their legal advisors, stock brokers, bank managers or other financial advisors.

Investors must recognize that all investments involve varying levels of risk. It should be clearly understood that the Fund's portfolio will be subject to market fluctuations and risks inherent in all such Investments. The value of Units of the Fund may appreciate as well as depreciate and the level of dividends declared by the Fund cannot be assured. Investors

are requested to read the Risk Disclosure and Warning statements contained in Clause 4.7 and Clause 13 respectively, in this Offering Document.

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

## **2.2 Governing Law**

The Trust Deed, Supplemental Trust Deeds and this Offering Document of Faysal Islamic Savings Growth Fund shall be subject to and be governed by the Laws of Pakistan including the Ordinance, Trust Act, the Rules, the Regulations, Shariah rules and guidelines, as advised by the Shariah Advisor of the Fund, and all other applicable rules and regulations, and it shall be deemed for all purposes whatsoever that all the provisions required to be contained in a trust deed, by the Regulations, are incorporated in the Trust Deed of FISGF as a part and parcel thereof. The Management Company, Trustee and the Fund shall be subject to the full compliance of the Rules, the Regulations, the Trust Deed and this Offering Document.

All investments of the Trust Property shall be in accordance with the Shariah as advised by the Shariah Advisor. The Scheme shall also be subject to the rules and regulations framed by the State Bank of Pakistan (SBP) and subject to prior written approval of the Commission, with regard to the foreign Investments made by the Scheme, and investment made in the Scheme from outside Pakistan in foreign currency.

The Investments made in offshore countries, and the Bank Accounts and custodial services accounts that may be opened by the Trustee, for the Scheme, in any offshore countries, on the instructions of the Management Company, may become subject to the laws of such countries.

## **2.3 Filing of This Offering Document**

The Management Company has filed a copy of this Offering Document signed by the Chief Executive, along with the Trust Deed, with the SECP. Certified copies of these documents along with documents 1 to 8 below can be inspected at the registered office of the Management Company or the place of business of the Trustee:

1. The Commission's letter No.NBFC-II/02/FAML/AMS/02/2010 dated January 29, 2010 granting renewed license to the Management Company to carry out Asset Management Services together, with the copy of the license;
2. Trust Deed of Faysal Islamic Savings Growth Fund dated April 22, 2009 between Faysal Asset Management Limited (FAML) as the establisher and the Management Company, and Central Depository Company of Pakistan Limited (CDC), as the Trustee;
3. The Commission's letter No. NBFC/MF-RS/AD-KAM/FAM/570/2009, dated June 04, 2009, registering FISGF under Regulation 44 of the Non Banking Finance Companies and Notified Entities Regulation 2008;
4. The Commission's letter No. NBFC-II/AD/FIBGF/474/2009, dated April 21, 2009, approving the appointment of Central Depository Company of Pakistan Limited as the Trustee of Faysal Islamic Savings Growth Fund;
5. Letter No. AC/379/09, dated June 4, 2009, from Ford Rhodes Sidat Hyder & Co, Chartered Accountants, Auditors of Faysal Islamic Savings Growth Fund, conveying their willingness to act as statutory auditors;

6. Letter of Consent dated April 29, 2010 by the legal advisors, Mohsin Tayebaly and Company, to act as the legal advisor of the Faysal Islamic Savings Growth Fund;
7. The Commission's letter No: SCD/NBFC-II/FSGF/458/2010 dated May 31, 2010 approving this Offering Document;
8. The Shariah Advisory Board of the Fund has confirmed that the provisions of the Trust Deed are in compliance with Shariah, vide a letter dated April 21, 2009.

## **PART III - CONSTITUTION OF THE SCHEME**

### **3.1 Constitution**

The Fund is an Open-ended Islamic Income fund as defined in the categorization of the Open-ended collective investment schemes by the Commission, vide Circular No.7 of 2009, letter no. NBFC/MF/Circular/2009/292, dated March 6, 2009, and as may be amended from time to time, and has been constituted by a Trust Deed entered into at Karachi on April 22, 2009 between:

**Faysal Asset Management Limited**, an unlisted public limited company incorporated under the Companies Ordinance 1984, and licensed by SECP to undertake asset management services with its registered office at 8th Floor, Tower A (801-806 & 818), Saima Trade Tower, I.I. Chundrigar Road, Karachi, as the establisher of the Fund and the Management Company;

AND

**Central Depository Company of Pakistan Limited**, an unlisted public limited company incorporated under the Companies Ordinance 1984, with its registered office at CDC House, 99-B, Block 'B', S.M.C.H.S., Main Shahra-e-Faisal, Karachi -74400, Pakistan as the Trustee.

### **3.2 Registered Address, Place and Date of Creation**

The registered address of the Management Company is 8<sup>th</sup> Floor, Tower A (801-806 & 818), Saima Trade Tower, I.I. Chundrigar Road, Karachi. The Trust was registered on April 22, 2009. The official website address of Faysal Asset Management Company Limited is [www.faysalfunds.com](http://www.faysalfunds.com)

### **3.3 Trust Deed**

The Deed is subject to and governed by the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 and Non-Banking Finance Companies and Notified Entities Regulations, 2008, Securities and Exchange Ordinance 1969, Companies Ordinance 1984 and all other applicable laws and regulations.

All Investments of the Fund Property shall be in accordance with the Islamic Shariah, as advised by the Shariah Board/Advisors. The Fund shall also be subject to the rules and the regulations framed by the State Bank of Pakistan and obtain prior written approval of the Commission, with regard to the foreign investments made by the Fund, and investments made in the Fund from outside Pakistan in foreign currency. In the event of any conflict between the Trust Deed and the Rules/the Regulations, the latter shall supersede and prevail over the provisions contained in the Trust Deed. The terms and conditions in the Deed and any supplemental deed(s) shall be binding on each Unit Holder

### **3.4 Modification of Trust Deed**

- 3.4.1 The Trustee and the Management Company acting together shall be entitled by deed supplemental hereto to modify, alter or add to the provisions of the Deed in such manner

and to such extent as they may consider expedient for any purpose, subject only to the approval of the Commission.

Provided that the Trustee and the Management Company shall certify in writing, that in their opinion such modification, alteration or addition is required pursuant to any amendment in the Rules and/or the Regulations or to ensure compliance with any fiscal or statutory requirement or to enable the provisions of the Deed to be more efficiently, conveniently or economically managed, or to enable the Units to be dealt in, or quoted on Stock Exchange or otherwise, for the benefit of the Unit Holder(s) and that it does not prejudice the interests of the Unit Holder(s) or any of them or operate to release the Trustee or the Management Company from any responsibility to the Unit Holder(s).

- 3.4.2 Where the Deed has been altered or supplemented, the Management Company shall notify the Unit Holders, regarding such alteration, immediately through, two widely circulated newspapers in Pakistan, one in English and one in Urdu.
- 3.4.3 The Management Company may, from time to time, with the consent of the Trustee, define policy frame work for conducting the business of the Trust, or in respect of any other matter incidental thereto; provided that, such Rules or Regulations are not inconsistent with the provisions of the Deed, or this Offering Document, or the Rules and the Regulations.
- 3.4.4 If the Commission modifies or substitutes the Rules or the Regulations, or through any other circular or notification allow any relaxations or exemptions, these will deemed to have been included in the Trust Deed without requiring any modification as such.

### **3.5 Modification of the Offering Document**

The Management Company, with the consent of the Trustee and with the approval of the Commission, shall be entitled by supplemental offering document(s) to modify, alter or add to the provisions of the Offering Document for introducing supplemental plans, or to alter the paragraphs of this Offering Document on the following grounds, provided such alteration or addition shall not prejudice the interest of the Unit Holders; and that, in any event, it shall not release the Trustee or the Management Company of their responsibilities.

- a. to such extent as may be required to ensure compliance with any applicable laws and regulations or any amendments of such laws and regulations;
- b. to enable the provisions of this Offering Document to be more conveniently and efficiently implemented;
- c. to enable the Units to be listed on a stock exchange or any other exchange; or
- d. otherwise to the benefit of the Unit Holders.

Where the Offering Document has been altered or supplemented, the Management Company shall notify the Unit Holders of such amendments/alterations either through mail, or by advertising the same in two daily newspapers, one in English and one in Urdu or by posting on its website.

### **3.6 Duration**

The duration of the Scheme is perpetual. However, the Commission or the Management Company may, on the occurrence of certain events, wind it up as stated in section 15 of this Offering Document under the heading, **“TERMINATION OF FAYSAL ISLAMIC SAVINGS GROWTH FUND”**.

### **3.7 Open-ended Fund**

Faysal Islamic Savings Growth Fund is an Open-ended Islamic Income fund. It shall offer and redeem Units on a continuing basis, subject to terms contained herein and the Rules and Regulations. There is no upper limit set on the Units to be issued to a single Unit Holder, or on the total number of Units to be issued to the public. However, the Management Company may impose, from time to time, certain amounts of minimum monetary investment limits after giving prior notice of 15 days to investors, to facilitate economical and efficient management of investors' accounts. The maximum investment allowed per Unit Holder for purchasing/holding Units of **FAYSAL ISLAMIC SAVINGS GROWTH FUND** is at the discretion of the Management Company. The Management Company can decline to accept investments from any applicant, if it is of the opinion that it will not be possible to invest substantial inflow of funds, or to meet any regulatory requirement or result in concentration of units of **FAYSAL ISLAMIC SAVINGS GROWTH FUND** with a single unit holder to the possible disadvantage of other unit holders or total number or any one request for fresh issue of Units is so large that investing the funds would take some time and be contrary to the interests of the present Unit Holders. Fractional Units will be issued to enhance economical and efficient handling. Units are also transferable. Units will be issued in registered, un-certificated form and will be confirmed to investors by means of an account statement issued by the Transfer Agent.

### 3.8 Units

- 3.8.1 The Scheme is divided into Units having an initial Offer price of Rs. 100/- (Rupees Hundred only) each. This price is applicable to such Units that are issued up to close of the Initial Period. Thereafter, the Units shall be issued on the basis of the Net Asset Value (NAV) of **FAYSAL ISLAMIC SAVINGS GROWTH FUND**, pursuant to clause 6.10.2 of this Offering Document, which shall form the base for determining the Offer and Repurchase Prices.

All Units and fractions thereof represent an undivided share in the Scheme and rank pari passu as to their rights in the Net Assets, earnings, and the receipt of the dividends and distributions. Each Unit Holder has a beneficial interest in **FAYSAL ISLAMIC SAVINGS GROWTH FUND** proportionate to the Units held by such Unit Holder. For the convenience of investors, the Management Company may issue different type of Units with different options for different arrangements as chosen by the investor from time to time after getting prior approval of the Commission. Consequently, the type of Units issued with differing arrangements may have differing respective applicable quantum of the Front-end Load added to the NAV for determining the Offering Price thereof, and differing respective applicable quantum of Back-end load deducted from the NAV for determining the Repurchase Price.

### 3.9 Initial Offer

Initial Offer shall be made during Initial Period, which shall be for three (3) Business Days and commence at the start of the banking hours on June 14, 2010 and shall end at the close of the banking hours on June 16, 2010. During the Initial Period, Units shall be issued at the Initial Price of Rupees one hundred (Rs.100) per Unit and shall not include any Front end and Back End Load. During the Initial Period Units shall not be redeemed. This price is applicable to such Units that are issued before any of the assets of the Scheme are invested other than deposits, whether or not earning mark-up/profit.

### 3.10 Transaction in Units after Initial Offering Period

Subsequent to the Initial Offer, the public sale of Units at Initial Price shall be discontinued. The Units shall be offered at the applicable Offer Price and redeemed at the applicable Redemption Price, which shall be calculated on the basis of the Net Asset Value (NAV). The Offer and Redemption Prices shall be calculated and the Units will be available for purchase and redemption on each Subscription Day.

The NAV based price per unit shall be fixed after adjusting for the Front-end Load or the Back-end Load as the case may be and any Transaction Costs that may be applicable save under circumstances elaborated in clause 6.8 mentioned herein, such prices shall be applicable to Purchase and Redemption requests, complete in all respects, received during the business hours as mentioned in 6.10.2 of this offering Document. The Management Company shall announce the Offer and Redemption Prices as of the close of each Subscription Day on a daily basis.

## **PART IV - INVESTMENT OBJECTIVES, INVESTMENT POLICY AND INVESTMENT, RESTRICTIONS**

### **4.1 Investment Objective**

The Scheme is a purely Shariah based Unit Trust which shall make Investment only in designated authorised Shariah Compliant Investments and shall thus offer Shariah Compliant returns to the investors in the Units of the Scheme. The objective of the scheme is to provide the investor:

- maximum possible preservation of capital and a reasonable rate of return via investing in Shariah Compliant money market and debt securities having good credit quality rating and liquidity.

### **4.2 Investment Policy**

Faysal Islamic Savings Growth Fund (FISGF) is an Open-ended Islamic Income Fund. To provide investors with a competitive stream of Shariah Compliant Income on their investments, the Fund will invest up to 100% of its NAV in Shariah- based deposits, Islamic money market instruments and medium to long term Shariah Compliant debt instruments including spread transactions as per the specific rating defined below.

The weighted average time to maturity of the Fund's net assets shall not exceed more than four (4) years (where this condition shall not apply to securities issued by the Federal Government)

Fund shall not invest more than 15% of the net assets in non-traded securities including Shariah compliant reverse repos, bank deposits, Certificates of Investments, Certificate of Musharakas and anything over 6 months maturity which is not a marketable security.

The Fund may hold some or even all of its assets in cash to either provide liquidity or for defensive purposes. Considering the low risk tolerance of the investors of an income fund, a key objective will be to earn competitive returns while managing the risk (volatility) of the returns i.e. providing higher risk adjusted returns.

The complete details of assets classes are as follows.

- a. Shariah Compliant Term Finance Certificate
- b. Shariah Compliant Participation Term Certificates
- c. Certificates of Investment based on Shariah compliant structures, with a rating of A-(A Minus) or higher;
- d. Bank Deposits of various tenors in licensed Islamic Banks and licensed Islamic Banking windows of conventional Banks with a rating of lower of A(-) (A Minus) or minimum rating specified by the Commission. At least 25% of the net assets shall be invested in cash and near cash instruments which includes cash in bank account (excluding TDRs) and Islamic treasury bills not exceeding 90 days maturity.
- e. Placement of funds under Mudarabah, Murabaha and Musharikah, Istisna'a and Ijara arrangements with banks and DFIs rated A- (A Minus) or higher. In the case of NBFCs and Modarabas with which funds are placed, the rating shall not be lower than AA (Double A).

- f. Spread Transactions as approved by the Shariah Advisor in eligible securities as declared by the Stock Exchanges and the Commission. Exposure to Spread Transactions shall not exceed 40% of the net assets.
- g. Secured (listed and/or privately placed) Shariah compliant income instruments/securities including Sukuks issued by local governments, government agencies, statutory bodies, private and or public sector entities and/or Financial Institutions.
- h. Unsecured (listed and/or privately placed) Shariah Compliant income instruments/securities including Sukuks issued by local governments, government agencies, statutory bodies, private and or public sector entities and/or Financial Institutions.
- i. Certificates, Contracts, securities, instruments issued by companies, organizations, and establishments issued on the principles of Bai'Mu'ajjal, Bai'Salam, Istisna'a, Modaraba, Murabaha, and Musharika.
- j. Any other securities or instruments that may be permitted by the Commission and the Shariah Council. The above and other Shariah-Compliant investments available outside Pakistan subject to prior written approval of the Commission and seeking all the regulatory approvals.

The Investments outside Pakistan shall be subject to prior approval from the Commission and SBP. Any such proposal by the Management Company shall be submitted to the Commission and SBP with the prior intimation of the Trustee. 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. These investments will enable the Fund to diversify the risk as well as avail opportunities for higher returns in markets that are undervalued. Such Investments may be made up to 30% of net assets of the Fund and are subject to a cap of US\$ 15 million unless some other ceiling is imposed by the SBP and/or SECP

Fund shall not invest more than 15% of the net assets in non-traded securities including Shariah compliant reverse repo, bank deposits, Certificates of Investments, Certificate of Musharakas and anything over 6 months maturity which is not a marketable security.

**(a) Benchmark**

The benchmark of FISGF shall be the average of six month deposit rate of 3 Islamic Banks, prevailing within the particular time period. The selected benchmark can act as a reasonable mechanism for performance measure.

**(b) Minimum Entity/Instrument Ratings applicable to the Fund's Investments**

The investment in asset classes mentioned above shall be subject to such exposure limits and minimum ratings as specified below and/or in the Regulations from time to time.

- (i) Minimum rating of any security in the portfolio of the Fund shall not be lower than A-However, this condition shall not applicable for the government securities and debt securities guaranteed by the Government.
- (ii) Minimum Rating of any Bank and DFI with which funds are placed shall be lower of A- or minimum rating as specified in the Regulation.
- (iii) Minimum Rating of any NBFC and Modaraba and others if any, with which funds are placed shall not be lower than AA.

Where ratings are mentioned for both entity and instrument:

- either the entity or the instrument should be rated to qualify for investment

The various rating requirements for debt securities specified above, will not apply to government securities.

**(C) Asset Allocation**

The Fund may invest up to such percentages, as given below, of the Fund Property in any one type of Authorized Investment as mentioned below. The allocation between various investments will depend on prevailing market conditions and opportunities and will comprise the following investments:

<b>S.No</b>	<b>Description</b>	<b>Minimum Entity Rating</b>	<b>Exposure Limit Range</b>
1	Cash & cash equivalents(excluding TDRs) with Islamic banks and Licensed Islamic Banking windows of conventional Banks	A-(A Minus) or higher	25%-100%
2	Shariah Compliant Term Finance Certificate, Shariah Compliant Participation Term Certificates; Certificates of Investment based on Shariah compliant structures.	A-(A Minus) or higher	0%-50%
3	Bank Deposits of various tenors in licensed; Islamic Banks and licensed Islamic Banking windows of conventional Banks	A-(A Minus) or higher	0%-75%
4	Placement of funds under Mudarabah, Murabaha, Musharika, Istisna's, Ijara or any Other mode of financing with Islamic banks and Licensed Islamic Banking windows of conventional Banks	A-(A Minus) or higher, In the case of NBFCs and Modarabas with which funds are placed, the rating shall not be lower than AA (Double A)	0%-50%
5	Spread Transactions as approved by the Shariah Advisor	N/A	0%-40%
6	Secured, Unsecured, listed, unlisted and privately placed Shariah compliant income instruments / securities including Sukuks issued by Federal Government, Provincial Government, Local Government, Government agencies, Autonomous Bodies, public sector entities and private sector entities.	A-(A Minus) or higher	0%-50%
7	Certificates, Contracts, securities, instruments issued by Federal Government, Provincial Government, Local Government, Government agencies, Autonomous Bodies, public sector entities and private sector entities issued on the principles of Bai' Mu'ajjal, Bai'Salam, Istisna's, Modaraba, Murabaha and Musharika	N/A	0%-40%
8	Any other securities or instruments that may be permitted by the Commission and the Shariah Advisor	N/A	0%-40%
9	Investments Outside Pakistan The above or any other Shariah-Complaint Investments available outside Pakistan subject to prior written approval of the Commission and seeking all together regulatory approvals.	N/A	0%- 30% subject to cap of US \$ 15 million or as allowed by SECP / SBP

All minimum and maximum exposure in securities defined above shall be based on quarterly average investments calculated on a daily basis or as per directives provided by the Commission from time to time.

#### **Duration and Maturity of the Fund**

Weighted average time to maturity of the Fund's Net Assets shall not exceed four (4) years, provided however that this condition shall not apply to any securities issued by the Federal Government. The Duration of the portfolio shall not exceed six month. There is no restriction with respect to time to maturity (tenor) of any single asset in the portfolio. There is no restriction with respect to duration of a single security in the portfolio.

#### **4.2.1 Investment Process**

The Fund Investment Process will be based on fundamental analysis of securities or transactions that may be deemed suitable to be held either in their own right, or integrated with various yield curve/sector strategies, and hence acquire a priority and place in the investment structure. Specifically, the Investment Process will consider the following key broad parameters:

- a) **Sponsor of the issue:** Investments will be made keeping in mind the market reputation and past track record of the issuing entity and its main sponsors.
- b) **Strength of financials and ability to repay:** The strength and stability of the issuing company's earnings will be taken into consideration and special focus will be made on its cash flows and the resultant ability to repay the obligation.
- c) **Rate of return offered:** Attempt will be made to invest in those securities that offer competitive returns vis-à-vis other similar investments in the market.
- d) **Industry fundamentals and future outlook:** Industry outlook and its future potential will also be looked into at the time of investing in any company's income instruments.

The Fund will seek to invest in those Shariah Compliant debt, fixed income instruments and Securities that offer attractive market returns and are issued by sponsors with good credit rating, strong financials and the ability to repay.

#### **Disposal of Haram Income**

Where some haram income accrues to the Fund, it will be donated to a charity in order to purify the Fund's income. This will be done in accordance with the guidelines issued by the Shariah Advisor from time to time.

#### **4.2.2 Risk Control in the Investment Process**

Investment process requires disciplined risk management. FAML would incorporate adequate safeguards for controlling risks in the portfolio construction process. The risk control process involves reducing risks through optimal portfolio diversification. FAML believes that this diversification would help achieve the desired level of consistency in returns to be invested in. FAML will be guided by the ratings of Rating Agencies such as Pakistan Credit Rating Agency or JCR-VIS Credit Rating Company Limited or any other rating agencies that may be registered with SECP from time to time or any other reputed international credit rating agencies. In case a debt instrument is not rated, necessary clearance from the Investment Committee will be obtained for such an investment.

#### **4.2.3 Management Company can alter investment mix**

The Management Company can from time to time alter the weightages between the various types of investments if it is of the view that market conditions so warrant. The funds not invested in the foregoing avenues shall be placed as deposit with banks or financial institutions. The Management Company may also modify the maximum limit for any of Authorized Investment(s) from time to time with the consent of the Trustee and

subject to prior written approval of the Commission, if the Management Company feels that the changes in the economic, country, sector, or company outlook/conditions justify such modifications.

#### **4.2.4 Changes in Investment Policy**

The investment policy will be governed by the Rules and Regulations (subject to any exemptions provided to the Fund specifically by the commission). Any fundamental change in the Investment policy will be implemented only after obtaining prior approval from the Commission and giving proper notice to the Unit Holders to the satisfaction of the Trustee.

#### **4.2.5 Investment in Derivatives**

Subject to regulatory permission from the SECP or other agencies that may be required and subject to the restrictions stated in Clause 4.3 herein below, the Management Company may seek to enhance the return on the Fund or to protect its value through derivatives. The investment in this class shall be for hedging

### **4.3 Investment Restrictions and Exposure Limits**

- 4.3.1 The Fund shall follow the investment restrictions and exposure limits imposed by the Rules and Regulations. In the event of any changes in the investment restrictions in the Rules and Regulations, such restrictions shall become applicable to Faysal Islamic Savings Growth Fund without the requirement for any amendments to the Trust Deed or Offering Document. The present exposure limits and restrictions are as given hereunder.
- 4.3.2 The Management Company in managing the Scheme shall abide by all the provisions of the Rules, the Regulations, the Offering Document and the Deed.
- 4.3.3 The Fund Property shall be subject to such exposure limits as are provided in the Regulations (subject to any exemptions that may be specifically given to the Fund by the Commission), provided that it shall not be necessary for the Trustee to sell any Investment merely because, any limit was exceeded owing to appreciation or depreciation of any Investment or disposal of any Investments or redemption of units. The Management Company will have three (3) months to comply with the exposure limits in case such limits are exceeded.
- 4.3.4 If and so long as the value of the holding in a particular security shall exceed the limit imposed by the Rules, the Management Company shall not purchase any further Investments in such security. However this restriction on purchase shall not apply to any offer of right shares or any other offering, if the Management Company is satisfied that accepting such offer is in the interest of the Trust. The Management Company will have three (3) months to comply with the exposure limits in case such limits are exceeded.
- 4.3.5 The Management Company, as provided in the Regulations, on behalf of the Collective Schemes shall not purchase from, or sell any securities to any Connected Person or its employees of the Asset Management Company without the approval of its Board of Directors in writing and with the consent of the Trustee.
- 4.3.6 Unless it has obtained the prior approval of the Commission in writing, the Management Company on behalf of the Scheme shall not:
  - (a) effect a short sale in a security whether listed or unlisted;
  - (b) purchase any security in a forward contract;
  - (c) purchase any security on margin;
  - (d) apply any part of its assets to real estate, commodities or commodity contracts;
  - (e) invest in securities of the Asset Management Company;
  - (f) issue at any time, without the prior approval of the Commission in writing, a senior security which is either stock or represents indebtedness;

- (g) apply for de-listing from stock exchange, unless it has obtained prior approval of the Commission in writing to the scheme of de-listing;
- (h) invest in any security of a company if any director or officer of the Management Company owns more than five percent of the total amount of securities issued by the company, or the directors and officers of the Management Company own more than ten percent of those securities collectively;
- (i) lend, assume, guarantee, endorse or otherwise become directly or contingently liable for or in connection with any obligation or indebtedness of any person.

**Explanation.-** Shariah Compliant reverse repo transactions involving Ijara Sukuks or other Shariah Compliant Government and debt securities stated as authorized investments in this Offering Document under an agreement and spread transaction through ready buy and future sale or Islamic version of CFS or replacement thereof which are protected by the clearing company and stock exchanges shall not be attracted by clause 4.3.6 (i), provided risk management parameter are disclosed in this offering Document;

- (j) in any form borrow, except with the approval of the Trustee, for meeting redemption request and such borrowing shall not exceed fifteen percent (15%) or such other limit as prescribed by the Commission of the total Net Asset Value of the Scheme at the time of borrowing and shall be repayable within a period of ninety (90) days;
- (k) sell units for consideration other than cash unless permitted by the Commission on the basis of structure and investment policy of the Collective Investment Scheme;
- (l) without obtaining prior approval of the Commission merge Collective Investment Schemes or acquire or take over any other Collective Investment Scheme;
- (m) invest the subscription money until the closure of public offer of shares or certificates;
- (n) take Exposure in any other Collective Investment Scheme, except for overseas investment;
- (o) make any investment from the Scheme which will vest with the Asset Management Company or its group the management or control of the affairs of the investee company.

#### 4.3.7 The Management Company shall not;

- (a) invest in anything that is not authorized by Shariah Advisor.
- (b) acquire the management of a collective investment scheme, unless it has obtained the prior approval of the Commission in writing to do so;
- (c) pledge any of the securities held or beneficially owned by the Scheme except as allowed by the Regulations;
- (d) accept deposits from a collective investment scheme;
- (e) make a loan or advance money to any person from the assets of the Scheme;
- (f) participate in a joint account with others in any transaction on behalf of the Scheme; except for Collection Account of the Scheme;
- (g) apply any part of the Scheme to real estate;
- (h) make any investment of the Scheme which will vest with the Management Company or its group the management or control of the affairs of the investee company;

- (i) enter into on behalf of the Scheme into transactions (excluding money market) with any Broker exceeding 30% (thirty percent) of the commission paid by the Scheme in any Accounting Period;
- (j) undertake any brokerage services on stock exchanges or in the money market;
- (k) enter, on behalf of the Collective Investment Scheme into underwriting or sub-underwriting contracts,
- (l) maintain its own equity portfolio except for investments made by the Management Company into investment schemes or pension funds managed by it or its subsidiaries licensed as NBFC under the Rules or as allowed under Rule 7(2)(h) of the Rules or as allowed by the Commission from time to time.
- (m) buy more than twenty five percent of the outstanding shares or certificates of Closed End Fund managed by it.
- (n) open or close or arrange to open or close any account with a bank, broker or depository for the Scheme without the approval of its board.

4.3.8 The Management Company on behalf of the Scheme shall not take exposure of more than: (i) thirty five percent of net assets of the Scheme in any single group. The term 'group' means persons having at least 30% common directors or 30% or more shareholding in any other company as per publicly disclosed information; and (ii) ten percent of net assets of the Scheme at the time of taking exposure in listed group companies of the Management Company and such exposure shall only be made through secondary market.

4.3.9 The exposure of a Fund to any single entity in respect of investment in equity related securities, shall not exceed an amount equal to fifteen percent (15%) of Net Assets of the Scheme or fifteen percent (15%) of issued securities of that company, whichever is lower and in case of investment in debt securities, the exposure of the Scheme to any single entity in respect shall not, at any time exceed an amount equal to fifteen percent (15%) of Net Assets of the Scheme or fifteen percent (15%) of single issue of that company, which ever is lower.

Provided that where the exposure of the Scheme exceeds the limits so specified because of corporate actions including taking up rights or bonus issue and due to market price increase or decrease in nets assets, the excess exposure shall be regularized within three months of the breach of limits, unless the said period of three months is extended up to another three months by the Commission on an application by the asset management company

4.3.10 The Management Company shall not acquire twenty five percent (25%) or more of the voting rights or control of a company, on behalf of the Scheme.

4.3.11 The Management Company shall not invest more than 30% (thirty) per cent of the Net Assets of the Scheme in securities of any one sector, as per classification of the Stock Exchange.

4.3.12 The limits given above are based on the current limits defined in the Regulations, and may be modified based on any change in the Regulations and any exemptions/clarifications given by the Commission.

4.3.13 Subject to the Regulations, clearance from Shariah Advisory Board of the Fund, Prior approval of the Commission and any other applicable law, the Management Company may, on behalf of the Fund, write call options/derivatives provided there is a satisfactory market based exit mechanism from options so written. The Management Company may also on behalf of the Fund, if and when the law so allows, buy put options equivalent to any securities held in the portfolio. Provided however, under no circumstances, the

Management Company shall buy or sell such options on behalf of the Fund in excess of 10% of NAV that result in an exposure beyond the number of underlying Shariah Compliant fixed income, Shariah Compliant money market or other securities held in the portfolio of the Fund.

- 4.3.14 The Management Company shall not net off any transaction (adjustment of assets of the scheme against the investment of the unit holders) with in the Scheme.
- 4.3.15. In case investments are made on behalf of the Fund in any offshore countries, the same shall be subject to the limits as may be prescribed by the SBP and/or the Commission. Not more than 50% of the allowable limit of international investment will be placed in any one country. Provided that where an investment is made in a mutual fund which makes investments in the different regions or countries of the world, the allowable limit of 50% would be applicable in relation to the country in which investment is made by such Fund and not in relation to the country of registration or incorporation of such fund or of its management company/investment adviser or of its trustee.

#### **4.4 Exception to Investment Restrictions**

- 4.4.1 In the event, the weightage of securities exceeds the limits laid down in the Trust Deed, Offering Document or the Regulations, as a result of the relative movement in the market prices of the investments or through any disinvestments or through subscription to right/bonus/other offerings or decrease in Net Assets of the Scheme due to redemptions, the Management Company shall bring the exposure within the prescribed limits within three months of the event. But, in any case, the Management Company shall not invest further in such securities or sectors while the deviation exists. However, this restriction on further investment shall not apply to any offer of right shares and bonus shares.
- 4.4.2 The Fund may invest in other closed-ended and Open-ended mutual funds outside Pakistan (subject to the approval of State Bank of Pakistan and Commission).
- 4.4.3 The Fund may deposit securities, for facilitation or guaranteeing settlement of its own trades and transactions in favor of an exchange or clearing house or national clearing and settlement system, on acquiring associate membership of the concerned settlement system. The securities, however, shall not be pledged for any other reason with any other person or entity.
- 4.4.4 The Fund may sell its securities under forward contracts if the trustee of the Fund confirms that securities of such value are available in the portfolio of the fund, or will be available pursuant to a duly executed contract.

#### **4.5 Borrowing Restriction**

- 4.5.1 Subject to any statutory requirements for the time being in force and to the terms and conditions herein contained, the Management Company shall arrange finance, with the approval of the Trustee, from Islamic banks or Islamic divisions of Conventional Banks or Islamic financial institutions for the account of the Scheme; provided the financing arrangement shall not be resorted to, except for meeting the redemption requests, and shall be repayable within a period of ninety days or such time as may be prescribed under the Regulations.
- 4.5.2 The maximum borrowing for the account of the Trust shall not exceed fifteen per cent of the total Net Asset Value of the Scheme or such other limit as may be provided in the Regulations or such other limit as may be specified by the Commission. If subsequent to such borrowing, the Net Assets are reduced as a result of depreciation in the market value of the Fund Property or redemption of Units, the Management Company shall not be under any obligation to reduce such borrowing.

- 4.5.3 The charges payable to any Islamic bank or financial institution against financing on account of the Trust as permissible above shall not be higher than the normal prevailing bank charges or normal rates for similar service and/or facility.
- 4.5.4 Such financing arrangement shall be in strict conformity with the rules of Islamic Shariah, as advised by the Shariah Advisor or Shariah Advisory Board, as the case may be of the Fund.
- 4.5.5 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 Banks and Financial institutions. The Trustee or the Management Company shall not in any manner be liable in their personal capacities for repayment of such finances, loans or advances.
- 4.5.6 For the purpose of securing any such financing the Trustee may on the instructions of the Management Company mortgage, charge or pledge in any manner all or any part of the Fund Property. Provided that the aggregate amount of financing availed 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.
- 4.5.7 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.

#### **4.6 Restriction of Transactions with Connected Persons**

- 4.6.1 The Management Company on behalf of the Scheme shall not without approval of the Board of Director in writing and consent of Trustee, purchase from, or sell any securities to any connected person or employee of the Management Company:

**Explanation:** Clause 4.6.1 shall not apply to the issue, sale or redemption of Units issued by the Scheme.

- 4.6.2 Where cash forming part of assets of the Scheme is deposited with the Trustee or the Custodian that is a Banking Company or an NBFC, a return on the deposit shall be paid by such Trustee or Custodian at a rate that is not lower than the rate offered by the said Banking Company or NBFC to its other depositors on deposits of similar amount and maturity.
- 4.6.3 All transactions with Connected Persons carried out by the Management Company on behalf of the Scheme shall be in accordance with the provisions of the Constitutive Documents, and shall be disclosed in the annual report of the Fund.

#### **4.7 Risk Disclosure**

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 Faysal Islamic Savings Growth Fund is subject to market price fluctuations and other risks inherent in all such investments. The risks emanate from various factors that include, but are not limited to:

##### **I Credit Risk**

Credit risk is comprised of default risk, credit spread risk and downgrade risk. Each can have a negative impact on the value of a Shariah Compliant income security including money market instruments.

- a) **Default risk** is the risk that the issuer will not be able to pay the obligation, either on time or at all.

- b) **Credit spread risk** is the risk that there will be an increase in the difference between the return/mark-up rate of an issuer's bond and the return/mark-up rate of a bond that is considered to have little associated risk (such as a government guaranteed bond or treasury bill). The difference between these 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 fixed income securities including money market instruments.
- c) **Downgrade risk** is the risk that a credit rating agency, such as PACRA or JCR-VIS or any other reputed international credit rating agency will reduce the credit rating of an issuer's securities. Downgrades in credit rating will decrease the value of those fixed income securities including money market instruments.

## **II Currency Risk**

The Fund may be affected favorably or unfavorably by changes in currencies and exchange control regulations. The income earned by the Fund may also be affected by fluctuations in foreign exchange rates.

## **III Derivative Risk**

Derivatives may be used to limit or hedge potential losses associated with stock markets and return/mark-up rates. This process is called "hedging". Derivatives may also be used for non-hedging purposes – to reduce transaction costs, achieve greater liquidity and create effective exposure to financial markets or increase speed and flexibility in making portfolio changes. Any use of derivatives has risks including:

- a) The hedging strategy may not be effective.
- b) There is no guarantee that a market will exist when a Fund wants to buy or sell the derivative contract.
- c) A large percentage of the assets of a Fund may be placed on deposit with one or more counter parties, which exposes the Fund to the credit risk of those counterparties.
- d) There is no guarantee that an acceptable counterpart will be willing to enter into the derivative contract.
- e) The counter-party to the derivative contract may not be able to meet its obligations.
- f) The Exchanges on which the derivative contracts are traded may set daily trading limits.
- g) Preventing a fund from closing out a particular contract.
- h) If an exchange halts trading in any particular derivative contract, the Fund may not be able to close out its position in that contract.
- i) The price of a derivative may not accurately reflect the value of the underlying security or index.

## **IV Interest Rate Risk**

Since FISGF is an income fund, changes in interest rate environment in the economy may affect its Net Asset value as prices of income securities including Shariah compliant income securities may increase as interest rates decline and vice versa.

## **V Issuer's Risk**

Companies issue debt securities to help finance their operations. The company's performance outlook, market activity and the larger economic picture influences the price of that security in the secondary market. However, the ability for the issuer to fulfill obligations on the debt security shall depend on the issuer's financial performance.

#### **VI 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.

#### **VII Voluminous Purchase/Redemption of Fund Units Risk**

Any significant transaction made by any investor could significantly impact a Fund's cash flow. If the third party buys large amounts of Units of the Fund, the Fund could temporarily have a high cash balance. Conversely, if a third party redeems a large number of Units of the Fund, the Fund may be required to fund the redemption by selling securities at an inopportune time. This unexpected sale may have a negative impact on the performance of your investment.

#### **VIII Liquidity Risk**

Some Shariah Compliant income and debt securities have limited market float and hence are not actively traded in the secondary markets, or they may generally have a very small issue. The risk stemming from the lack of marketability of an investment that cannot be bought or sold quickly enough to prevent or minimize loss. Certain securities may be difficult or impossible to sell at the time and price that the Fund would like. The Fund may have to sell a security at a lower price, sell other securities in its portfolio or forego an investment opportunity under those circumstances. This could have a negative effect on the Fund's performance.

#### **IX Counterparty Risk**

The risks with Shariah Compliant REPOs/Reverse REPOs/money market placement are that the other party may default under the agreement or go bankrupt. In a reverse repurchase transaction, the Fund may be left holding the security and may not be able to sell it at the same price it paid for it, plus return/markup, if the market value of the underlying security has dropped. In the case of a repurchase or a securities lending transaction, the Fund could incur a loss if the value of the security sold or loaned has increased more than the value of the cash or collateral held.

#### **X Market Risk**

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

#### **XI Depletion Risk Fixed Income Units**

For Fixed Type 'B' Unit Holders, investment value may deplete over the period if the earnings on the investment is below the desired fixed income that they require.

#### **XII Other Risks Involved**

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

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

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

## **4.8 Disclaimer**

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

## **PART V - OPERATORS AND PRINCIPALS**

### **5.1 Management Company**

#### **5.1.1 Organization**

Faysal Asset Management Limited (FAML) is a Non-Banking Finance Company with a license to perform Asset Management Services as per the Non-Banking Finance Companies and Notified Entities Regulations, 2008. The main sponsors of FAML are IICG, Faysal Bank Limited and AKD Securities (Pvt.) Limited. FAML's main area of business is Investment Management; more specifically floating and managing mutual funds. FAML's vision is to establish itself as a premier Asset Management Company that capitalizes on the technical and institutional strength of its promoters to consistently offer creative and pioneering domestic and international products to meet varying needs of investors. Its mission is to rank in the top quartile in performance of FAML mutual funds and portfolios relative to the competition, and to consistently offer superior risk-adjusted returns to investors. The paid-up capital of FAML is Rs. 150 million, held by:

	<b>Name</b>	<b>Number of Shares</b>	<b>Amount in Rupees</b>
I	Islamic Investment Company of the Gulf (Bahamas) Ltd (IICG); (49.9%)	7,498,500	74,985,000
II	Faysal Bank Limited (FBL); 29.9%	4,499,000	44,990,000
III	AKD Securities (PVT) Ltd (AKD); 19.97%	2,995,500	29,955,000
IV	Mr. Feroz Rizvi; 0.01%	1,500	15,000
V	Mr. Iqbal Aliohamed; 0.01%	1,500	15,000
VI	Mr. Aqeel Karim Dhedhi; 0.01%	1,500	15,000
VII	Mr. Sanaullah Qureshi; 0.01%	1,500	15,000
VIII	Syed Majid Ali; 0.01%	500	5,000
IX	Mr. Salman Ahmed Usmani; 0.01%	500	5,000
	<b>Total</b>	<b>15,000,000</b>	<b>150,000,000</b>

### 5.1.2 Islamic Investment Company of Gulf (Bahamas) Ltd

Islamic Investment Company of the Gulf (Bahamas) Limited (IICG) was incorporated in the Commonwealth of the Bahamas on 23 November 1989. IICG is the principal shareholder with 50% equity ownership in the Management Company. IICG has established a strong network spanning 4 continents with 7 subsidiaries with Funds under Management of over US \$ 1 billion at 31 December 2009. IICG's activities are principally to act as manager, on a trustee basis, for a series of investment funds in accordance with Islamic laws and principles. IICG has developed expertise in real estate fund management and has floated a series of Modarabas for investment mainly in US real estate over the last few years. It has also extended the real estate investments into Europe, Canada and the Kingdom of Saudi Arabia through flotation of various Modarabas.

IICG participates in structured trade finance and deals through Open-ended Modaraba funds, with dealings in the Kingdom of Saudi Arabia, UAE, Egypt, Turkey, Pakistan, Korea, Malaysia, UK and USA. IICG Management Information Systems is well equipped with the latest state of art Information Technology and strong Financial Control functions to support asset management and clients. Investment funds are offered to the public through a network of 27 Marketing Offices located in the Kingdom of Saudi-Arabia, United Arab Emirates and Egypt catering to over 28,000 clients.

### 5.1.3 Faysal Bank Limited

Faysal Bank Limited (FBL) is one of the leading commercial banks in Pakistan, with 30% equity ownership in Faysal Assets Management Company. FBL has a dominating presence in the local market with top tier brand recognition in capital markets, investment banking and commercial banking. Together with its normal Banking Business, FBL is an active player in the stock market and manages a large trading portfolio with proven track record of successfully market management. It had an equity base of PKR 2.137 billion in 1998, which has grown to PKR 11.3 billion (excluding revaluation reserves of Rs 1.4bn ) by December 31, 2009. FBL's vigorous participation in pre IPO issues, their underwriting capabilities, corporate advisories and active roles as arrangers to various issues have also helped in the growth of its equity base and the total assets. The bank has expanded its branch network to over 135 branches all over the major cities of Pakistan to access larger retail business & clientele.

### 5.1.4 AKD Securities (Private) Limited

AKD Securities (Pvt.) Limited has taken up 19.97% of the equity. It is one of the leading securities firm in Pakistan, providing a comprehensive range of investor focused services, including equity brokerage, economic and securities research, investment banking and financial advisory services. AKD Securities accounts for around 8% of the average daily

volume of the Karachi Stock Exchange. AKD Securities was the first brokerage house to launch an online trading platform in Pakistan in November 2002 and now has the largest market share with over 6,000 customers. This has helped diversify and expand the retail investor base in the country and ushered in a whole new universe of investors to the stock market. It has not only been a pioneer in introducing venture capital to Pakistan through its subsidiary TMT-PKIC, but is also known for Pakistan's first ever securitization, the largest TFC issue and the biggest mergers & acquisition transaction.

## 5.2 Board of Directors of the management Company

Name	Position	Position in other Companies	Occupation	Address
Mr. Mohammad Abdul Aleem	Chairman/Director	Director- Crescent Steel and Allied Products Limited Dawood Hercules Chemicals Limited	Chartered Accountant	10-A, 3rd Gizzi Street, Phase IV, Defence Housing Authority, Karachi.
Mr. Salman Haider Sheikh	Chief Executive Officer	NIL	Asset Management	39 Main Khayaban-e- Shaheen Phase-5 DHA, Karachi
Mr. Feroz Rizvi	Director	CFO ICI Pakistan Limited and Director, ICI Power Gen Limited	Chartered Accountant	96/II, 23rd Street, Off khayaban-e- Rahat, Phase VI, DHA, Karachi.
Syed Majid Ali	Nominee-Director Faysal Bank Ltd	Chief Financial Officer, Faysal Bank Limited	Banker	House No. 272, Street No. 3, Falcon Complex, Faisal, Karachi.
Mr. Zafar Ahmed Siddiqui	Director	Director- Engro Foods Inbox Technologies Pakistan Society For Training & Development Mind Sport of Pakistan.	Corporate Executive	47-J, Block-6, P.E.C.H.S, Society, Karachi.
Mr. Salman Ahmed Usmani	Nominee-Director Faysal Bank Ltd	Head of Treasury Faysal Bank Limited	Banker	11/2, Khayaban-e-Seher, Phase VI, DHA, Karachi.

### 5.2.1 Profile of Directors

#### Mr. Mohammad Abdul Aleem - Chairman

Mr. Aleem has over 35 years of work experience including 30 years with two leading multinationals. He has worked for about 20 years in the oil refining, petrochemicals and oil marketing (National Refinery Ltd., / ESSO Fertilizer (Engro Chemicals) / ESSO Singapore) business. Mr. Aleem joined British American Tobacco, UK group in 1990 and worked for 14 years in Pakistan, Singapore, Cambodia and Mauritius / Indian Ocean region.

On his return to Pakistan in 2004, he has worked for leading GOP owned corporations. His last assignment was as the Managing Director of Pakistan State Oil which he left in October 2008.

Over the years, as part of his senior management role, Mr. Aleem has been Board member of various listed and non listed corporate entities both within Pakistan and overseas. He has also been on the Board of LUMS and was the Chairman of OCAC (Oil Company Advisory Committee) during 2008.

A Fellow Chartered Accountant (Gold Medalist) and a Fellow Cost and Management Accountant by profession, Mr. Aleem has attended numerous professional management development courses conducted by leading international organizations including short management program from Stanford University, and from Indiana University, USA.

#### **Mr. Salman Haider Sheikh – Chief Executive Officer**

Mr. Haider has over 13 years of international experience of asset management and investment banking. He has held various securities licenses including Series-7 (General Securities Representative) and Series-63 (Uniform Securities Agent Law) issued by the National Association of Securities Dealers, (NASD) New York. He has also passed course examinations for Series-3 (Futures & Commodities) and Series-24 (General Securities Principal) and Life & Health Insurance licenses. He has participated in a six-month course on financial systems, risk management, analysis of financial products, marketing strategy and compliance at Wachovia Bank, USA.

He has managed large investment portfolios for both retail and institutional clients on the equity and fixed income side. Mr. Haider participated as a team member in venture capital / Private equity and investment banking transactions of over \$1 billion. His work experience includes positions in the USA at Merrill Lynch, Janney Montgomery & Scott and Wachovia Bank. Mr. Haider holds a post-graduate certificate in "Executive Leadership" from CORNELL UNIVERSITY. He holds an MBA from RUTGERS UNIVERSITY with concentration in Finance. He holds bachelors in Finance from the same institution.

#### **Mr. Feroz Rizvi**

Mr. Rizvi qualified as a Chartered Accountant from England and Wales. He is Chief Financial Officer in ICI Pakistan Limited. His responsibilities include long-term financial planning, investor relations, risk management, corporate governance, succession planning of senior finance staff, medium and long-term financial and corporate strategies and acting as a liaison with the company's principal shareholder, ICI Plc UK. He possesses over 27 years of extensive experience at various senior management capacities both locally and at international levels. He is a Chairman/Member on the panel of Alternate Dispute Resolution Under Section 47-A of The Sales Tax Act 1990.

#### **Mr. Syed Majid Ali**

Mr. Ali has over 20 years of diversified and progressively responsible experience through managing accounting and finance related responsibilities interlaced with IT and HR activities. Mr. Ali has worked in local and regional banks, having varying infrastructure and control environment. He has served as Chief Financial Officer for over 11 years in Saudi Pak Commercial Bank Ltd. and Emirates Bank International PJSC. He had been affiliated with KPMG at various positions for 8 years before he became a Partner in 2005. He is a Fellow Member of the Institute of Chartered Accountants of Pakistan and a member of Income Tax Bar Association.

#### **Mr. Zafar Ahmed Siddiqui**

Mr. Siddiqui has done his MBA from Institute of Business Administration. He also has advanced degrees in marketing communication and business administration from Walter E. Heller College of Business Administration, Roosevelt University, Chicago – USA, and has over 28 years of valuable experience in marketing and sales. He is currently Director of Centre for Entrepreneurial Development at the Institute of Business Administration, University of Karachi. He is also on the board of the following companies:

1. Engro Foods
2. Inbox Technologies
3. Pakistan Society for Training & development
4. Mind Sports association of Pakistan

### **Mr. Salman Ahmad Usmani**

Mr. Usmani is an MBA from Grand Valley State University, Michigan, USA and has over 22 years of solid experience in corporate banking with a core focus in Treasury. He has served as President of the Financial Market Association of Pakistan (2004 – 2006) and has held senior positions in leading international and national banks in Pakistan. His areas of specialization entail Treasury & Risk Management, Asset & Liability Management, Strategic Planning, Corporate Restructuring, Strategic Negotiations, Acquisitions & Strategic Alliances, International Operations, Operations Management, and Turnaround Management.

## **5.2.2 Profile of Management**

### **Salman Haider Sheikh - Chief Executive Officer**

Please see background as explained above in the particulars of Directors.

### **Tahir Sohail- Chief Operating Officer**

Mr. Tahir Sohail is a senior banker with over 23 years of broad base banking experience with leading multinational banks like Citibank and Deutsche Bank. He has worked in increasingly responsible position within corporate, consumer and private banking businesses, both within and outside Pakistan, and was instrumental in implementing a credit scoring model for credit cards acquisition in Pakistan during his Citibank tenor. In Deutsche Bank, Tahir was actively involved in developing wealth management products at Asia Pacific regional level.

### **Raza Mohsin Qizilbash- Company Secretary**

Mr. Qizilbash has over 20 years of professional experience specializing in the field of litigation, corporate and banking laws. He is currently working in Faysal Bank Limited (FBL) as Acting Company Secretary & Head Legal Affairs. Before joining FBL, Mr. Qizilbash served in UBL for 7 years where his last position was of Divisional Head, Legal and Company Secretariat Division. He has also Practiced Independently as an Advocate High Court From 1990 till 2001.

Mr. Qizilbash has done his degrees of LLB and Bachelors of Arts from University of Punjab, Lahore.

### **Jamsheed Ghaswalla- Head of Distribution**

Mr. Ghaswalla has over 13 years of experience in banking particularly catering to the High Net Worth and Wealth Management clients. His work experience includes Standard Chartered Bank, ABN AMRO Bank in Dubai, Citibank N.A, HSBC Pakistan and Allied Bank Ltd.

During his tenure at ABN AMRO Bank in Dubai he headed the Pakistan desk for Preferred Banking and Private Banking clients; He was Country Head for CitiGold Banking & Wealth Management and later Country Head for deposits at Citibank Pakistan. He headed the Business Banking Unit (BBU) at HSBC in Pakistan. In his last assignment prior to joining Faysal Asset Management Ltd he was Country Head for Deposit business at Allied Bank Ltd.

### **Asad Iqbal – Chief Investment Officer**

Mr. Iqbal has worked on Wall Street from 1995 to 2002 in various capacities with the latest being Vice President in Equities for Goldman, Sachs & Co. At Goldman, he was responsible for book building for all Goldman lead equity and convertible equity offerings for their US clients. During this period, Mr. Iqbal worked on over 100 equity and

convertible debt offerings including some of most prominent deals such as the Goldman Sachs and Accenture Initial Public Offerings and the AT&T secondary offering.

Prior to joining FAML, Mr. Iqbal was Managing Director of one of the prominent equity brokerage houses of the country and also served on the board of directors for the Karachi Stock Exchange (G) Ltd in 2009. As a member of the KSE board Mr. Iqbal served as the chairman of the New Products committee and was instrumental in the launch of the Bond Automated Trading System as well as the re-introduction of Cash Settled and Deliverable Futures. Mr. Iqbal also served on the boards of the National Commodity Exchange as well as JCR-VIS. Mr. Iqbal holds a Bachelors of Science Degree from Carnegie Mellon University and also held Series 7 and Series 63 certifications from the NASD.

#### **Shahid Usman Ojha- Chief Financial Officer**

Mr. Shahid Usman Ojha has over 14 years of experience in Mutual Fund industry and Financial Institutions including organizations like Dawood Capital Management Limited, Pak Asian Fund Limited and Standard Chartered Bank Limited. Mr. Ojha is an associate member of Institute of Cost & Management Accountant of Pakistan and Pakistan Institute of Public Finance Accountants. He has also completed his Masters in Economics from University of Karachi. Mr. Ojha possesses 5 years of work experience in various capacities in the asset management industry. In his last served job, Mr. Ojha worked in a similar position in Dawood Capital Management Limited where his core responsibilities included Financial Management & Reporting, Taxation, Finalization of Accounts and Budgeting.

#### **Syed Qamar Abbas- Head of Research and Product Development**

Mr. Abbas is currently Head of Research and Product Development at FAML. Mr. Abbas earned his MSc. in Finance from Cass Business School London and MSc. in Physics from University of Karachi. He has over nine years of experience in fields of Capital Market Research, Investment Advisory and Product Development with over three years association with UBL Fund Managers as a Manager Research and Product Development. He played an instrumental role in the launching of Fixed Income, Equity and Islamic Funds at UBL Fund Managers. Mr. Abbas started his career in 1997 with Eastern Capital Limited and has worked with other top tier brokerage houses since then before joining UBL Fund Managers. He also taught in a renowned business school of Karachi in both graduate and undergraduate programs.

#### **Omar Ehtisham Anwar – Fund Manager**

Mr. Omar Ehtisham Anwar has almost three years of experience in equity markets. He is a graduate of Lahore University of Management Sciences (LUMS) and holds a BSC (Honors) degree in Computer Science. Previously, Mr. Anwar was working for Alfalah Securities a subsidiary of Bank Alfalah in the Institutional Sales Group. His responsibilities included dealing with individual, institutional and foreign clients, guiding clients on their investment options by keeping abreast with market conditions, meeting market deadlines and assessing risk. He was also responsible for providing business and technical support and initiating new product ideas.

#### **Ayaz Mustafa Zuberi- Fund Manager - (Fixed Income)**

Mr. Ayaz Mustafa Zuberi has over twelve years of experience in the financial sector. He was on the Board of Directors of three Securitization Companies in Pakistan. Mr. Zuberi was also the Chief Dealer in Treasury at ORIX Investment Bank Pakistan Limited, and prior to joining FAML he was serving as Manager Islamic Funds at UBL Fund Managers Limited. Mr. Zuberi holds Masters in Business Administration from American University of Hawaii and also a Certified Fraud Examiner from ACFE, Austin, USA. He has also done one year Post Graduate Diploma in Islamic Banking & Finance from Centre for Islamic Economics (Darul-Uloom) Karachi.

### 5.3 Existing Funds under Management

#### a. Faysal Savings Growth Fund

Date of Launching	12-May-07
Fund Type	Open Ended
Category	Income Scheme
Net Asset Value (March 31, 2010)	6,305
Par Value per Share	100
NAV per Unit (PKR) (March 31,2010)	103.2
Listing	Karachi Stock Exchange
Stability Rating	A(f) (JCRVIS)

Performance	Annual Yield	Dividend Payout
FY10 to March 2010	11.12%	5.25%
FY09	12.74%	12.75%
FY08	9.97%	10.00%
FY07	10.42%	1.25%

#### b. Faysal Income & Growth Fund

Date of Launching	10-Oct-05
Fund Type	Open Ended
Net Asset Value (March 31, 2010)	741.57
Par Value per Share	100
NAV per Unit (PKR) (March 31,2010)	104.27
Listing	Karachi Stock Exchange
Stability Rating	A+(f) (JCRVIS)

Performance	Annual Yield	Dividend Payout
FY10 to March 2010	12.07%	5.75%
FY09	8.90%	8.00%
FY08	9.94%	10.00%
FY07	12.75%	12.75%
FY06	7.73%	5.50%

#### c. Faysal Balance Growth Fund

Date of Launching	19-Apr-04
Fund Type	Open Ended
Category	Balance Scheme
Net Asset Value (March 31, 2010)	601.62
Par Value per Share	100
NAV per Unit (PKR) (March 31,2010)	98.67
Listing	Karachi Stock Exchange

Performance	Annual Yield	Dividend Payout
FY10 to March 2010	29.83%	Nil
FY09	-24.00%	Nil
FY08	-0.09%	3.40%
FY07	21.16%	18.00%

FY06	26.00%	26.00%
FY05	14.70%	12.50%

#### 1. Fasyal Asset Allocation Fund

Date of Launching	24th July, 2006
Fund Type	Open Ended
Category	Asset Allocation Scheme
Net Asset Value (March 31, 2010)	319.96
Par Value per Share	100
NAV per Unit (PKR) (March 31,2010)	77.97
Listing	Karachi Stock Exchange

Performance	Annual Yield	Dividend Payout
FY10 to March 2010	38.39%	Nil
FY09	-38.30%	Nil
FY08	-10.48%	Nil
FY07	23.52%	19.26%

**Performance of the Public Listed Companies where the Directors are holding similar office (For last five years)**

- Dawood Hercules Chemicals Limited**

	FY09	FY08	FY07	FY06	FY05
	Rs. Million	Rs. Million	Rs. Million	Rs. Million	Rs. Million
Profit After Tax	-1138	3063	10134	2054	2868
Total Assets	29607	25630	29223	16163	12787
Total Equity	19883	17383	18889	9273	9355
EPS	-10.41	28	92.65	24.79	34.61
Dividend per Share					
Cash %	40	25	30	80	85
Stock %	10	10	20	Nil	15

- Crescent Steel & Allied Products Ltd**

	FY09	FY08	FY07	FY06	FY05
	Rs. Million	Rs. Million	Rs. Million	Rs. Million	Rs. Million
Profit After Tax	-240	416	663	260	312
Total Assets	4110	4847	4696	3715	2570
Total Equity	2546	2994	3200	2038	1861
EPS	-4.2	7.4	12.1	6.1	7.3
Dividend per Share					
Cash %	-	37	21.1	-	23.3
Stock %	-	10	10	20	20

#### 5.4 Duties and Responsibilities of the Management Company

#### **5.4.1 Management of the Scheme**

The Management Company shall manage, operate and administer the Scheme in accordance with the Rules, the Regulations, the Trust Deed, the principles of Shariah, the Offering Document and shall inter alia perform the following primary functions:

#### **5.4.2 Fund Manager and Investment Committee**

The Management Company shall designate or appoint a qualified fund manager and constitute an investment committee in accordance with the provisions of the Regulations to assist in investing and managing the assets of the Fund or to invest and manage part or whole of the assets of the Fund, both locally and abroad, at its own cost and discretion.

#### **5.4.3 Fund Management**

The Management Company has the responsibility to make all investment decisions through an investment committee constituted within the framework of the Regulations, and any amendment thereto and the Constitutive Documents.

#### **5.4.4 Investors' Services**

The Management Company has the responsibility to facilitate investments and disinvestments by investors in the Scheme and to make adequate arrangements for receiving and processing applications in this regard.

#### **5.4.5 Investor Records**

5.4.5.1 The Management Company has the responsibility to maintain investors' records, and for this purpose it may appoint a Registrar, who is responsible for performing Registrar Functions. The Management Company or Registrar (as the case may be) shall carry out the Registrar's Functions including the responsibility of maintaining Unit Holder(s) records, issuing statements of accounts, issuing Certificates representing Units, processing redemption requests, processing dividend payments and all other related and incidental activities and any other role assigned to the Registrar as per the registrar agreement.

5.4.5.2 The Management Company shall not remove the records or documents, pertaining to the Scheme, from Pakistan to a place outside Pakistan, without the prior written permission of the Commission and the Trustee.

#### **5.4.6 Distribution**

The Management Company, shall from time to time 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). The appointment of Distributor will be done through written distribution agreement(s) defining among other terms and condition for avoidance of frauds and sales based on misleading information. The Management Company shall ensure that where it delegated the function of distribution the Distributors have acquired and are maintaining the associate membership of the association(s) constituted in consultation with the Commission and are abiding by the code of conduct prescribed by the association(s), provided that the Management Company may also itself act as a Distributor for carrying on Distribution Functions. The Management Company shall remunerate the Distributors out of its resources and/or from Front end Load. The Distributor(s) shall act as the interface between the investors, the Management Company, the Registrar and the Trustee and perform all other Distribution Function(s), as defined in clause 18.26 hereafter.

#### **5.4.7 Investment Facilitation**

The Management Company may, at its own responsibility, from time to time appoint Investment Facilitator(s) to assist it in promoting sales of Units. Remuneration of the Investment Facilitators shall be paid by the Management Company from the Front End Load and/or from its own sources in terms of clause 12.4.1 of the Deed.

#### **5.4.8 Record Keeping**

5.4.8.1 The Management Company shall maintain at its principal office, proper accounts and records to enable a complete and accurate view to be formed of (i) the assets and liabilities of the Scheme, (ii) the income and expenditure of the Scheme, (iii) all other transactions for the account of the Scheme, (iv) all amounts received by the Scheme in respect of the issuance of Units, (v) all amounts paid out by the Scheme on redemption of Units and by way of distributions and (vi) pay out at the termination of the Scheme.

5.4.8.2 The Management Company shall maintain a Register of Unit Holders of the Scheme (either in physical or electronic form) and inform the Commission and the Trustee of the address where the Register is kept.

#### **5.4.9 Other Functions and responsibilities of the Management Company**

5.4.9.1 The Management Company shall manage the Scheme in the best interest of the Unit Holders, in good faith and to the best of its ability, without gaining any undue advantage for itself or any of its related parties including the Connected Persons and group companies or its officers, subject to the restrictions and limitations as provided in the Deed, the Rules and Regulations and subject to any special exemptions or relaxations that may be granted by the Commission. Any purchase or sale of investments made under any of the provisions of the Deed shall be made by the Trustee according to the instructions of the Management Company in this respect, unless such instructions are in conflict with the provisions of the Deed or the Rules. The Management Company shall not be liable for any loss caused to the Trust or to the value of the Fund Property due to any elements or circumstances beyond its reasonable control.

5.4.9.2 The Management Company shall comply with the provisions of the Deed, the Rules, the Regulations and the Offering Document (as may be amended from time to time with the approval of the SECP) 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(s) or agent(s) appointed by the Management Company, and any act or matter so performed shall be deemed for all the purposes of the 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 manager as if these were its own acts and omissions and shall account to the Trustee for any loss in value of the Fund Property where such loss has been caused by its negligence or reckless or willful act and/or omission or of its officers, officials or agents.

5.4.9.3 The Management Company shall develop criteria for appointing a diverse panel of Brokers and monitoring compliance thereof to avoid undue concentration of business with any single Broker.

5.4.9.4 The Management Company may, under intimation to the Trustee, from time to time appoint, remove or replace the Registrar/Transfer agent who is responsible for performing Registrar Functions. The Transfer Agent shall perform the Registrar Functions, including maintaining investors' records,

issuing statements of accounts, issuing Certificates representing Units, processing redemption requests, processing dividend payments and all other related and incidental activities and any other role assigned to the Transfer Agent as per the transfer agent agreement.

- 5.4.9.5 The Management Company shall make available or ensure that there is made available to the Trustee, such information and record as may be necessary for the Trustee to discharge obligations under the regulations, Trust Deed and Offering Document.
- 5.4.9.6 The Management Company shall not be under any liability, except such liability as may be expressly assumed by it under the Rules and the Deed, nor shall the Management Company (save as herein otherwise provided) be liable for any act or omission of the Trustee, or for anything except for its own negligence or willful breach of duty. The Management Company shall not be under any liability by reason of any error of law.
- 5.4.9.7 The Management Company shall maintain the books of accounts and other records of the Scheme for a period of not less than ten years.
- 5.4.9.8 The Management Company shall within four months of the closing of the Accounting Period transmit to the Unit Holder(s), the Trustee and the SECP and stock exchanges, on which the Units of the Scheme are listed, the annual report as per the requirements of the Regulations, including (i) copy of balance sheet and income statement, (ii) cash flow statement, (iii) statement of movement in Unit Holders' fund or net assets or reserves and (iv) the Auditor's report as set out in Schedule V of the Regulations
- 5.4.9.9 The Management Company shall within one month of the closing of first and third quarter and within two months of the closing of second quarter of each Accounting Period, prepare and transmit to the Unit Holder(s), the Trustee and the SECP and stock exchanges, on which the Units of the Scheme are listed, (i) balance sheet as at the end of that quarter, (ii) income statement, (iii) cash flow statement, (iv) statement of changes in movement in Unit Holders' fund or net assets or reserves; and (v) statement showing the securities owned at the beginning of the relevant period, securities purchased or sold during such period, and the securities held at the end of such period together with the value (at carrying and at market) and the percentage in relation to its own net assets and the issued capital of person whose securities are owned for that quarter, whether audited or otherwise in accordance with the Rules & Regulation, provided, where subject to permission being granted by the Commission, the Management Company has transmitted the said quarterly accounts on the Management Company's website, printed copies thereof shall be provided to the Unit Holders, free of cost, as and when requested.
- 5.4.9.10 The Management Company shall with the consent of the Trustee, appoint at the establishment of the Scheme and upon any vacancy, an Auditor, from the approved list of auditors circulated by the Commission from time to time, who shall be a chartered accountant or a firm of chartered accountants, and independent of the Auditor of the Management Company and the Trustee, and such auditor shall not be appointed for more than five consecutive years, as specified under the Regulations, and the contents of the auditor's report shall be in accordance with the provisions of the Regulations.
- 5.4.9.11 The Management Company shall, from time to time, advise the Trustee of the settlement instructions, relating to any investment/disinvestment transactions entered into by it, on behalf of the Scheme. The Management Company shall ensure that the settlement instructions are given promptly after entering into the transactions, so as to facilitate the timely settlement, and the Trustee, on

its side, shall ensure that the settlement is handled in a timely manner, in accordance with the dictates of the transaction subject to the Regulations, the Offering Document and terms of the Deed.

- 5.4.9.12 The Management Company shall provide the Trustee with regular reports indicating dividends, other forms of income or inflows, and any rights or warrants relating to Investments that are due to be received. The Trustee shall report back to the Management Company any such amounts or warrants that are received on such accounts from time to time.
- 5.4.9.13 The Management Company is obliged to obtain a rating of the Scheme, once the Scheme becomes eligible for rating, as per the rating 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.
- 5.4.9.14 The Management Company shall nominate one or more of its officers to act as attorney(s) for interacting with the Trustee.
- 5.4.9.15 The Management Company shall not apply for de-listing from Stock Exchange (if any), unless it has obtained prior approval of the Commission in writing to the scheme of de-listing.
- 5.4.9.16 The Management Company may appoint investment advisors to assist in investing and managing the assets of the Scheme, or to invest and manage part or whole of the assets of the Scheme abroad, at its own cost and discretion, provided that the Management Company will be responsible for all acts of such investment advisers.
- 5.4.9.17 The Management Company may in consultation with the Trustee, further appoint advisors and professionals other than mentioned in clause 5.4.9.17 above in offshore countries for making investments in offshore countries and/or for issuing Units to the investors in the offshore countries to determine the legal and regulatory requirements to be fulfilled by the Scheme, the Management Company and the Trustee and their respective obligations in relation thereto.
- 5.4.9.18 The Management Company has the responsibility to facilitate the investment and disinvestments by investors in the Scheme and to make adequate arrangements for receiving and processing applications in this regard. The Management Company shall designate and disclose the location of its official points for acceptance of applications for issuance, redemption, conversion, etc. of units in the Offering Documents of scheme (Annexure C) , as well as on its website. The Management Company shall receive the said applications only at such designated points. Offer and redemption prices have to be announced for investor facilitation as per the procedures outlined in Section 12 of the Trust Deed.
- 5.4.9.19 The Management Company shall ensure that all the designated points for acceptance of application for issuance, redemption, conversion, etc of units of the scheme, have appropriate date and time stamping mechanism, for timely acknowledgement of the said applications.
- 5.4.9.20 The Management Company shall clearly specify cut-off timings for acceptance of applications for issuance, redemption, conversion etc. of units of the scheme, including approved administrative plans in the constitutive documents, on the website of the Management Company and at the designated points. Such cut-off timings shall uniformly apply on all Units Holders.
- 5.4.9.21 The Management Company shall process payment instruments immediately

on receipt of application.

- 5.4.9.22 The Management Company shall account to the Trustee for any loss in value of the assets of the Scheme where such loss has been caused by its negligence, reckless or willful act.
- 5.4.9.23 The Management Company shall perform any other duties as may be required by the Commission, in accordance with the Regulations.
- 5.4.9.24 The Management Company shall not make any investment or rollover of any investment, of the Fund in case borrowing limits has already been exhausted, or redemptions are pending for more than six days.
- 5.4.9.25 The Management Company shall ensure that the conditions under which the Scheme has been registered are complied with.
- 5.4.9.26 The Management Company shall be obliged to accomplish compliance audit, on monthly basis, by an external auditor (other than by a statutory Auditor) to ensure that the methodology and procedures adopted by the Management Company in calculating the value of units are adequate and the pricing and valuation for sale, issue, repurchase, redemption and cancellation are carried out in accordance with the provisions of the Constitutive Documents and Regulations. The cost of such audit shall borne by the Management Company.
- 5.4.9.27 The Management Company shall not specifically use flipping mechanism (i.e. redemption and re-issuance of units to the same unit holders based on different NAVs without cash settlement).
- 5.4.9.28 The Management Company shall ensure that no entry and exit to the Fund (including redemption and re-issuance of units to the same unit holders on different NAVs) shall be allowed other than cash settled transactions based on the formal issuance and redemption request, unless permitted otherwise by the Commission under the Regulations.
- 5.4.9.29 The Management Company shall ensure all valid redemption request are paid based on ranking of the request in the queue

## **5.5 Trustee - Central Depository Company of Pakistan Limited**

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

## **5.6 Basic Role of the Trustee**

- 5.6.1 The Trustee has the responsibility of being the nominal owner and the safe custody of the assets of the Unit Trusts on behalf of the beneficial owners (the Unit Holder(s)), within the framework of the Rules, the Regulations, the Trust Deed establishing the Unit Trust and Offering Document issued for the Unit Trust.
- 5.6.2 The Trustee shall take into its control the Fund Property, and hold the same for the benefit of the Unit Holders, in accordance with the Rules, the Regulations and the provisions of the Constitutive Documents. The cash and register able assets shall be registered in the name, or to the order of, the Trustee.

- 5.6.3 The Trustee will carry out the instructions of the Management Company in all matters including investment, and disposition of the Fund Property, unless they are in conflict with the Trust Deed, the Regulations, this Offering Document and/or applicable laws.
- 5.6.4 The Trustee shall nominate one or more of its officers to act as attorney(s) for performing the Trustee's functions and for interacting with the Management Company, and the same shall be intimated to the Management Company.
- 5.6.5 The Trustee shall ensure that (a) the sale, purchase, issue, transfer of units affected by the Scheme and repurchase, redemption and cancellation of units are carried out in accordance with the provisions of the Deed, the Offering Document the Rules and the Regulations and any other regulatory requirements; and (b) the methodology and procedures adopted by the Management Company in calculating the value of Units are adequate and to ensure that pricing and valuation for the sale, issue, repurchase, redemption and cancellation are calculated in accordance with the provisions of the Deed, the Offering Document and Regulations and any other regulatory requirements. In order to get these comforts the Trustee shall have unhindered access to records and information maintained with the Management Company or its agents.
- 5.6.6 The Trustee shall ensure that Units of Scheme have been issued after realization of subscription money. For this purpose, the Management Company shall provide the Trustee with the summary of investments in the Scheme on regular basis.
- 5.6.7 The Trustee shall not invest in Units of the Fund.
- 5.6.8 The Trustee shall ensure that the investment and borrowing limitations set out in the Regulations and Constitutive Documents, and the conditions under which the Scheme was authorized are complied with.
- 5.6.9 The Trustee shall issue a report to the Unit Holders to be included in the annual report and second quarter report of the Fund, as to whether in its opinion, the Management Company has in all material respects managed the Fund Property in accordance with the provisions of the Regulations and the Deed, and if the Management Company has not done so, the respect in which it has not done so and the steps the Trustee has taken in that regard.
- 5.6.10 The Trustee shall, if requested by the Management Company, or if it considers necessary for the protection of the Fund Property or safeguarding the interest of Unit Holders institute or defend any suit, proceedings, arbitration or enquiry or any corporate or shareholders' action in respect of the Fund Property or any part thereof, with full powers to sign, swear, verify and submit pleadings and affidavits, to file documents, to give evidence, to appoint and remove counsel and to do all incidental acts, things and deeds through the Trustee's authorized person. All costs, charges and expenses (including legal fees) incurred in instituting or defending any such action shall be borne by the Scheme and the Trustee shall be indemnified against all such costs, charges and expenses, provided that no such indemnity shall be available in respect of any action taken against the Trustee for willful acts, or omissions or breach of its duties in connection with the Scheme, under the Deed and or the Regulations and/or the Rules. The Trustee and the Management Company shall not be liable in respect of any losses, claims, damages or other liabilities whatsoever suffered or incurred by the Scheme arising from or consequent to any such suit, proceeding, arbitration or inquiry or corporate or shareholders' action or otherwise howsoever and (save as herein otherwise provided), all such losses, claims, damages or other liabilities shall be borne by the Scheme.
- 5.6.11 The Trustee shall exercise all due diligence and vigilance in carrying out its duties and in protecting the interests of the Unit Holders. The Trustee shall not be under any liability on account of anything done or suffered by the Scheme, if the Trustee had acted in good faith in accordance with or in pursuance of any request of the Management Company, provided these were not in conflict with the provisions of the Deed, the Offering Document or the Regulations. Whenever pursuant to any provisions of the Deed, any certificate,

notice, direction, instruction or other communication is to be given by the Management Company to the Trustee, the Trustee may accept as sufficient evidence thereof:

- i) A document signed or purporting to be signed on behalf of the Management Company by any person(s), whose signature(s) the Trustee has as for the time being authorized in writing by the Management Company to accept.
  - ii) Any instructions received Online through the software solution adopted by the Management Company or the Trustee for managing and keeping records of the Scheme to the satisfaction of the Trustee or the Management Company, as case may be.
  - iii) third party evidence where required like broker contract, expense bills etc. in relation to (i) and (ii) the above; and
- 5.6.12 The instructions shall be given electronically to the Trustee based on distinctive user IDs and passwords allocated to authorized person(s) of the Management Company through a computerized system for which both the parties i.e. the Management Company and the Trustee have agreed in writing. In case of any error or omission occurring in electronic system due to system malfunction or any instruction(s) based on such system contain any error or omission due to the above malfunction, the Trustee and the Management shall not be liable.
- 5.6.13 The Trustee shall be entitled to require the Auditors to provide such reports as may be agreed between the Trustee and the Management Company as may be considered necessary to facilitate the Trustee in issuing the certification required under the Regulations. The Trustee shall endeavour to provide the certification at the earliest date reasonably possible.
- 5.6.14 The Trustee shall arrange for an annual system audit by its auditors and provide the report to this effect to the Commission and the Management Company, within four months of the close of the financial year.
- 5.6.15 The Trustee shall be liable for any loss caused due to its willful acts or omissions, or that of its agents, in relation to any custody of assets or investment forming part of the Fund Property of the Scheme.
- 5.6.16 The Trustee shall ensure that the conditions under which the Scheme has been registered are complied with.
- 5.6.17 The Trustee shall immediately inform the Commission if any action of the Management Company contravenes the Ordinance, the Rules, the Regulations, the Constitutive Documents, guidelines, codes, circulars, directives and any other applicable law.
- 5.6.18 The Trustee shall comply with the direction of Commission given in the interest of the Unit Holders
- 5.6.19 The Trustee shall also ensure that the Management Company has specified criteria in writing to provide for a diverse panel of Brokers at the time of offering of the Scheme and shall also ensure that the Management Company has been diligent in appointing Brokers to avoid undue concentration of business with any Broker.
- 5.6.20 Trustee shall have all the obligations entrusted to it under the Regulations, the Deed and this Offering Document. Detailed provisions dealing with obligations and responsibilities of the Trustee are provided in the Deed.

## **5.7 Core and Pre-IPO Investors**

In compliance with Regulation 44 (2)(e)(ii) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, Faysal Islamic Savings Growth Fund is being launched with a minimum investment amount of Rupees one hundred million (Rs.

100,000,000), out of which at least Rupees Fifty million shall remain invested in the Fund for at least two years. The breakup of the Core and Pre-IPO Investors contributing to this investment amount is as mentioned in 5.7.1 and 5.7.2 below and the Certificate from the Auditors certifying the seed capital investment amount and net asset value of the Fund dated May 19, 2010 is as mentioned in 12.1 and 12.2 below.

#### **5.7.1 Core Investor**

Faysal Bank Limited as the Core Investor has subscribed to an aggregate sum of Rupees Hundred Million (Rs. 100,000,000/-) towards the purchase of Ten Hundred Thousand (1,000,000) Units of Rs. 100/Unit in accordance with Regulation 44 (3)(e)(ii) of the Regulations, Five Hundred thousand Units are however transferable with the condition that the Units are not redeemable before the expiry of the period of the first two (2) years from the close of initial offering period. The Registrar shall mark the Units as such in the Register. Any transfer of these five hundred thousand Core Units during the first two (2) years from the close of initial offering period, shall be affected only on the receipt by the Registrar of a written acceptance of this condition by the transferee. Core Units shall rank pari passu with all other Units.

#### **5.7.2 Pre-IPO Investors**

Pre-IPO investors have committed an amount of Rs. 36,000,000 in the **FAYSAL ISLAMIC SAVINGS GROWTH FUND**.

Names of the major Investors are provided below:

Pak Libya Holding Co. Ltd Rs. 25,000,000

The Bank of Punjab Rs. 10,000,000

Bushra Imtiaz Rs. 1,000,000

The above Core Investors plus the Pre-IPO Investors will be eligible to any bank profit/mark-up earned on their investment from the date the funds are credited in the Fund Account till the start of the Initial Period. The purpose of this is to ensure that all Unit Holders (Core Investors, Pre-IPO Investors and IPO investors) are treated at par as far as their investments into the Fund are concerned.

### **5.8 Registrar**

#### **5.8.1 Gangjees Registrar Services (Pvt.) Limited**

By a separate agreement, the Management Company has appointed Gangjees Registrar Services (Pvt.) Limited as its agent to perform duties as the Registrar of the Fund. Gangjees Registrar Services (Pvt.) Limited will be responsible for maintaining the Unit Holder's Register, preparing and issuing accounts statements, Unit Certificates and dividend warrants/advice, and providing related services to the Unit Holders.

5.8.2 Gangjees Registrar Services (Pvt.) Limited has the necessary human resource, experience, computer hardware and software, which is designed to provide an efficient service to the Unit Holders.

### **5.9 Custodian**

Central Depository Company of Pakistan Limited (CDC) will also be performing the functions of the custodian of the Fund property. The salient features of the custodial function are:

- i. Segregating all property of the Fund from Custodian's own property and that of its other clients.
- ii. Assuring the smooth inflow/outflow of dematerialized securities and such other instruments as required.

- iii. Ensuring that the benefits due on investments are received and credited to the Fund's account.

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

## **5.10 Distributors/Investment Advisors/Facilitators/Sales Agent**

- 5.10.1 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 and the said change shall be notified to the unit holders. The Management Company may from time to time, appoint additional Distributors or terminate the arrangement with any Distributor and intimate the Trustee accordingly. The Management Company may itself perform the functions of a Distributor either directly or through sub-distributors.
- 5.10.2 The Distributors will be responsible for receiving applications for Purchase of Units and Redemption/Transfer applications. They will be interfacing with and providing service to Unit Holders, including receiving applications for change of address and other particulars or application for issuance of duplicate certificates, requests for income tax exemption/Zakat exemption, etc. for immediate transmission to the Management Company or Transfer Agent as appropriate for further action.
- 5.10.3 The Management Company may, at its sole responsibility, from time to time, appoint Investment Facilitators (Facilitators). The Facilitators' function is to identify, solicit and assist investors in investing in the Fund.

## **5.11 Auditors**

### **Ford Rhodes Sidat Hyder & Co.**

Chartered Accountants  
601, Progressive Plaza,  
Beaumont Road, Karachi.

- 5.11.1 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 first 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 up to five consecutive terms or such other period as mentioned in the Regulations and/or the Ordinance, as amended from time to time. Thereafter, that auditor may only be appointed after a break in appointment.
- 5.11.2 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.
- 5.11.3 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.
- 5.11.4 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.

5.11.5 The contents of the Auditors report shall be as mentioned in the Rules and Regulations.

5.11.6 The Auditors shall also act as Shariah Compliance Auditors, and will complete a Shariah Compliance Audit of the Scheme for each Accounting Period within three (3) months from the relevant Accounting Data becoming available and shall issue a Shariah Compliance audit report. The report shall assess the compliance of the Scheme with the investment guidelines issued by the Shariah Advisor.

## **5.12 Legal Advisors**

Mohsin Tayebaly & Co.  
Barristers & Advocates, Corporate Legal Consultants  
2<sup>nd</sup> Floor, Dime Centre  
BC-4 Block 9, KDA Scheme 9  
Clifton, Karachi, Pakistan

## **5.13 Bankers**

The bankers to the Fund include Faysal Bank Limited and any other bank appointed by the Management Company. The Trustee will operate the Bank Accounts of the Fund.

### **5.13.1 Bank Accounts**

5.13.1.1 The Trustee shall open Shariah Compliant Bank Accounts titled “**CDC-Trustee Faysal Islamic Savings Growth Fund**” for Scheme at such branches of Banks and at such locations (including outside Pakistan, subject to applicable regulations and after obtaining all necessary approvals from the relevant regulatory authority in Pakistan) as may be requested by the Management Company from time to time for collection, investment, redemption or any other use of the Trust’s Fund.

5.13.1.2 The Trustee shall also open additional Shariah Compliant Bank account(s) titled “**CDC-Trustee Faysal Islamic Savings Growth Fund**” at various branches of such other Bank(s) as requested by the Management Company. These accounts shall be temporary Collection Accounts for investment in the Unit Trust and the Administrative Plans thereof, where collection shall be held prior to their being transferred to the main Bank Account of the Trust on a daily basis. There shall be standing instructions for all such Collection Accounts to promptly transfer the funds collected therein to the main account for the Scheme titled “**CDC -Trustee Faysal Islamic Savings Growth Funds**”.

5.13.1.3 The Management Company may require the Trustee to open separate Collection Accounts titled “**CDC-Trustee FAML Funds**” for the Unit Trust to facilitate the receipt, tracking and reconciliation of income or other receipts relating to the investments.

5.13.1.4 The Management Company may also require the Trustee to open separate Bank Account as Distribution Account(s) for each dividend distribution of the Scheme. Notwithstanding anything in the Deed the beneficial ownership of the balances in the accounts shall vest in the Unit Holder(s).

5.13.1.5 All income or profit, etc. earned in the Distribution Account(s), if any, including those accruing on unclaimed dividends, shall form part of the Fund Property for the benefit of the Unit Holders and shall be transferred periodically from the Distribution Account(s) to the main Bank Account of the Trust.

5.13.1.6 . All bank charges for opening and maintaining Bank Account for the Trust shall be charged to the Scheme.

5.13.1.7 The Trustee shall, if requested by the Management Company at its discretion also open a separate Account titled **CDC – Trustee FAML Funds** at bank(s) designated by the Management Company. These account(s) shall be temporary Collection Accounts, 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) for investments in accordance with the decisions of the investors. Such account(s) may also be used for temporary parking of redemption proceeds which the Unit Holders may wish to re-invest at a later stage in the same fund or other funds which may be managed by the Management Company. Provided however, in relation to the other unit trusts managed by FAML as the Management Company mentioned above, there are similar provisions in the trust deeds of such funds and have Trustee as common between them.

5.13.1.8 The Trustee shall, if requested by the Management Company open Bank Accounts titled **“CDC–Trustee Faysal Islamic Savings Growth Fund”** in offshore countries where the Investments are made on account of the Scheme, 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, including custodial/sub-custodial services accounts and brokerage accounts with such Banks, custodians, sub-custodians, and brokers, as may be required to be appointed for offshore Investments of the Scheme. The opening, operation and maintenance of such Bank Accounts, custodial/sub-custodial and brokerage services accounts in offshore countries shall always be subject to the approval of the State Bank of Pakistan and the exchange control regulations, as well as any directives of the State Bank of Pakistan and/or the Commission.

5.13.1.9 The Trustee shall not incur any personal liability for any consequences that may arise in the opening and operation of such Bank Accounts, brokerage accounts and/or custodial/sub-custodial services accounts.

5.13.1.10 The amounts received from the Core Investors (Seed Capital) and Private Placement Investors (Pre-IPO) (as per Para 5.7 above) shall be deposited in a separate Bank Account and transferred to the main Bank Account of the Fund upon the start of the Initial Period. Income, profit, return etc earned on the investments by the Core investors and Pre-IPO investors upto the beginning of the Initial Period after deduction of applicable expenses, shall be paid to the Core Investors and Pre-IPO Investors in the form of Bonus Units, and shall not form the part of the Fund Property.

## **5.14 Shariah Advisory Board**

The Management Company has appointed a Shariah Advisory Board that shall advise the Management Company regarding Shariah.

The first Shariah Advisory Board (SAB) is comprised of two renowned Islamic Scholars, have indepth knowledge of Shariah Law and are expert on Shariah interpretation and also have good understanding of Finance and Economics. The Management Company shall designate the Shariah Advisor or Shariah Advisory Board and/or members thereof from time to time with the approval of the SECP and/or as the case may be under the relevant rules.

The first Shariah Advisory Board has been appointed for a period of two years, but may be re-appointed on completion of their term. The Management Company may at any time

terminate the agreement(s) with the Shariah Advisory Board and/or members thereof giving a notice period as provided in such agreement(s), before the completion of their term(s) and fill the casual vacancy (ies) or appoint a new Shariah Advisor to the Board with prior approval of the SECP and/or as the case be under the relevant rules. Provided however, before terminating any Agreement with the Shariah Adviser, the Management Company shall obtain a firm commitment from the new Shariah Adviser to be appointed in the place of the outgoing Shariah Adviser.

This Shariah Advisory Board shall advice the Management Company on matters relating to Shariah-compliance and recommend general investment guidelines, consistent with Islamic Shariah. Any verdict issued by the Shariah Advisory Board in respect of Shariah related matter would be final and acceptable by the Trustee, the Management Company, the Holders and other parties related with that matter.

#### **5.14.1 Particulars of Shariah Advisory Board**

The first Shariah Advisory Board will comprise of:

1. Mufti Muhammad Abubaker Siddiq and
2. Mr, Abdul Zahid Farooqi

**1. Mufti Muhammad Abubaker Siddiq** is a well known Islamic scholar of the country. He is currently working as a Shariah Advisor in Faysal Bank Limited. He is also the head of Darulifta QTV International, Shaik-ul-Hadith at Jamia Mustafa Razviyah and Chief Mufti of Darul Ifta Jamay Toba, Karachi. He has also worked as a Shariah Advisor in Dawood Islamic Bank, Dawood Islamic Fund and Dawood Family Takaful. His works include many publications in English and Urdu. He has completed his Darse Nizami in 1994 from Tanzeemul Madaris Alesunnat Pakistan, where he secured the 3rd position.

#### **2. Abdul Zahid Farooqi**

Mr. Farooqi is a recognized Islamic scholar and researcher having strong comprehension of all aspects of Islamic Law and fatwa Naveesi. He is currently engaged in various research based projects related to Islamic Finance and Banking. He has completed his M. A in Arabis Literature and PGD in Islamic Banking and Finance from University of Karachi.

**The detailed curriculum vitae in respect of the members of the Shariah Advisory Board has been given in Annexure ‘E’**

#### **5.14.2 Duties and Responsibilities of Shariah Advisory Board**

- i. To co-ordinate with the Management Company in drawing up of the Deed and other related material documents constituting 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.
- ii. To 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 Pakistan’s capital markets and the instruments available therein, and which need to be modified/added/deleted.
- iii. To certify that all the provisions of the Scheme and proposed Investments to be made on account of the Unit Trust on the instructions of the Management Company are Shariah compliant with the criteria established as per clauses (i) and (ii) above.

- iv. To evaluate and advise upon all new financial instruments as and when introduced for their Shariah permissibility.
- v. To issue at the end of each Accounting Period, a certificate, to be included in the Scheme's financial reports, in respect of Shariah compliance of the preceding year's operations of the Scheme, and the Shariah Advisor or Shariah Advisory Board, as the case may be, may at the expense of the Fund, conduct such audits or other investigations, as may be necessary, for the issuance of the certificate.
- vi. To determine an appropriate 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 will recommend to the Management Company the criteria for selecting the Charities to whom such sums shall be donated.
- vii. To decide the methodology for calculation of 'Haram income'

## PART VI - CHARACTERISTICS OF UNITS

### 6.1 Types of Units

The Management Company may issue any of the following classes of Units from time to time:

- 6.1.1 An investor at the time of opening an account shall select the type(s) of Unit(s) in which investor wishes to invest in, namely Type 'A' Unit and/or Type 'B' Unit.
- 6.1.2 The Management Company may, from time to time, amend the minimum amount of initial investment that is required to open and maintain an account with the Transfer Agent after giving prior notice of 15 days to the investors. At the initial offer and later on, the minimum amount of investment to open and maintain an account is Rs. 5,000 for Type 'A' Units and Rs. 50,000 for Type 'B' Units and for each subsequent investment Rs. 1,000 for Type 'A' Units and Rs. 5,000 for Type 'B' Units. The Management Company reserves the right to alter the minimum amounts stated hereinabove. In the event the investment in any investor's account falls below the minimum level as a result of revised limits, changes in valuation, redemption, transfer or transmission, the Management Company may instruct the Transfer Agent to close such an account by redeeming the Units in the account at the close of any accounting period at the price applicable to redemptions on such date. For Type 'B' Units, in case the amount falls below Rs. 50,000, funds shall be transferred to Type 'A' Units. The maximum investment allowed per Unit Holder for purchasing/holding Units of **FAYSAL ISLAMIC SAVINGS GROWTH FUND** is at the discretion of the Management Company. The Management Company can decline to accept investments from any applicant, if it is of the opinion that it will not be possible to invest substantial inflow of funds or to meet any regulatory requirement or result in concentration of units of **FAYSAL ISLAMIC SAVINGS GROWTH FUND** with a single unit holder to the possible disadvantage of other unit holders. Units of **FAYSAL ISLAMIC SAVINGS GROWTH FUND** (including fraction thereof) shall be issued against the amount received from the Unit Holders in accordance with the procedure laid down in this Offering Document. The Management Company may alter the minimum amount required for opening, maintaining or adding to the account. Provided an upward change for maintaining the account or adding funds the Management Company shall give seven days notice to Unit Holders.
  - (i) **Type 'A' Units:** The Unit value grows in line with the growth in the NAV, and the Unit Holders are entitled to bonus units and/or cash dividend as per their consent and instructions at the time of distribution.
  - (ii) **Type 'B' Units:** The Unit Holders, based on their own consent & instructions and with prior intimation to the Management Company, exercise the option of redeeming a certain number of Units for fulfilling their requirement of a certain cash amount at Regular

Intervals (i.e. monthly, quarterly, semi-annually and annually). Such instructions shall be given in writing at the beginning of each regular interval or at the time of purchase of Units. Unit Holders are also entitled to bonus units and/or cash dividend as per their consent and instructions at the time of distribution.

Type A Units shall be issued to Core Investors, Pre-IPO Investors and units issue during Initial Period of Offer unless they opt for Type B Units.

6.1.3 The Management Company shall, on the last working day of the month, calculate the redemption value to be paid to the Type 'B' Unit Holder(s) based on the Redemption Price applicable for that day.

6.1.4 Depending upon the instructions given by the Type 'B' Unit Holders, the Type 'B' Units are further classified into two types:

- (a) **Flexible Type 'B' Units** - The Flexible Type 'B' Unit Holders, at the time of purchase or beginning of an interval, authorize the Management Company to decide the quantum of part redemption of their unit holdings at the end of every regular interval based on the performance (NAV growth) of the Fund during that regular interval. The amount of redemption value so derived shall be transferred to designated bank account by way of transfer of funds to the designated bankers within six (6) working days of the redemption without recovering any Back End Load. The Unit Holders may request change of the regular income interval (i.e. monthly, quarterly, semi annually, annually), which is subject to prior written intimation of 30 days to the Management Company. However, In case of zero growth in NAV as compared to last interval no cash will be distributed to respective account.
- (b) **Fixed Type 'B' Units** - The Fixed Type 'B' Unit Holders, at the time of purchase or beginning of an interval, specify a fixed cash amount required by them at regular intervals, and authorize the Management Company to redeem (at the prevailing NAV) such number of units from their holding that in rupee terms are equivalent to the specified fixed amount required at the end of every regular interval. The amount of redemption value so derived shall be transferred to the designated bank account by way of transfer of funds to the designated bankers within six (6) working days of the redemption. The Unit Holders may request change of the regular income interval (i.e. monthly, quarterly, semi annually, annually), which is subject to prior written intimation of 30 days to the Management Company.

**As a result of operation of this Clause, the capital invested may deplete in case sufficient returns are not earned to cover the amount of Relevant Interval payment required by the Unit Holder.**

6.1.5 The Transfer Agent shall send an account statement to the Unit Holder each time there is an activity in the account. Such statements or reports shall be sent by electronic means to those who has e-mail address and through ordinary mail to the remaining Unit Holder's at the address recorded in the register.

6.1.6 In case the Management Company announces a suspension of further issue of Units of **FAYSAL ISALMIC SAVINGS GROWTH FUND**, it may allow existing Unit Holders to continue acquiring Units out of any dividend declared on Units held under above mentioned options.

6.1.7 The Unit Holder may withdraw funds from the option at any stage, by filling out and lodging the prescribed form to the Distributor. However, in the event the principal value of the account goes below the prescribed amount as a result of loss in valuation or as a result of application of Clauses 6.1.4(a) & 6.1.4(b) above, the minimum value requirement as stated herein above shall not apply to that extent. In such an event, the Unit Holder is free to discontinue the option or convert the remaining Units into Type 'A' Units.

- 6.1.8 Certificates representing Units purchased under the Type 'B' Units shall not be issued. However, the Transfer Agent shall send directly to each Unit Holder an account statement each time there is a transaction in the account.
- 6.1.9 All Units and fractions thereof (up to four or more decimal places) represent an undivided share in the Scheme and rank pari passu as to their rights in the net assets, earnings, and the receipt of the dividends and distributions. Each Unit Holder has a beneficial interest in **FAYSAL ISLAMIC SAVINGS GROWTH FUND** proportionate to the Units held by such Unit Holder. However, while maintaining the integrity of each Unit's pari passu rights, 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. Consequently, the Units issued with differing arrangements may have differing respective applicable quantum of the Front-end Load added to the NAV for determining the Offering Price thereof and differing respective applicable quantum of Back-end load deducted from the NAV for determining the Repurchase Price.
- 6.1.10 Unit Holders may obtain certificates representing the Type 'A' Units they hold by paying a nominal fee of Rs. 25/- per certificate plus any duties and charges as Management Company thinks fit, subject to revision from time to time by the Management Company. Requests for redemption, transfer or transmission of Units shall be processed only on the production of the certificate(s), if issued earlier. In the event of loss or defacing of certificates, the process shall be carried out subject to appropriate safeguards to the satisfaction of the Management Company/Trustee/Transfer Agent and the associated cost if any will be borne by the Unit Holder.
- 6.1.11 **Registration of Pledge/Lien** - The Transfer Agent may register a pledge/lien on any Units in favor of any third party with the specific authority of the Management Company. However, the pledge/lien shall be valid only if evidenced by a statement or letter issued by the Transfer Agent indicating the Units marked in favor of the Pledgee. The onus for due process having been followed in registering a lien shall lie with the party claiming the lien. (Please see Clause 6.7 for details).

## 6.2 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 on any Business Day as per criteria defined in Clause 6.10 below, which will be from Monday to Friday (excluding holidays and days when banks are closed for public dealings) of each week in accordance with the procedure set out in Clauses 6.3 and 6.4 of this Offering Document. The Purchase Price and Redemption Price applicable will be as provided in clause 6.10.2 below, depending upon timings of submission of purchase or redemption application. Redemption of Units subsequent to Initial Period will commence after the closure of Initial Period. For investor convenience, the Management Company may make arrangements for acceptance of redemption requests on non Business Days, and after Cut-Off time on Business Days provided these are treated as redemption requests for the following Business Day.
- (b) During the period in which the register is closed, as mentioned in Clauses 6.8 and 7.8 of this Offering Document, the sale and redemption of Units will be suspended.
- (c) The Management Company may decline to issue of Units to any applicant, if it is of the opinion that it will not be possible to invest substantial inflow of fund or to meet any regulatory requirements or result in concentration of units of **FAYSAL ISLAMIC SAVINGS GROWTH FUND** with a single unit holder to the possible disadvantage of other unit holders or total number, or any one request for fresh issue of Units is so large that investing the funds would take some time and be contrary to the interests of the present Unit Holders.

## **6.3 Procedure for Purchase of Units**

### **6.3.1 Who Can Apply?**

Any investor or any related group of investors qualified or authorized to purchase the Units may make applications for the Purchase of Units in the Fund. The onus for being so qualified lies with the investor itself and neither the Management Company, nor the Trustee, nor the Transfer Agent, nor the Distributors nor the Financial Advisors nor the Investment Facilitators/Sales Agents carry any responsibility in this regard. Application may be made pursuant to the procedures described in paragraph 6.3.2 below by any qualified or authorized investor(s) including, but not limited to, the following:

- Citizens of Pakistan, residing in Pakistan. In respect of minors below 18 years of age, applications shall be made by their guardians.
- Companies, corporate bodies, financial institutions, banks, partners of a firm and societies incorporated in Pakistan provided such investment is permitted under their respective memorandum and articles of association and/or bylaws.
- 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.
- Provident Funds constituted by companies registered under the Companies Ordinance, 1984, 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.
- Provident, Pension and Gratuity Funds constituted by organizations other than companies under Section 20 (h) of the Trusts Act 1882, (11 of 1882).
- Insurance companies under the Insurance Ordinance, 2000.
- Non Profit Institutions, funds, trusts, societies or other organizations established in Pakistan for religious or charitable and community service purposes under Section 213 (i) of the Income Tax Rules, 2002.
- And any other person, natural or artificial, who is allowed to invest in this Fund under the applicable laws.

### **6.3.2 Account Opening and Purchase of Units Application Procedure**

- A. Fully completed application form for purchase of Units, accompanied with the full amount for the investment and copies of the documents mentioned in the subparagraphs below should be delivered at any of the Authorized Branches of the Distribution Companies or the Management Company during the business hours on each business day as announced by the Management Company from time to time. Currently only the Authorized Branches of the Distribution Companies as mentioned in Annexure “C” of this Offering Document are authorized to collect application and payment for the issue of Units, as laid down in Clause 6.3.4 of this Offering Document.
- B. In case of individuals, a photocopy of the Computerized National Identity Card (CNIC) of the applicant or any other form of identification acceptable to the Management Company, need to be furnished.

- C. In case of a corporate body or a registered society, institutions, corporate, trusts, attested copies of the following documents may be submitted:
- i. Investor's name
  - ii. List of Authorized Signatories along with copies of CNIC and their specimen signatures.
  - iii. Instructions for Redemption.
  - iv. Bank details.
  - v. Instructions for Dividend mandate, Zakat and Tax status.
  - vi. Instructions for dividend mandate, Zakat and Tax status
  - vii. Other relevant documents as may be required by the Transfer Agent.
- D. In case of existing Unit Holders, if any of the documents have previously been deposited with the Management Company and/or Transfer Agent., fresh submission of documents will not be required, provided that deposited documents are acceptable to Management Company. However, the account number must be provided to facilitate linking.
- E. Once the Investor Account has been opened, the Investor will be allotted a specific Registration/Folio Number which can be used for all future transactions to facilitate reference and linking.
- F. The applicant will receive a note confirming the receipt of the application form from Authorized Officer of the Distributor or Management Company. Payment of Units can be made by cheque, pay order, demand draft as so desired.
- G. The Distribution Company and/or Management Company will be entitled to verify the particulars given in the application form. In case of any incorrect information the application may be rejected if the applicant fails to rectify the discrepancy.
- H. If subsequent to receipt of the application by the Distributor, but prior to issue of the Units, the application is found by the Transfer Agent or the Distributor to be incomplete or incorrect in any material manner, the Transfer Agent 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 amount will be refunded without any markup.
- I. However, in the event Units have been issued and a material discrepancy is discovered subsequent to that, the Transfer Agent or the Distributor will advise the applicant in writing to remove the discrepancy within fifteen days. If the investor, in the opinion of the Transfer Agent, fails to remove the discrepancy without good cause, the Units shall be redeemed at the Redemption Price fixed on the date the Units are so redeemed. The Unit Holder shall not be entitled to any payment beyond the redemption value so determined.
- J. Investors will be allotted Units based on the Offer (Purchase) Price of the Fund, as announced by the Management Company, for the day on which correctly filled Investment Form is submitted to the Distributor (please refer to Clause 5.10 above) and/or Management Company before the Cut Off Timings on the Business Day as may be prescribed by the Management Company from time to time. However, the Investor will be provided the account statement within seven (7) business days after the said purchase amount of the Units purchased have been credited to the Fund Account. In the event a cheque is returned unpaid, the Management Company will assume the application for subscription as void and the Units allotted will be cancelled and investor informed accordingly. The investor will be asked to submit fresh payment for the said Units which will then be allotted Units based on the Offer (Purchase) Price announced by the Management Company on the day the said new Investment Form together with the payment is received by the Distributor and/or Management Company on the business day within the business hours as may be prescribed by the Management Company from time to time.

### 6.3.3 Joint Application

- A. Joint application can be made by up to four applicants. Such persons shall be deemed to hold Units on first holder basis; however, each person must sign the application form and submit a copy of their Computerized National Identity Card or other identification document.
- B. The first named Holder shall receive all notices and correspondence with respect to the account, as well as proceeds of any redemption, or dividend payments. Such person's receipt or payment into the person's designated bank account shall be considered as a valid discharge by the Trustee of its obligation.
- C. In the event of death of the first Holder, the person first in the order of survivor(s) as stated in the application form shall be the only person recognized by the Trustee to receive all notices and correspondences with regards to the accounts, as well as proceeds of any redemption requests or dividend. Such person's acknowledgement of receipt of proceeds shall be considered as the valid discharge by the Trustee of its obligations, provided however the Trustee and/or the Management Company may at their/its 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.

### 6.3.4 Purchase of Units

An application for purchase of Units may be lodged with any authorized Distributor or presented to the Management Company or through an Investment Facilitator. The application shall be in the form prescribed by the Management Company. Application forms are available with Distributors or Investment Facilitators or may be obtained from the Management Company or its web site. Units shall be issued based on the Purchase (Offer) Price that is determined as per Clause 6.10.2(c).

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

- Demand draft or Pay order in favor of CDC-Trustee **FAYSAL ISLAMIC SAVINGS GROWTH FUND**
- Online transfer of money
- Cheque (account payee only marked in favor of CDC-Trustee **FAYSAL ISLAMIC SAVINGS GROWTH FUND**)

The Management Company may also notify from time to time, arrangements or other forms of payment after obtaining approval of the Commission

The aforesaid payments must be handed over to a Distributor or Management Company who will acknowledge the receipt on the Investment Form. Such payments will only be deposited in the bank account of the Fund titled "**CDC - Trustee FAYSAL ISLAMIC SAVINGS GROWTH FUND**" maintained with the designated banks and their branches. Units are issued after realization of subscription money; however these are allocated upon receipt of application.

Notwithstanding the above, nothing contained herein shall be construed as limiting or otherwise restricting the Management Company's liability, under the clause 38 of the Regulation.

### 6.3.5 Issue of Units outside Pakistan

- A. Subject to exchange control and other applicable laws, rules and regulations and obtaining prior written approval of the Commission, in the event of arrangements being made by the Management Company for the purchase offer of Units to persons not resident in Pakistan or for delivery in any country outside Pakistan, the price at which

such Units may be issued may, at the discretion of the Management Company, include in addition to the Purchase (Offer) Price as hereinbefore provided a further amount sufficient to cover any exchange risk insurance, any additional stamp duty or taxation whether national, local or otherwise leviable in that country in respect of such issue or of the delivery or issue of Certificates, or any additional costs relating to the delivery of certificates or the remittance of money to Pakistan or any other cost in general incurred in providing this facility.

- B. In the event that the Redemption Price for Units shall be paid in any country outside Pakistan, the price at which such Units may be redeemed may at the discretion of the Management Company include as a deduction to the Redemption Price as hereinbefore provided a further amount sufficient to cover any currency exchange fluctuation or 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.
- C. The currency of transaction of the Scheme is the Pakistan Rupee and the Management Company, Trustee or any Distributor are not obliged to transact the issuance or redemption of the Units in any other currency and shall not be held liable.
- D. The Management Company shall appoint one or more scheduled bank(s) as the Authorized Dealer(s) to manage the Offer and Redemption of Units from outside Pakistan in foreign currency under the provisions of the Foreign Exchange Regulation.
- E. Payments made in foreign currency for purchase of Units shall be converted into Pakistani Rupees through the Authorized Dealer using his quoted rates prevailing on the Business Day of the receipt of the Fund from abroad through normal banking channels or from foreign currency account maintained locally in accordance with the Foreign Exchange law and any conversion cost, Duties and charges and Front-end Load shall be deducted from the payment before units are issued. The Units issued will be denominated in Pakistani Rupees using the conversion rates quoted by the Authorized Dealer at the issue date of the Units (buying rate for the relevant currency).
- F. Payments to be made in foreign currency on redemption of Units shall be converted from Pakistani Rupees on the Business Day of Payment through the Authorized Dealer using his quoted rates (selling rate for the relevant currency) and any conversion cost, Duties and Charges. Back-end Load shall be deducted from the payment to be made. Payment will be made in the local foreign currency account of such Unit Holder, if any. In case such Unit Holder does not hold the foreign currency account in Pakistan, the Unit Holder shall be liable to arrange for remittances through his own local custodian or Authorized Dealer and neither the Management Company, nor the Trustee or the Registrar or the Distribution Company shall be responsible for arranging the remittances of encashment proceeds of any Units.
- G. The Management Company will make arrangements from time to time for receiving account opening forms, investment request forms and payments from outside Pakistan and will disclose these arrangements through its website, Distributors and Investment Facilitators outside Pakistan.

## **6.4 Procedure for Redemption of Units**

### **6.4.1 Who Can Apply?**

All Unit Holders, other than the Core Investors holding Core Units are eligible to redeem the said Units. Core Investors of Core Units will be eligible for redemption after the expiry of the period of two years from the date of the closure of the Initial Period; however such Units are eligible for transfer subject to the condition that the new transferee of such

Unit(s) agrees to the same condition for holding the Units for the remaining balance period, if any.

#### **6.4.2 Redemption Application Procedure**

The procedure given below is designed for paper-based transactions. The Management Company at a later date may introduce electronic/web based options for the transactions.

- (A) Request for redemption can be made by completing the prescribed Redemption Form and endorsing the relevant Certificate, if issued and submitting the same to any of the Authorized Branches of the Distribution Companies and to the Management Company on or before Cut-off time as defined in this Offering Document on any business day or at such time as amended by the Management Company from time to time. In case the Certificate is not issued, the Unit Holder has only to complete and submit the original prescribed redemption form. The request for redemption would be honored after verifying the signature and other particulars of the Unit Holder from the Unit Holders' Register.
- (B) The Unit Holder will receive a note confirming the receipt of the application for redemption along with date and time from the relevant Distribution Office.
- (C) The Management Company may request the Trustee to make arrangements to accept redemption requests electronically (that is, web based), IVR (Interactive Voice Response) or by any other means with prior approval of the Commission. The Management Company may also request the Trustee to make arrangements through branches of banks to facilitate the redemption of Units through the ATM facility. The said arrangements shall be made subject to mutually agreed basis between both the parties and also subject to approvals of Commission and other regulatory bodies (if applicable).
- (D) In case of submission of electronic online redemptions or redemptions through ATMs or debit cards, the Holder's user ID and password will authenticate the Holder's identity.
- (E) The Registrar shall be entitled to verify the particulars given in the Redemption Form. In case of any incorrect information the application may be rejected if the Unit Holder does not rectify the discrepancy
- (F) 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 Transfer Agent or the Distributor to be incomplete or incorrect in any material manner, the Transfer Agent or the Distributor will advise the Unit Holder 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.
- (G) Units will be redeemed on the basis of daily Net Asset Value (NAV) announced as of the close of the Dealing Day on which a correctly filled Redemption Form is submitted within business hours.
- (H) Unless otherwise instructed, payment of the redemption proceeds will be made by a cross cheque/bank draft/pay order, in favor of Unit Holder's registered name or first named Joint Holder in the event of Joint Holders, and will be sent to registered address of the Unit Holder or first named Joint Holder, or if so authorized by all the Joint Holders, at the address of the Joint Holder who has signed the redemption form as provided, within six (6) Business Days of the receipt of a properly documented request for redemption of Units. However, if so authorized by the Unit Holder, payment of redemption proceeds will be made by transfer to the bank account number of the Unit Holder or first-named Joint Holder in the event of Joint Holder. No money shall be paid to any intermediary except the Unit Holder/Joint Holder or his/their authorized representatives.

- (I) In general redemption proceeds will be paid within six Business Days of the Management Company receiving a fully complete redemption request at its registered office in Pakistan. In all cases, the amount payable on redemption will be considered paid once the Trustee has either (i) dispatched a cheque, pay order or draft for the full amount or, (ii) has deposited the full amount with a bank or other trustee/custodian for conversion and/or onwards payment to the Unit Holder. Where redemption requests on any one Business Day exceed ten (10) percent of total number of units in issue of the Fund, such redemption requests in excess of ten (10) percent may be deferred in accordance with the procedure elaborated in the 6.8.4 below.
- (J) In case the investor has requested encashment of bonus Units then such bonus Units will be redeemed at the ex-dividend Net Asset Value of the effective date of distribution.
- (K) In the event of Units that are pledged, are redeemed for any reason whatsoever, the proceeds shall be paid to the order of the lien holders through the designated bank account or posted to the registered address mentioned in the pledge/lien application form submitted.
- (L) The Management Company shall not specifically use flipping mechanism (i.e. redemption and re-issuance of Units to the same Unit Holders based on different NAVs without cash settlement).
- (M) No netting off transaction (adjustment of the assets of the Scheme against the investment of Unit Holders) is allowed within the Scheme.
- (N) Redemption of Units may be suspended or put in queue due to exceptional circumstances. For detailed information about this please refer to sub paragraphs 6.8.3 and 6.8.4 below.
- (O) Partial Redemption of Units covered by a single Certificate is not permitted. However, the Unit Holders may apply for a splitting of the Certificate before applying for redemption. In case where Units are maintained on book only and Certificates are not issued, any number of Units may be redeemed by the Holder.
- (P) In the event the 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), it may charge Contingent Load on such redemption.
- (Q) The Management Company shall arrange the remittance and / or fulfill any foreign exchange formalities at State Bank of Pakistan (SBP) through Trustee (if required). Furthermore, in case of any remittance is delayed or cannot be made due to in-availability of foreign currency from the State Bank of Pakistan and / or delay due to approval process at SBP, both management company and Trustee will not be responsible for the same

#### **6.4.3 Joint Unit Holder(s)**

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

#### **6.4.4 Redemption of Units Issued outside Pakistan**

- (A) 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 at the discretion of the Management Company include as a deduction to the Redemption Price as hereinbefore provided a further amount sufficient to cover any currency exchange fluctuation or 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.

- (B) The currency of transaction of the Scheme is the Pakistan Rupee and the Management Company, Trustee or any Distributor are not obliged to transact the issuance 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.
- (C) The Management Company shall appoint one or more scheduled bank(s) as the Authorized Dealer(s) to manage the Offer and Redemption of Units from outside Pakistan in foreign currency under the provisions of the Foreign Exchange Regulation.
- (D) Payments to be made in foreign currency on redemption of Units shall be converted from Pakistani Rupees on the Business Day of Payment through the Authorized Dealer using his quoted rates (selling rate for the relevant currency) and any conversion cost, Duties and Charges, and Back-end Load shall be deducted from the payment to be made. Payment will be made in the local foreign currency account of such Unit Holder, if any. In case such Unit Holder does not hold the foreign currency account in Pakistan, the Unit Holder shall be liable to arrange for remittances through his own local custodian or Authorized Dealer and neither the Management Company, nor the Trustee or the Registrar or the Distribution Company shall be responsible for arranging the remittances of encashment proceeds of any Units.
- (E) The Management Company will make arrangements from time to time for receiving account opening forms, investment request forms and payments from outside Pakistan and will disclose these arrangements through its website, Distributors and Investment Facilitators outside Pakistan.

## **6.5 Procedure for Transfer of Units**

### **6.5.1 Application Procedure**

- (A) A Unit Holder can transfer Units held by him by:
  - (i) Completing a Transfer Application Form to be signed by the transferor and transferee;
  - (ii) Paying applicable Duties and Charges; and
  - (iii) Submitting to any Authorized Branches of the relevant Distribution Company, or the Transfer Agent, or the Management Company the Transfer Application Form and relevant Certificate, if issued.
- (B) Any person becoming entitled to hold the Units in consequence of the death, insolvency or winding up of any sole Holder or the survivors of Joint Holders shall be registered as the Holder or Joint Holder as the case may be upon:
  - (i) Paying any applicable Duties and Charges; and
  - (ii) Submitting to any of the Authorized Branches of the relevant Distribution Company, or Transfer Agent, or the Management Company the duly completed Transfer Application Form and relevant Certificate, if issued, with such evidence, which may prove his entitlement to the Units.
- (C) Application for transfer can be submitted on any Business Day before the Cut-Off time.
- (D) The Management Company may make arrangements to accept transfer requests through electronic means provided the transferor shall be deemed to remain the Holder of the Units transferred until the name of the transferee is entered in the Register in respect thereof.

### **6.5.2 Partial Transfer**

Partial transfer of Units covered by a single Certificate is not permitted. However Holders may apply for a splitting of the Certificate before applying for transfer.

### **6.5.3 Verification of Transfer of Application Form**

The Transfer Agent will verify:

- (i) The holding stated on the Transfer Application Form; and
- (ii) Signature of the Holder.

## **6.6 Procedure for Requesting Change in Unit Holder Particulars**

### **6.6.1 Who Can Request Change?**

All existing Unit Holders or those who have purchased the Fund's Units as per Para 6.3 above are eligible to change their Unit Holder details if they so desire. Such change in particulars and requests can be made via the Account Update Forms. These Forms may be obtained from Distributors or Investment Facilitators or from the Management Company and through its web site.

### **6.6.2 Application Procedure for Change in Particulars**

- (A) The information submitted at the time of purchase of Units can be changed through the Account Update Form.
- (B) Some of the key information which the Unit Holder can change is as follows:
  - i. Change in address
  - ii. Joint Holder details
  - iii. Nominee details
- (C) The Unit Holder can also issue the following instructions:
  - i. Change in Bank Account details
  - ii. Account Operating instructions
  - iii. Frequency of profit payments
- (D) Fully completed Account Update 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.
- (E) The Unit Holder must obtain a copy of the Account Update Form signed and duly verified by an Authorized Officer of the Distributor or Management Company if the Form is given to an Investment Facilitator.
- (F) The Distribution Company and/or Management Company will be entitled to verify the particulars given in the Account Update Form. In case of any incorrect information, the application may be rejected if the applicant does not rectify the discrepancy.
- (G) The Unit Holder will be liable for any taxes, charges or duties that may be levied on any of the above changes that the Unit Holder may request via the Account Update Form. These taxes, charges or duties may either be recovered by redemption of Unit Holder equivalent Units at the time of the service request or the Management Company may require separate payment for such services.

### **6.6.3 Joint Unit Holder(s)**

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

### **6.6.4 Partial Transfer**

Partial transfer of Units 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.

## **6.7 Procedure for Pledge/Lien/Charge of Units**

### **6.7.1 Who Can Apply?**

- 6.7.1.1 Any Unit Holder/or all joint Unit Holders may request the Registrar to record a pledge/lien of all or any of his/their Units in favour of any third party legally entitled to invest in such Units in its own right. The Registrar shall register a lien on any Units in favour of any third party with the consent of the Management Company. Any charges, duties, levies etc applicable on such pledge/lien will be borne by the Pledgor. Such pledge/lien/charge can be made via the Pledge of Units Form as attached in Annexure "D" of this Offering Document. These forms may be obtained from Distributors or Investment Facilitators or from the Management Company or through its web site.
- 6.7.1.2 The pledge/lien once registered shall be removed by the authority of the party in whose favour the pledge/lien has been registered or through an order of a competent court. Neither the Trustee, nor the Management Company, nor the Registrar, shall be liable for ensuring the validity of any such pledge/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 nor the Registrar takes any responsibility in this matter.
- 6.7.1.3 Payments of dividends or the issue of bonus Units and redemption proceeds or any other benefits of the Units under pledge/lien shall be made to the Unit Holder, unless the Unit Holder notifies the Registrar and the Management Company to pay/issue the same to or in favor of the pledge/lien holder.
- 6.7.1.4 The lien on the pledged Units shall continue till such time it is released by the lien holder in writing.
- 6.7.1.5 Partial pledge/lien of Units covered by a single Certificate is not permitted. However, Holders may apply for a splitting of the Certificate before applying for such partial pledge/lien.
- 6.7.1.6 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.

## **6.8 Suspension of Dealing, Queue System and Winding Up**

A permanent change in the method of dealing shall be made after one month's notice to the Unit Holders with the approval of Trustee. Under the exceptional circumstances (having regard to the interests of unit holders), mentioned in para 6.9 below, the Management Company may request the Trustee to approve a temporary change in the method of dealing in Units. Such approval shall not be unreasonably withheld. The

Management Company may, at any stage, suspend the issue (sale) of Units and for such periods it may so decide.

The Management Company shall provide all redemption requests, duly timed and date stamped, to the Trustee within 24 hours of the receipt of such requests following the queue system.

#### **6.8.1 Suspension of Fresh Issue of Units**

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

These circumstances may include:

- (i) A situation in which the Management Company has decided to terminate the Fund.
- (ii) In case the request for fresh issue of Units is contrary to the Know-Your-Customer rules or any other money laundering rules that the Fund may be subject to or that the Management Company may frame for self regulation.
- (iii) In case the request for fresh issue of Units is contrary to the rules of the foreign jurisdiction that the Fund or the investor may be subject to or if accepting the request for fresh issue of Units may subject the Fund or the Management Company to additional regulation under the foreign jurisdiction.
- (iv) If accepting the request for fresh issue of Units would in any case be contrary to the interests of the Management Company or the Fund.
- (v) If the Management Company is of the view that investment of inflow of substantial fund shall be difficult, it may decline the application in full or in part for issue of Units at its discretion from the investor(s).
- (vi) Any other situation in which issuance of fresh units is, in Management Company's opinion, against the interests of the existing/remaining unit holders.

The Management Company shall announce the details of exemptions at the time a suspension of fresh issue of Units is announced. Such suspension may however not affect existing Unit Holders with respect to the issue of bonus Units as a result of profit distribution or the option to receive dividends in the form of additional Units. The Management Company shall immediately notify the Commission if fresh issue of Units is suspended and shall also have the fact published, immediately following such decision, in the newspapers in which the Fund's prices are normally published.

#### **6.8.2 Deferral of request for fresh issue of Units**

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

The Management Company shall ensure that in case of suspension of redemption of units of the scheme due to extraordinary circumstances in term of provisions of the Trust Deed and Non Banking Finance Companies and Notified Entities Regulation 2008 (as amended or replaced), the issuance of fresh units shall also be kept suspended until and unless redemption of units is resumed.

#### **6.8.3 Suspension of Redemption of Units**

In the event of extraordinary circumstances as mentioned in Para 6.9 of this Offering Document, the Management Company may suspend or defer redemption of Units

In case of suspension of redemption of the units of the Scheme, the Management Company shall also suspend issuance of fresh units of the Scheme until and unless redemption of units is resumed

#### **6.8.4 Queue System**

In the event redemption requests on any day exceed ten percent (10%) of the Units in issue, the Management Company may invoke a Queue System whereby requests for redemption shall be processed on a first come first served basis for up to ten percent (10%) of the Units in issue. The Management Company shall proceed to sell adequate assets of the Fund and/or arrange borrowing as it deems fit in the best interest of all Unit Holders and shall determine the Redemption Price to be applied to the redemption requests based on such action. Where it is not practical to determine the chronological ranking of any requests in comparison to others received on the same Dealing Day, such requests shall be processed on basis proportionate to the size of the requests. The requests in excess of ten percent (10%) shall be treated as redemption requests qualifying for being processed on the next Dealing Day at the price to be determined for such redemption requests. However, if the carried over requests and the fresh requests received on the next Dealing Day still exceed ten percent (10%) of the Units in issue, these shall once again be treated on first come first served basis and the process for generating liquidity and determining the Redemption Price shall be repeated and such procedure shall continue till such time the outstanding redemption requests come down to a level below ten percent (10%) of the Units then in issue. 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.

#### **6.8.5 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 selling of the 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 and determining the final Redemption Price. However, interim distributions of the proceeds may be made if the Management Company finds it feasible.

#### **6.9 Issue and redemption of Units in extraordinary circumstances**

The Board of the Management Company may, at any stage, suspend the issue (sale) of Units and redemption of units for such periods as it may so decide. Issuance and redemption may only be suspended simultaneously during extraordinary circumstances. The issue and redemption of Units may be suspended during extraordinary circumstances including (i) closure of one or more Stock Exchange(s) on which any of the Securities invested in by the Fund are listed, closure of one or more Banks, in which the Fund's Bank Accounts are maintained; (ii) the existence of a state of affairs, which in the opinion of the Management Company, constitutes an emergency as a result of which disposal of any Investment would not be reasonably practicable or might seriously prejudice the interests of the Scheme or of the Unit Holders; (iii) Break down in the means of communication normally employed in determining the price of any Investment; (iv) When remittance of money can not be carried out in reasonable time and if the Management Company is of the view that it would be detrimental to the remaining Unit Holders to redeem Units at a price so determined in accordance with the Net Asset Value (NAV); or (v) War (declared or otherwise), natural disasters, a major break down in law and order, breakdown of the communication system, closure of the banking system, computer breakdown or strikes or other events that render the Management Company unable to function.

The Board of the Management Company may announce a suspension or deferral of redemption. Such a measure shall be taken to protect the interest of the Unit Holders in

the event of extraordinary circumstances or in the event redemption requests accumulate in excess of ten percent (10%) of the Units in issue. In the event of a large number of redemption requests accumulating, the requests may be processed in a Queue System and under extreme circumstances the Management Company may decide to wind up the Fund. Details of the procedure are given in Para 6.8 herein above. Such suspension or queue system shall end on the day following the first Business Day on which the conditions giving rise to the suspension or Queue System, shall in the opinion of the Management Company, have ceased to exist and no other condition under which suspension or Queue System is authorized under the Deed exists. In case of suspension and invoking of a Queue System and end of suspension and Queue System, the Management Company shall immediately notify the Commission and publish the same in the newspaper in which the Fund's prices are normally published.

## **6.10 Frequency of Valuation, Dealing and Mode of the Price Announcement**

6.10.1 The valuation and pricing of the fund will be in accordance with the prescribed Rules and Regulations and any other directives provided thereof.

### **6.10.2 Offer and Redemption Prices**

- (A) For the Initial Period (Purchase) Prices, please refer to Para 3.9 of this Document.
- (B) Subsequent to the Initial Period, the Management Company shall announce the Purchase (Offer) and Redemption (Repurchase) Prices for every Dealing Day, calculated on the basis of the NAV and adjusted for such load, transaction costs, charges and duties as are described herein. The method of calculation shall be such that the Trustee is satisfied regarding the accurate calculation of prices.
- (C) The Offer (purchase) Price shall be equal to the sum of the Net Asset Value (NAV) as of the close of the Dealing Day plus:
  - (i) Any Front-End Load but not exceeding 5% of the Net Asset Value (Please refer to Annexure "B" for the current level of load);
  - (ii) Transaction Costs, if any; and
  - (iii) Such amount as the Management Company may consider appropriate provision for Duties and Charges.

Such amount shall be adjusted upward to the nearest two decimal places.

- (D) Except for circumstances elaborated in clause 6.8 of this Offering Document, the Purchase (Offer) Price for a Dealing Day so determined shall apply to purchase of Unit application form complete and correctly filled in all respects, (all mandatory information and payments), received by the Distributor or the Management Company before the Cut Off Timing i.e. 5 p.m. (or such other timings as announced by Management Company from time to time after giving prior notice of 15 days to the unit holders) on the same Dealing Day. In case application is received after the Cut Off Timing, then the Purchase (offer) Price of following Business Day will apply to such request. Provided that a Business Day is not a Subscription Day, the Offer Price calculated on the next Subscription Day shall apply to the purchase request. Units will be issued after realization of subscription money
- (E) The Management Company will make arrangements, from time to time, for receiving purchase request from outside Pakistan and will disclose these arrangements through its website and its Distributors and agents outside Pakistan. In general, the Offer Price applicable to purchase requests received from outside Pakistan will be the Offer Price applicable on the date the Trustee receives the payments from international investors provided it is a Subscription Day otherwise the Offer Price of the next Subscription Day will apply.

- (F) In the event that the amount paid as provision for payment of Duties and Charges is insufficient to pay in full such Duties and Charges, the Management Company shall be liable for the payment in full of the amount of such Duties and Charges in excess of such provisions (except where such excess arises from any Duties and Charges levied with retrospective effect after the date of payment in which case such excess shall be recovered from the Fund Property).
- (G) In the event that the amount paid as provision for payment of Duties and Charges exceeds the relevant amount of Duties and Charges, the Registrar shall issue additional Units or fractions thereof to the Unit Holders based on the price applicable to the Units issued against the relevant application.
- (H) The Purchase (Offer) Price determined by the Management Company shall be made available to the public at the office and branches of the Distribution Companies and at the discretion of the Management Company may also be published in any newspaper circulated in Pakistan and may also be made available at its website.
- (I) During the Initial Period of Offer, the Units will not be redeemed. After the Initial Period the Redemption Price shall be equal to the Net Asset Value (NAV) as of the close of the Dealing Day less:
  - (i) Any Back-End Load but not exceeding 5% of the Net Asset Value (Please refer to Annexure "B" for the current level of load);
  - (ii) Any taxes imposed by the Government;
  - (iii) Transaction Costs if any;
  - (iv) Such amount as the Management Company may consider appropriate provision for Duties and Charges

Such amount shall be adjusted downward to the nearest two decimal places.

- (J) The Management Company may announce different plans under different administrative arrangements with differing levels of Back-end Load. Consequently, the Redemption Price may differ for Units issued under differing administrative arrangements.
- (K) Except for circumstances elaborated in clause 6.8 of this Offering Document, the Redemption Price for a Dealing Day so determined shall apply to complete and correctly filled redemption application, received by the Distributor or the Management Company before the Cut Off Timing (i.e before 5pm or such other timings as announced by Management Company from time to time) on the same Dealing Day. In case application is received after the Cut Off Timing, then the Redemption Price of the following Business Day will apply to such request. Provided that the Business Day is not a Subscription Day the Redemption Price calculated on the next Subscription Day shall apply.
- (L) In the event that the amount paid as provision for payment of Duties and Charges is insufficient to pay in full such Duties and Charges, the Management Company shall be liable for the payment in full of the amount of such Duties and Charges in excess of such provisions (except where such excess arises from any Duties and Charges levied with retrospective effect after the date of payment in which case such excess shall be recovered from the Fund Property).
- (M) In the event that the provision for payment of Duties and Charges exceeds the relevant amount of Duties and Charges, the Trustee shall refund such excess amount to the relevant Unit Holders.
- (N) The Redemption Price determined by the Management Company shall be made available to the public at the office and branches of the Distributors and at the discretion of the Management Company may also be published in at least one daily newspaper circulating in Pakistan and made it available at its website.

- (O) In the event the 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), it may charge Contingent Load on such redemption.
- (P) The Management Company shall ensure all redemption requests are paid based on ranking of the request in a queue.
- (Q) The maximum interval between the receipt of a properly documented request of Redemption of Units and the issue of payment instrument of aggregate Repurchase (Redemption) Price to such Unit Holders(s) shall be six Business Days unless redemption has been suspended.
- (R) No money shall be paid to any intermediary except the Unit Holders or his authorized representative.
- (S) The Front end load and Back end load combined together shall not exceed 5% of the NAV.

## **6.11 Transfer, Transmission and Conversion Procedure**

- 6.11.1 The Unit Holder may, subject to the law, transfer any Units held by them to any other account holder. The transfer shall be carried out after the Transfer Agent has been satisfied that all the requisite formalities including the payment of any taxes and duties have been complied with. A Unit shall be transferable only in its entirety.
- 6.11.2 Both the transferor and the transferee must sign every instrument of transfer and the transferor shall be deemed to remain the Holder of the Units transferred until the name of the transferee is entered in the register. Every instrument of transfer must be duly completed in all respects including affixation of transfer stamps of the requisite value. Where Certificates have been issued the Trustee may dispense with the production of any Certificates, if the Certificates have been lost or destroyed, subject to compliance by the transferor with like requirements to those arising in the case of an application by him for the replacement thereof as provided in this Offering Document or the Trust Deed. The Transfer Agent shall retain all instruments of transfer.
- 6.11.3 The Transfer Agent shall, with the prior approval of the Management Company 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-para 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.
- 6.11.4 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 after satisfying as to all legal requirements. 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.

- 6.11.5 A Unit Holder may convert the Units in the Fund being managed by the Management Company into Units of another unit trust scheme/fund/managed accounts/administrative plans being managed by the Management Company. The Transfer Agent 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.
- 6.11.6 A Unit Holder may merge the Units when he/she has invested with two folio/registration numbers and wishes to merge both the Units into one registration no./folio no./account no. 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.
- 6.11.7 The sale, redemption and transfer of Units and any other dealing in the Units may be carried out on-line to the extent permitted by the SECP and the State Bank of Pakistan and in accordance with the applicable law, the Rules and the Regulations and after consent to the Trustee.

## **PART VII - DISTRIBUTION POLICY**

### **7.1 Distribution Policy**

- 7.1.1 The net amount available for distribution at the end of the financial year i.e. Accounting Period (or such interim period as may be decided by the Management Company), shall comprise of the revenues earned by the Fund including the net impact of the revenue collected and paid out in the Net Asset Value calculation through Purchase (Offer) and Redemption (Repurchase) of Units, less all expenses incurred or accrued attributable to the Fund.
- 7.1.2 The Management Company may also distribute an amount, through cash or bonus, for an interim period that is not a full Accounting Period.
- 7.1.3 The Fund shall distribute at least 90% of the accounting income received or derived from sources other than unrealized capital gains as reduced by such expenses as are chargeable to the Scheme under the Regulations.

### **7.2 Declaration of Dividend**

- 7.2.1 The Management Company shall decide from time to time the Relevant Period, for the declaration of dividend but not later than 45 days from close of Accounting Period, and whether to distribute among Holders, profits (if any) and shall advise the Trustee accordingly. Such profits may be distributed in cash, additional units, or a combination of both as the Management Company may determine.
- 7.2.2 The Fund may distribute dividends as bonus units only for tax efficiency reasons, in accordance with the Income Tax Law (Income Tax Ordinance, 2001) applicable in respect of FISGF. For details please refer to sub-Para 9.3 of this Offering Document. FISGF shall comply with regulatory and taxation requirements and the dividend policy may be amended accordingly.
- 7.2.3 All Units shall have the same right with respect to dividend.

### **7.3 Determination of Distributable Income**

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

- (a) The total income earned on the Fund Property during such Accounting Period, including all amounts received in respect of dividend, profit, fee any other income etc;;
- (b) All receipts deemed by the Management Company to be in the nature of capital accruing from Investments shall not be regarded as available for distribution but shall be retained as part of the Fund Property, provided that such amounts out of the sale proceeds of the Investments and all other receipts as deemed by the Management Company to be in the nature of the net realized appreciation shall be distributable to the Unit Holders by the Trustee upon instructions of the Management Company and shall thereafter cease to form part of the Fund Property once transferred to the Distribution Account.
- (c) Net realized appreciation as set out in (b) above from which shall be deducted expenses as set out in Para 8.2 below and such other adjustments as the Management Company may determine in consultation with the Auditors, subject to the Regulations and the provisions of the Income Tax Ordinance, as amended from time to time.

#### **7.4 Reinvestment of Dividend**

Dividends shall be automatically reinvested in form of additional Units. However, a Unit Holder may instruct the Management Company in writing by completing the prescribed form not to reinvest the future dividends to which he will be entitled. In such an event future dividends shall be paid by way of transfer to his designated bank account. The issue price shall be determined on the basis of the NAV of June 30 or the relevant date after appropriation of income of that year/relevant period, without any charge of the Front-End Load and back end load. The issuance of the bonus Units shall be made, net of any taxes, charges and duties that the Management Company or the Trustee is obliged to recover, from the Unit Holder.

#### **7.5 Bonus Units**

The Management Company may decide to distribute, wholly or in part the distributable income in the form of stock dividend if it is in the interest of Unit Holders, which would comprise of the Bonus Units of the Trust. The Bonus Unit would rank *pari passu* as to their rights in the 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 (15) days of the issue of Bonus Units. The Unit Holder(s) have the option to en-cash the Bonus Units at ex-dividend Net Asset Value as on June 30 of the relevant period.

#### **7.6 Payment of Dividend**

- 7.6.1 All cash payments for dividend shall be made by cheque or pay-order or warrant or online transfer by the Trustee in favor of the Unit Holder or to the first named Joint Holder or any other Joint Holder specified in the instructions received by the Management Company for payment of Dividend and sent through the registered post at their registered address. Every cheque/warrant shall be made payable to the order of the person to whom it is delivered. Where so instructed by the Unit Holder, payments for dividend shall be made by transfer of funds to the Unit Holder's designated bank account or the charge holder's designated bank account in case of lien/pledge of Units as the case may be or through any other mode of payment and such payment shall be subject to Rules and Regulations.
- 7.6.2 Before making any payment in respect of a Unit, the Trustee or the Management Company may make such deductions as may be required by law in respect of any Zakat,

income or other taxes, charges or assessments whatsoever and issue to the Unit Holders the certificate in respect of such deduction in the prescribed form or in a form approved or required by the concerned authorities.

## **7.7 Dispatch of Dividend Warrants/Advice**

Dividend warrants/advices and/or Account Statement(s) as the case may be shall be dispatched to the Unit Holders or the charge-holders through registered post or courier service at their registered address of such Holder, or in case of Joint Holders to the registered address of the first named Joint Holder, as per the Rules and Regulations.

## **7.8 Closure of Register**

The Management Company may close the Register by giving at least seven (7) days notice to Unit Holders and for period not exceeding forty-five (45) days in a calendar year and six (6) Business Days at a time. During the closure period, the sale, redemption or transfer of Units will be suspended.

# **PART VIII - FEE AND CHARGES**

## **8.1 Fees and Charges Payable by an Investor**

### **8.1.1 Sales and Processing Charges (Front-end Load)**

The Unit Purchase Price includes front-end load of a maximum of five percent (5%) of the Purchase (Offer) Price (The current level of Front End Load is Nil as indicated in Annexure "B"). The issue price applicable to bonus Units issued by way of dividend distribution or issue of Units in lieu of cash distribution shall not include any Front-End Load. Transfer of Units from one owner to another shall be subject to a processing charge of an amount not exceeding one percent (1%) of the Net Asset Value at the date the request is lodged within business hours on the business day to the Authorized Distributor, or Transfer Agent or Management Company, which shall be recovered from the transferee. These taxes, charges or duties may be recovered by redemption of Unit Holder equivalent Units at the time of the transfer or may be charged separately. However, the processing charge shall not be payable by successors in the case of inheritance or distribution of the estate of a deceased Unit Holder.

### **8.1.2 Remuneration of Distribution Company/Financial Advisor/Investment Facilitator**

- (A) The remuneration of Distributors for the sale of Units with front-end load shall be paid exclusively from any front-end load received by the Trustee and/or may be paid by the Management Company when the Trustee pays the front-end load to the Management Company for onward distribution to the Distributors and Investment Facilitators and no charges shall be made against the Fund Property or the Distribution Account in this respect. The Trustee shall pay the remainder of any Front-end Load after such disbursement to the Management Company as additional remuneration for their management services for the Scheme. If the Front-end Load received by the Trustee is insufficient to pay the remuneration of the Distributors and Investment Facilitators, the Management Company shall pay the amount necessary to pay in full such remuneration.
- (B) Payments of Front-end Load may be made to the Management Company, by the Trustee on the instructions of the Management Company normally on monthly basis in arrears, within thirty days of the end calendar month, or in some other frequency on mutually agreed basis.
- (C) A Distributor located outside Pakistan may, if so authorized by the Trustee and the Management Company, retain such portion of the Front-end Load as is authorized by the Management Company and transfer the net amount to the Trustee, subject to the law for the time being in force.

### **8.1.3 Redemption Processing Charge (Back-end Load)**

- (A) The Redemption Price is calculated after deducting a Back-end Load from the Net Asset Value of the Unit and will be disclosed from time to time by the Management Company.
- (B) The Management Company may deduct up to a maximum Back-end Load of Five percent (5%) from the Net Asset Value on application for redemption of Units received from investors.
- (C) The Management Company is currently not charging any Back-end Load on applications for redemption of Units, as is indicated in Annexure B.
- (D) The rate of Back-end Load specified may change, from time to time at the discretion of the Management Company after SECP approval.

## **8.2 Fees and Charges Payable by Faysal Islamic Savings Growth Fund**

### **8.2.1 Remuneration of the Management Company**

- (A) The Management Company shall be entitled to be paid monthly in arrears, accrued remuneration duly verified by the Trustee during the first five years of the Fund's existence of an amount not exceeding three percent (3%) per annum of the average annual Net Assets of the Scheme and thereafter of an amount equal to two percent (2.0%) per annum of the average annual Net Assets or such other amount as may be specified by the Commission from time to time:
- (B) At present, the Management Company shall be entitled to be paid out of the Deposited Property monthly in arrears of the accrued remuneration of an amount not exceeding one and a half percent (1.5%) of the average annual Net Assets of the Trust calculated on a daily basis during the year. The remuneration of the Management Company may be revised from time to time, remaining within the allowable limits as per the Rules and Regulations and after giving prior notice and intimation to the unit holders.
- (C) The remuneration shall begin to accrue from the date of close of the Initial Offer Period. In respect of any period other than an 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 accrued in the Accounting Period concerned.
- (D) The remuneration due to the Management Company shall be paid within thirty days after the close of each month.
- (E) In consideration of the foregoing and save as aforesaid, the Management Company shall be responsible for the payment of all expenses incurred by the Management Company from time to time in connection with its responsibilities as Management Company of the Trust. The Management Company shall not make any charge against the Unit Holders or against the Deposited Property or against the Distribution Account for its services or for its expenses, except such expenses as are expressly authorized under the provisions of the Rules/Regulations and the Trust Deed to be payable out of Deposited Property.
- (F) The Management Company shall bear all expenditures in respect of its secretarial and office space and professional management, including all accounting and administrative services provided in accordance with the provisions of the Trust Deed.
- (G) The Management Company shall however not make any further material charge against the Unit Holder(s) or against the Deposited Property or against the Distribution Account for its services or for expenses, except such expenses or fees as are expressly authorized under the provisions of the Rules , the Regulations and the Trust Deed.

- (H) The fees payable on offshore investments to an international fund manager/advisor appointed by the Management Company, if any, the management fees shall be paid directly to such international fund manager/advisor by the Management Company which shall be the responsibility of the Management Company and shall not be charged to the Fund.

#### **8.2.2 Remuneration of the Trustee**

- (A) The Trustee shall be entitled to a monthly remuneration out of the Fund Property based on an annual tariff of charges annexed hereto (Annexure 'A'), which shall be applied to the average daily Net Assets during such calendar month. This may be amended from time to time.
- (B) The remuneration shall begin to accrue from the close of Initial Offer Period. For any period other than a full calendar month such remuneration will be prorated on the basis of the actual number of days for which such remuneration has accrued for the total number of days in the calendar month concerned.
- (C) Such remuneration shall be paid to the Trustee in arrears within thirty days after the end of each calendar month.
- (D) In consideration of the foregoing and save as aforesaid and the Trustee shall be responsible for the payment of all expenses incurred by the Trustee from time to time in connection with its duties as Trustee of the Scheme. The Trustee shall not make any charge against the Unit Holders or against the Fund Property or against the Distribution Account for its services or for its expenses or fees, except such expenses or fees as are expressly authorized under the provisions of the Regulations and the Deed to be payable out of Fund Property.
- (E) The Trustee shall bear all expenditures in respect of its secretarial and office space and professional management, including all accounting and administrative services provided in accordance with the provisions of the Deed.
- (F) Any increase in the remuneration of the Trustee agreed to by the Management Company shall require the approval of the Commission.

#### **8.3 Expenses of 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 the Trust Deed. Neither the management company nor the trustee shall make any charge against the Unit Holders or against the Deposited Property or against the Distribution Account for their services or for expenses, except such expenses or fees as are expressly authorized under the provisions of the Rules, Regulations, the Trust Deed and the Offering Document, to be payable out of Deposited Property.

#### **8.4 Remuneration of the Custodian**

The Custodian will be remunerated on the basis of inflow and outflow of securities as per the tariff structure which is agreed upon by the Management Company. For the time being, CDC will be performing the functions of the Custodian and the remuneration of this function is included in the tariff structure mentioned in Annexure 'A' of this Offering Document.

#### **8.5 Formation Cost to be amortized against the Property of the Scheme**

- 8.5.1 Formation Cost shall be charged to the Scheme which are estimated at and shall not exceed one (1%) percent of pre-IPO investment or amount of five million which ever is lower.

- 8.5.2 Formation Cost shall be borne by the Management Company and reimbursable by the Fund subject to the audit of expenses.
- 8.5.3 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 distribution of the Units is completed. Marketing costs shall not be borne by the Fund, However, one time advertisement cost for launching of Fund may be charged to the Fund.
- 8.5.4 Formation Cost will be amortized over a period of not less than five years.

## **8.6 Fees and charges Payable out of the property of the Scheme**

The following fees and charges will be payable from the Scheme:

- (i) Remuneration of the Management Company;
- (ii) Remuneration of the Trustee or Custodian;
- (iii) Listing fee payable to the stock exchange including renewals;
- (iv) Charges and levies of stock exchange, national clearing and central depository company;
- (v) Rating fee for Scheme 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 not exceeding one per cent of the pre-initial public offering capital or amount of five million which ever is lower ;
- (ix) Brokerage and transaction costs related to investing and disinvesting of the assets of the Scheme;
- (x) Expenses incurred by trustee in effecting registration of all register able assets in the name of the Trustee;
- (xi) Legal and related costs incurred in protecting the interests of the unit holders;
- (xii) Bank charges and borrowing/financial costs; provided that the charges payable to any Bank or Financial Institution against borrowings on account of the Trust as permissible under Clause 4.5 shall not be higher than the normal prevailing bank charges or normal market rates;
- (xiii) Hedging costs including forward cover, forward purchase or option purchase costs;
- (xiv) Any printing costs and related expenses for issuing the Scheme's quarterly, half yearly and annual reports etc;
- (xv) Taxes, fees, duties and other charges applicable to the Scheme on its income or its properties, including taxes , fees, duties and other charges levied by foreign jurisdiction on investments outside Pakistan;
- (xvi) Any amount which the Shariah Advisor may declare to be Haram and to be paid to Charity in accordance with the decision of the Shariah Advisor subject to the condition that such charity organization is not related to the Shariah Advisors, Management Company or any of their employees.;

(xvii) Any other expense or charge as may be permitted by the Commission.

Except as otherwise provided, such expenses shall be paid to the Management Company at actual within thirty days of incurring of such expense.

## **8.7 Annual Fee of the Commission**

The Management Company shall within three months of the close of the Accounting Period pay the Commission an annual fee which is such percentage of average annual net assets of the Scheme as provided in the Regulations. Provided that the annual fee shall be chargeable by the Management Company to the Scheme.

## **PART IX – TAXATION**

The information herein below is accurate as of the date of printing of this Offering Document. The taxability and tax rates are subject to change from time to time, as may be announced by the Government.

### **9.1 Taxation on the Income of the Fund**

The following is a brief description of the Income Tax Law (Income Tax Ordinance, 2001) applicable in respect of FISGF.

#### **9.1.1 Liability for Income Tax**

Under the tax law in Pakistan, the definition of a public company includes a Unit Trust, whose Units are widely available to the public and any other Trust as defined in the Trusts Act, 1882. The Fund is thereby regarded as a public limited company for tax purposes. The income of FISGF is taxable at the tax rate applicable as a public company, which is presently as under:

Dividend income - 10%.

Capital gain arising on sale of securities listed on any Stock Exchange(s) in Pakistan is exempt from tax up to tax year 2010.

Income from Shariah Compliant Term Finance Certificates or Corporate Paper(s), Government Securities, return on deposits/Certificates of Investment/deposits with banks/financial institutions, money market transactions, profit and loss sharing accounts with banks etc., is taxable at the rate applicable to a public company (as per Income Tax law).

#### **9.1.2 Liability for Income Tax, if 90% of Income is paid as Dividend**

Notwithstanding the tax rates given above, the income of the Fund will be exempted from tax if not less than ninety (90%) percent of its accounting income for the year as reduced by capital gains whether realized or unrealized, is distributed amongst the Unit Holders. For achieving tax efficiency, FISGF shall strive to distribute at least 90% of the income as dividend, calculated after excluding capital gains whether realized or unrealized. Further under the provisions of Clause 47 (B) of Part (IV) of the Second Schedule to the Income Tax Ordinance 2001, the Funds income from dividend, profit on debt, brokerage and commission is exempt from withholding tax under relevant provision of Law.

#### **9.1.3 Zakat**

FISGF is Saheb-e-Nisab under the Zakat and Ushr Ordinance, 1980. The balance in the credit of savings bank account, or similar account with a bank standing on the first day of Ramzanul-Mubarak will be subjected to Zakat deduction @ 2.5%.

## **9.2 Taxation on Unit Holders**

**Disclaimer:** The information set forth below is included for general information purposes only. Each investor is advised to consult their tax advisor regarding the specific tax consequences to him/her of investing in the Fund. This part does not cover tax liability of non-Pakistani resident investors with respect to taxes in their own jurisdiction.

### **9.2.1 Income Tax**

- (i) Unit Holders of the Fund will be subject to Income Tax @ 10% on dividend income.
- (ii) The payer will be required to withhold the amount of tax at source from payment of dividend, wherever applicable.
- (iii) The tax deducted on dividend at the rates specified above will be the final tax (except for companies) and the payer will be required to withhold the amount of tax at source from payment of dividend.
- (iv) 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.

### **9.2.2 Capital Gains**

Capital Gains on disposition of Units in the Fund will be subject to tax on capital gain at the applicable tax rate. The Units of the Fund will be listed on the Stock Exchange(s). Consequently, subject to such listing, the Capital Gain on disposal of the Units shall be exempt from tax up to Tax Year ending on 30th day of June 2010 (in the case of banking companies, this exemption period has already been completed as their new tax year 2009 has commenced from January 01, 2008).

### **9.2.3 Tax Credit**

Unit Holders other than a company shall be entitled to a tax credit under Section 62 of the Income Tax Ordinance, 2001, on purchase of new Units. The amount on which tax credit will be allowed shall be lower of (a) amount invested in purchase of new Units, (b) 10% of the taxable income of the Unit Holder or (c) Rupees three hundred thousand, and will be calculated by applying the average rate of tax of the Unit Holder for the tax year. If the Units so acquired are disposed within 12 months, the amount of tax payable for the tax year in which the Units are disposed shall be increased by the amount of tax credit.

### **9.2.4 Zakat**

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

## **9.3 Dividend**

The Fund shall distribute not less than 90% of its accounting income for the year as reduced by capital gains and unrealized appreciation amongst the Unit Holders as Bonus Units and/or cash dividend in order to avail tax exemption in the interest of the Unit Holders(s).

## **9.4 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. The entire information in Part 9 is based on the current taxation status. The exemptions and rates of taxation are subject to change from time to time.**

## **PART X - REPORTS AND ACCOUNTS**

### **10.1 Financial Year of Faysal Islamic Savings Growth Fund**

- 10.1.1 The annual Accounting Period shall commence on first day of July of a calendar year and shall end on thirtieth day of June of the succeeding calendar year.
- 10.1.2 Accounting Date shall be the thirtieth day of June in each year and any interim dates at which the financial statements of the Scheme are drawn up. Provided, however, the Management Company may, with the consent of the Trustee and after obtaining approval of the Commission and complying with other applicable laws, change such date to any other date.
- 10.1.3 Accounting Period means a period ending on and including an Accounting Date and commencing in case of the first such period, on the date on which the Fund Property is first paid or transferred to the Trustee and in any other case, from the first day subsequent to the end of the preceding Accounting Period.

### **10.2 Financial Reporting**

- 10.2.1 The Management Company shall maintain at its principal office, proper accounts and records to enable a complete and accurate view to be formed of (i) the assets and liabilities of the Scheme (ii) the income and expenditure of the Scheme (iii) all other transactions for the account of the Scheme (iv) all amounts received by the Scheme in respect of the issuance of Units (v) all amounts paid out by the Scheme on redemption of Units and by way of distributions and (vi) pay out at the termination of the Scheme.
- 10.2.2 The Management Company shall within four months of the closing of the Accounting Period transmit to the Unit Holder(s), the Trustee and the SECP and stock exchanges, on which the Units of the Scheme are listed the annual report as per the requirements of the Regulations, including (i) copy of balance sheet and income statement (ii) cash flow statement (iii) statement of movement in Unit Holders' fund or net assets or reserves and (iv) the Auditor's report as set out in Schedule V of the Regulations
- 10.2.3 The Management Company shall within one month of the closing of first and third quarter and within two months of the closing of second quarter of each Accounting Period, prepare and transmit to the Unit Holder(s), the Trustee and the SECP and stock exchanges, on which the Units of the Scheme are listed, (i) balance sheet as at the end of that quarter, (ii) income statement, (iii) cash flow statement, (iv) statement of changes in movement in Unit Holders' fund or net assets or reserves; and (v) statement showing the securities owned at the beginning of the relevant period, securities purchased or sold during such period, and the securities held at the end of such period together with the value (at carrying and at market) and the percentage in relation to its own net assets and the issued capital of person whose securities are owned for that quarter, whether audited or otherwise in accordance with the Rules & Regulation. Provided, where subject to permission being granted by the Commission the Management Company has transmitted the said quarterly accounts on the Management Company's website, printed copies thereof shall be provided to the Unit Holders, free of cost, as and when requested.
- 10.2.4 The Management Company shall maintain a Register of Unit Holder(s) of the Trust (either in physical or electronic form) and inform the Trustee and the Commission of the address where the Register is kept.

- 10.2.5 The Trustee shall issue a report to the Unit Holder(s) included in the annual and second quarter report of the Trust whether in its opinion, the Management Company has in all material respects managed the Fund Property in accordance with the provisions of the Regulations, the Offering Document and the Deed and if the Management Company has not done so, the respects in which it has not done so and the steps that the Trustee has taken in respect thereof.

## **PART XI - SERVICE TO UNIT HOLDERS**

### **11.1 Availability of Forms**

All the Forms mentioned and/or included in this Offering Document will be available at the Authorized Branches of the Distribution Companies as well as from the Management Company or on its web site at [www.faysalfunds.com](http://www.faysalfunds.com)

### **11.2 Register of Unit Holders**

- 11.2.1 A Register of Unit Holders shall be maintained by Gangjees Registrar Services (Pvt) Limited, in their capacity as the Registrar, presently having its office at 516, Clifton Centre, Khayaban-e-Roomi, Block 5, Clifton, Karachi-75600, or such other company, as the Management Company may appoint after giving prior notice to the Unit Holders.
- 11.2.2 Every Unit Holder will have a separate account/folio number. The Management Company shall use such account/folio number for recording Units held by the Unit Holder. Unit Holder's account identified by the account/folio number will reflect all the transactions in that account held by such Unit Holder.
- 11.2.3 The Management Company may make arrangements for the Unit Holders convenience by allowing the Holder to transact any of the Faysal Asset Management Limited funds within one client account, without the Holder having to open a new account for each fund.
- 11.2.4 The Holder will be entitled to ask for copies of his account statement on any Business Day within Business Hours by applying to the Management Company in writing and providing such fee that the Management Company may notify from time to time.
- 11.2.5 The Register shall be conclusive evidence as to the Units held by each Unit Holder.

### **11.3 Information in the Register**

The Register will normally contain the following major information:

#### **11.3.1 About Unit Holders**

- (a) Name of Unit Holder/Joint Unit Holders;
- (b) Address of Unit Holder/first named Joint Holder;
- (c) Computerized National Identification Number(s) (CNICs) of Unit Holder/Joint Unit Holders and/or identification number of passport if applicable;
- (d) Father's or Husband's name of Unit Holder in case of individual;
- (e) Occupation of Unit Holder;
- (f) Tax status of the Unit Holder;
- (g) Bank details;
- (h) Zakat status of the Unit Holder(s);
- (i) Record of signature of Unit Holder/Joint Holders;
- (j) Particulars of Nominee(s);
- (k) Names and designations of authorized signatories in case of a company, institution or a corporate body; and
- (l) Registered office address, in case of a company, institution or a corporate body.

### **11.3.2 About Units**

- (a) Type and Class;
- (b) Registration/Account/Folio No;
- (c) Certificate number(s), if applicable;
- (d) Dates of purchase/redemption/transfer;
- (e) Number of Units held by the Unit Holder;
- (f) Number of electronic units held;
- (g) Record of verification of transfer forms/redemption forms; and
- (h) Information about lien/pledge/charge on Units.

### **11.3.3 Instructions**

- (a) Redemption and dividend payment instructions that will include the mode of payment (crediting the Holder's bank account, credit and debit card or by payment to the Holder's registered address) and the relevant details;
- (b) Instruction about reinvestment of dividend in Units or the encashment of bonus Units or receipt of cash equivalent of Bonus Units;
- (c) Instructions if redemption application is to be signed by first-named Joint Holder only;
- (d) Information and instruction about pledge/charge/lien of Units; and
- (e) Information and instruction about nominees in case of death of the Unit Holder.

### **11.3.4 Request for Changes**

All existing Unit Holders or those who have purchased the Fund's Units as per Para 6.3 above are eligible to change their Unit Holder details if they so desire. Such change in particulars and requests can be made via Account Update Form, as attached in Annexure "D" of this Offering Document. These Forms may be obtained from Distributors or Investment Facilitators or from the Management Company or downloaded from our web site. The Transfer Agent, who on being satisfied therewith and on compliance with such formalities (including in the case of a change of name the surrender of any Certificate previously issued to such Holder and the payment of the fee) shall alter the Register or cause it to be altered accordingly and in the case of a change of name shall issue a new Certificate if required to such Holder.

## **11.4 Account Statement**

11.4.1 Units will be issued in registered, un-certificated form and will be confirmed to the investors by means of an Account Statement issued by the Transfer Agent in electronic or such other form and for such period as may be determined by the Management Company from time to time.

11.4.2 The Account Statement shall constitute evidence of the number of Units registered in the name of the Holder.

11.4.3 The Transfer Agent will record directly for each Unit Holder a non-transferable Account Statement each time there is a transaction in the account, i.e., Units are:

- (a) Issued/subscribed;
- (b) Redeemed;
- (c) Transferred in favor of third person;
- (d) Transferred from third person in favor of the Unit Holder;
- (e) Consolidated/split;
- (f) Converted to any of FAML's other funds (fund exchange);
- (g) Additional Units are issued against reinvestment of dividend;
- (h) Date of maturity;
- (i) Bonus Units; and
- (j) Such other information as is required under the Regulations or determined by the Management Company.

11.4.4 The Transfer Agent may send directly to each Unit Holder an account statement each time there is a transaction in the account.

11.4.5 The Unit Holder at any time, on a written application, shall be entitled to receive a duplicate Account Statement in respect of their Account.

## **11.5 Certificates**

11.5.1 Unit Certificates will be issued only to Type 'A' Unit Holder(s) if requested.

11.5.2 Unit Certificate(s) will be issued only if requested by Units Holder(s) 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.

11.5.3 Certificates where requested shall be issued as herein provided not later than twenty-one Business Days after the date of such request. The Certificate may be sent to the Unit Holder or his duly authorized nominee at his own risk by registered post or by courier service or may be collected from the Registrar.

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

11.5.5 Certificate(s) will not be issued for Type 'B' Units.

11.5.6 Certificates shall be issued in such form as may from time to time be agreed between the Management Company and the Trustee. A Certificate shall be dated, shall bear the name and address of the Management Company and the Trustee, shall bear a certificate number and shall specify the number of Units represented thereby and the name and address of the Holder as appearing in the Register.

11.5.7 The same Unit shall not be represented by more than one Certificate at any one time.

11.5.8 Certificates may be engraved or lithographed or printed as the Management Company may determine from time to time with the approval of the Trustee and shall be signed on behalf of the Trustee by a duly authorized officer of the Trustee and on behalf of the Management Company by a duly authorized officer of the Management Company. Every such signature shall be autographic unless there shall be for the time being in force an arrangement authorized by the Trustee adopting some lithographic or other mechanical method of signature in which event all or any of such signatures may be effected by the method so adopted. The Certificates shall also bear the signature of the authorized representative of the Transfer Agent, which shall always be autographic. No Certificate shall be of any force or effect until signed as herein notwithstanding that before the date of delivery thereof the Trustee or the Management Company or the Transfer Agent or any person whose signature appears thereon as a duly authorized signatory may have ceased to be the Trustee, Management Company, Transfer Agent or an authorized signatory.

## **11.6 Replacement of Certificates**

11.6.1 Subject to the provisions of the Deed and in particular to the limitations of the denominations of Certificates as may be fixed by the Management Company and subject to any regulations from time to time made by the Trustee with the approval of the Management Company every Unit Holder shall be entitled to exchange upon surrender of the existing Certificate any or all of his Certificates for one or more Certificates of such denominations as he may require representing the same aggregate number of Units.

11.6.2 In case any Certificate is lost, stolen, mutilated, defaced or destroyed, the Registrar with the approval of the Management Company may issue to the person entitled duplicate Certificate in lieu thereof. No such new Certificate shall be issued unless the applicant shall previously have:

- (a) returned the mutilated or defaced Certificate or furnished to the Distributor/Registrar evidence satisfactory to the Management Company and Trustee of the loss, theft or destruction of the original Certificate,
- (b) paid all expenses incurred in connection with the investigation of the facts; and
- (c) furnished such indemnity as the Management Company and the Trustee may require.

Neither the Management Company nor the Trustee nor the Registrar, nor the Distributor shall incur any liability for any action that they may take in good faith under the provisions of this sub-clause, provided further that the Trustee and/or the Management Company may also require issuance of public notices in newspapers at the cost of the pertinent Unit Holders before issuing any duplicate certificates.

11.6.3 Before the issuing of any Certificate under the provisions of this sub- clause the Registrar may require from the applicant for the Certificate the payment to it of a fee not exceeding (Rs. 100/-) one hundred Rupees for each Certificate, subject to revision of fee from time to time by the Management Company together with a sum sufficient in the opinion of the Management Company to cover any Duties and Charges payable in connection with the issue of such Certificate.

11.6.4 Upon completion of all formalities and notice period i.e. twenty one (21) days and if no objection/claim has been received on issuance of the certificates, the Registrar shall issue certificates within seven business days.

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

## **11.7 Pledge/Lien of Units/Charge**

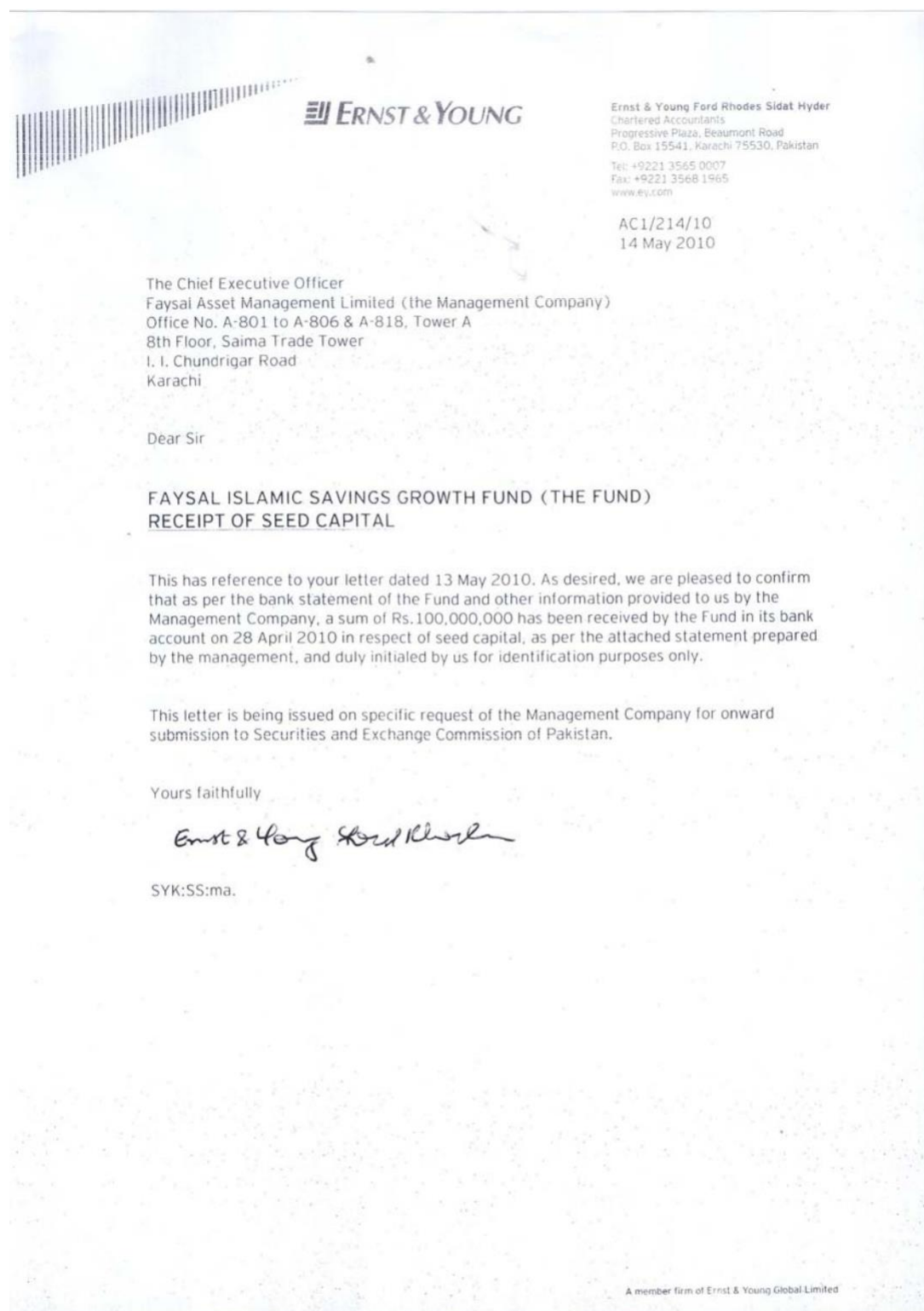
For details about Pledge/Lien of Units/Charge please refer to Para 6.7 above.

## **11.8 Nomination**


Subject to any Personal Laws that may be applicable to a Unit Holder, a single Unit Holder can nominate a successor to receive the Units upon his death by filling in the relevant portion of the Investment Form (or may request a nomination or change in nomination through the Account Update Form. Nominee(s) can be nominated only by single Unit Holder when there are no Joint Holders. The Unit Holder shall allocate and mention the respective shares per Nominee in percentage against their respective names. Such nomination shall however not restrict the Management Company or the Trustee or the Transfer Agent from demanding succession certificate from appropriate court of law and they shall not be liable in any manner in case of any disputes among the legal heirs of the deceased.

## PART XII – FINANCIAL INFORMATION

### 12.1 Auditors Certificate on Core Investors' Investment in the Units of the Fund



## 12.2 Auditors Certificate on the Net Asset Value of the Fund



Ernst & Young Ford Rhodes Sidat Hyder  
Chartered Accountants  
Progressive Plaza, Beaumont Road  
P.O. Box 15541, Karachi 75530, Pakistan  
Tel: +9221 3565 0007  
Fax: +9221 3568 1965  
www.ey.com

AC1/218/10  
19 May 2010

The Chief Executive Officer  
Faysal Asset Management Limited (the Management Company)  
Office No. A-801 to A-806 & A-818, Tower A  
8th Floor, Saima Trade Tower  
I. I. Chundrigar Road  
Karachi


Dear Sir

**FAYSAL ISLAMIC SAVINGS GROWTH FUND (THE FUND)**  
**NET ASSET VALUE OF UNITS**

This has reference to your letter dated 17 May 2010. As desired, we are pleased to confirm that the net assets [as computed in the manner prescribed under Rule 66 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008] of the Fund as of 13 May 2010 amounted to Rs.110,999,905.80 as per the un-audited books and records of the Fund and as also reflected in the enclosed statement prepared by the management (which has been initialed by us for identification purpose only). The net asset value of each unit amounted to Rs.100.00, which was arrived at by dividing the net assets value by the number of units in issue as of that date and has been determined without taking into account the formation cost (including legal expenses and audit fee etc.) expected to be incurred as per clause 8.5 of the Offering Document.

This letter is being issued on the specific request of the management company for onward submission to the Board of Directors, Securities and Exchange Commission of Pakistan and Karachi Stock Exchange.

Yours faithfully



SYK:SS:ma.

A member firm of Ernst & Young Global Limited



FAYSAL ASSET MANAGEMENT LIMITED

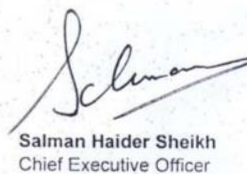
FAYSAL ISLAMIC SAVINGS GROWTH FUND  
STATEMENT OF ASSETS AND LIABILITIES  
AS AT MAY 13, 2010

	<u>Rupees</u>
<b>Assets</b>	
Balance with Bank (including profit accrued thereon)	111,092,924.75
Total Asset	<u>111,092,924.75</u>
<b>Liabilities</b>	
Payable to Faysal Asset Management Limited	10,000.00
Profit Payable to Pre-IPO Investors	83,018.95
Total Liabilities	<u>93,018.95</u>
<b>Net Assets</b>	<u><u>110,999,905.80</u></u>
Number of units	<u><u>1,110,000.00</u></u>
	<u>Rupees</u>
Net Asset Value per Unit	<u><u>100.00</u></u>

The net assets of the Fund as at May 13, 2010 have been determined without taking into account the formation cost (including legal expenses and audit fee etc.) expected to be incurred as per clause 8.5 of the Offering Document.

  
Shahid Usman Ojha  
Chief Financial Officer



  
Salman Haider Sheikh  
Chief Executive Officer

### **12.3 Formation Cost**

All preliminary and floatation expenses of the Scheme incurred, including expenses in connection with authorization of the Scheme and its application fee, payable to the Commission, execution and registration of the Constitutive Document, issue, legal costs, printing, circulation and publication of the Offering Document, announcements describing the Fund and inviting investment therein for the Initial Offer and all other expenses incurred until the end of the Initial Period shall be borne by the Management Company and shall be reimbursable to the Management Company by the Fund, over a period of not less than five years. The Formation Cost payable by the Fund shall not exceed one percent (1%) of pre-initial public offering capital of the Fund (comprising of Core Units and other Pre-IPO Units) subject to a cap of Rupees five million as per the Regulations. 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 Initial Public Offering is completed.

## **PART XIII – WARNINGS**

### **13.1 Offering Document**

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

### **13.2 Fluctuation in Price and Income**

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

### **13.3 Disclaimer**

**Investment in the Fund is suitable for investors who have the ability to take the risks associated with financial and other market investments whether listed or otherwise. The historical performance of this Fund, financial and other markets or instruments or investments whether listed or otherwise included in the Fund's portfolio does not necessarily indicate future performance. Investors are advised to read risk disclosure as mentioned in this Offering Document in Paragraphs 4.7 and 4.8 above for more information concerning risk.**

## **PART XIV – GENERAL INFORMATION**

### **14.1 Inspection of Constitutive Documents**

The copies of constitutive documents, such as Trust Deed and Offering Document, can be inspected free of charge at the addresses given below:

**Faysal Asset Management Limited**

8<sup>th</sup> Floor, Tower A (801-806 & 818)  
Saima Trade Tower  
I.I. Chundrigar Road  
Karachi

**Central Depository Company of Pakistan**

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

#### **14.2 Date of Publication of Offering Document**

The Offering Document has been published on June 7, 2010. The directors of the Management Company accept responsibility for the information contained in the Offering Document as being accurate at the date of publication.

### **PART XV – TERMINATION OF FAYSAL ISLAMIC SAVINGS GROWTH FUND**

#### **15.1 By the Management Company**

- 15.1.1 The Management Company may terminate the Trust, if the Net Assets at any time fall below Rupees fifty million. The Management Company may terminate the Fund by giving three month notice in writing to the Holders and the Trustee and shall disclose the grounds for its decision.
- 15.1.2 Subject to the Regulations, the Management Company may announce winding-up of the Trust without notice to the Unit Holders but under intimation to Trustee and SECP if redemptions of Units of unmanageable level would jeopardize the interests of the remaining Unit Holders and that it would be in the best interest of all the Unit Holders that the Trust is wound up.
- 15.1.3 In the event the Management Company is of the view that the quantum of redemption requests that have built up shall result in the Trust being run down to an unmanageable level or it is of the view that the sell-off of assets is likely to result in a significant loss in value for the Unit Holder(s) who are not redeeming, it may announce winding up of the Trust without notice.
- 15.1.4 The Trust may be terminated in accordance with the conditions specified in the Regulations, if there is any breach of the provisions of the Trust Deed or any other agreement or arrangement entered into between the Trustee and the Management Company regarding the Scheme. The Trustee and Management Company shall act in a manner that causes the least degree of inconvenience to the Unit Holders and is the most cost efficient for the Scheme and the Management Company and Trustee.

#### **15.2 By the Securities and Exchange Commission of Pakistan**

- 15.2.1 The Trust may also be terminated by SECP on the grounds given in the Regulations.
- 15.2.2 Upon representation to the Commission, by three fourth in value of the total Unit Holders, or if the Commission considers that further continuation of the registration of the Scheme will be detrimental to the interest of the Unit Holders or the market generally, the Commission may give three months notice to the Trustee, the Management Company and the Unit Holders about the Commission's intention to cancel the registration of the Trust. Provided that the registration shall not be cancelled without providing an opportunity of being heard to the Management Company or the Unit Holders. In case of cancellation of registration for such reason, the Management Company shall be required to wind up the Trust and refund the net proceeds to the Unit Holders in such manner and within such time as may be specified by the Commission.

#### **15.3 Winding up**

- 15.3.1 In the event of termination of the Trust, other than due reasons mentioned in clauses 15.1.3 above, the Management Company shall notify the Unit Holders by issuing a public notice in at least two newspapers, one in English and one in Urdu, each having wide circulation in Pakistan.
- 15.3.2 In the event of amendments in Regulations with respect to termination and liquidation of the Trust, the amended Regulations shall prevail.

## **PART XVI – DISTRIBUTION OF PROCEEDS ON DE-AUTHORIZATION, EVOCATION AND WINDING UP OF THE FUND**

- 16.1 Subject to clause 15.2.2, upon the revocation of Faysal Islamic Savings Growth Fund, the Management Company shall suspend the sale and redemption of Units forthwith and proceed to sell all Investments then remaining in the hands of the Trustee as part of the Fund Property and shall repay any borrowing effected by FISGF together with any mark-up remaining unpaid.
- 16.2 The Trustee on the recommendation of the Management Company from time to time distribute to the Holders pro rata to the number of Units held by them respectively, all net cash proceeds derived from the realization of the Deposited Property after making payment as mentioned in sub-Para 16.1 above and retaining such amount as considered or apprehended by the Management Company for all costs, charges, expenses, claims and demands. In the event of any shortfall, the Trustee shall not be liable. and in case of surplus, the same shall be distributed among the Unit Holders on pro rata basis.

## **PART XVII – ARBITRATION**

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

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

## **PART XVIII CLARIFICATION REGARDING CERTAIN PROVISIONS**

It may be noted that certain provisions dealing with investment policy under the heading of “Investment Policy” Part IV above, may vary from the provisions provided in the Trust Deed. This is by reason of this Offering Document to be in line with current circulars issued by the Commission after the approval of the Trust Deed, and the Trust Deed should be read accordingly and stand amended.

Similarly, the timings provided under clause 6.11.3 of the offering documents for maintaining records has been modified in view of the Regulations and the corresponding provision 32.5 of the Trust Deed should be read accordingly and stand amended.

Further, certain provisions dealing with application of Purchase Price and Redemption Price i.e. clauses 6.10.2 (D) and 6.10.2 (K) vary from the provisions provided in the Trust Deed dealing with the same matter. This is to bring the Offering Document in line with circulars requiring forward pricing and the Trust Deed should be read accordingly and stand amended.

## PART XIX – GLOSSARY

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

- 18.1 **"Accounting Date"** means the thirtieth day of June in each year and any interim dates at which the financial statements of the Scheme are drawn up. Provided, however, that the Management Company may with the consent of the Trustee and after obtaining approval of the Commission and the Commissioner of Income Tax and complying with other applicable laws, change such date to any other date.
- 18.2 **"Accounting Period", "Accounting Year"** means a period ending on and including an Accounting Date and commencing in case of the first such period, on the date on which the Fund Property is first paid or transferred to the Trustee and in any other case, from the first day subsequent to the end of the preceding Accounting Period.
- 18.3 **"Account Statement"** means statement of transaction in Units in the folio of the Unit Holder.
- 18.4 **"Administrative Plans"** means, investment plans offered by the Management Company, where such plans allow investors a focused investment strategy in any one or a combination of Unit Trust Schemes managed on Shariah-compliant basis by the Management Company and for which a common Trustee is appointed.
- 18.5 **"Audit Date"** means the date on which the Auditor issues its report in respect of the scheme's balance sheet and income and expenditure account for the corresponding Accounting Period.
- 18.6 **"Auditor" or "Shariah Auditor"** means the Auditor of the Trust appointed by the Management Company, with the consent of the Trustee, as the auditor for the Scheme, who shall be independent of the auditor of the Management Company and the auditor of the Trustee, as provided under the Regulations.
- 18.7 **"Authorized Branch(es)"** means those branches of the Distributors which are authorized to perform the Distribution Functions by the Management Company.
- 18.8 **"Authorized Investment"** means investments transacted, issued, traded or listed in Pakistan and abroad as defined in Sections 4.2 of this Offering Document.
- 18.9 **"Back-end Load"** means a processing charge not exceeding five (5) percent of the Redemption (Repurchase) Price, deducted by the Management Company from the Net Asset Value in determining the Redemption Price. Back end load shall be the part of Trust property.
- 18.10 **"Bai Mu'ajjal"** means a contract in which the seller earns a profit margin on his purchase price and allows the buyer to pay the price at a future date in lump sum or in installments.
- 18.11 **"Bai' Salam"** means a contract in which advance payment is made for certain defined goods (other than gold, silver and currencies) to be delivered later on a fixed date.
- 18.10 **"Bank"** means any Scheduled Bank, as defined under the State Bank of Pakistan Act, 1956 and licensed to carry on banking business and shall include a bank incorporated outside Pakistan and carrying on banking business in Pakistan as a Scheduled Bank.
- 18.11 **"Bank Accounts"** means those accounts open and maintained for the Scheme by the Trustees at Banks, the beneficial ownership in which shall rest in the Unit Holder.
- 18.12 **"Broker"** means any person licensed by the SECP as a broker for effecting transactions in securities for the account of others.

- 18.13 **“Business/Dealing Day”** means a day when banks are open for business in Pakistan and such hours for which Management Company is open for business.
- 18.14 **“Certificate”** means the definitive certificate acknowledging the number of Units registered in the name of a Holder(s) issued at the request of the Unit Holder(s) pursuant to the provisions of the Deed.
- 18.15 **“Charity”** means amount paid out of the income of the Trust to a charitable/welfare organization, in consultation with the Shariah Advisory Board, representing income, which is Haram.
- 18.16 **“Collection Account(s)”** means such temporary master account(s), being jointly maintained by the Trustee(s) of the different Funds being managed by the Management Company, where the amounts received for investment in any of the funds and/or through Administrative Plans/Investment Plans are deposited prior to the amount being transferred to the respective Fund(s) bank accounts in proportion to the Units being allocated in that fund and may also include the accounts where the redemption proceeds from the Fund(s)/Administrative Plans are transferred prior to the payment of the redemption proceeds to the Unit Holders.
- 18.17 **“Connected Person”** shall have the same meaning as assigned to it in the Rules and Regulation.
- 18.18 **“Commission or SECP”** means Securities and Exchange Commission of Pakistan.
- 18.19 **“Constitutive Documents”** means the Trust Deed, Offering Document and other principal documents governing the formation, management and the operation of an Open-ended Scheme and all related material agreements.
- 18.20 **“Core Investors”** means the initial investors, who shall be required to subscribe to and to hold number of Units of par value and whose subscription shall, in aggregate, be in compliance of the requirements of the Regulations for a minimum period of two years from the close of the Initial Offering Period.
- 18.21 **“Core Units” or “Restricted Units”** shall mean such Units of the Scheme that are issued to Core Investors with the condition that these are not redeemable for a period of two years from close of the initial period. Such Units are transferable with this condition but otherwise shall rank pari passu with all other Units, save for this restriction. Any transfer of these Core Units, during the first two years from close of initial offering period of their issue, shall be affected only on the receipt by the Registrar of a written acceptance of this condition by the transferee.
- 18.22 **“Custodian”** includes a bank licensed under the Banking Companies Ordinance, 1962 (LVII of 1962) or a trust company which is a subsidiary of such a bank or a central depository company approved by the SECP or an NBFC carrying out investment finance services provided it has been approved by the SECP to act as custodian or such other company as may be approved by the SECP to act as custodian, to hold and protect the assets of the Trust or any part thereof as custodian on behalf of the Trustee and shall also include the Trustee itself if it provides custodial services for the Fund.
- 18.23 **“Cut-Off Time”** means the time, as may be determined by the Management Company from time to time, and communicated to the Trustee and the Unit Holders, before which Unit transactions will be allowed for that Dealing Day. The applicable cut-off time will be 9: am to 5:00 p.m, any applications received after the Cut-Off Time would be deemed to have been received on the next Dealing Day
- 18.24 **“Distribution Account”** means the account (which may be a current, saving or deposit account) maintained by the Trustee with an Islamic Bank or a licensed Islamic branch of a Bank as directed by the Management Company in which the amount required for distribution of income to the Unit Holders shall be transferred. Income or profit, if any,

including those accruing on unclaimed dividends, in this account shall be transferred to the main Bank Account of the Scheme from time to time as part of the Fund Property for the benefit of the Unit Holders.

- 18.25 **“Distributor(s) and Distribution Company”** means company(ies) or firm(s) or sole proprietorship concerns, bank(s) or any other financial institution(s) appointed by the Management Company for performing any or all of the Distribution Functions and shall also include the Management Company if it performs any or all of the Distribution Functions.
- 18.26 **“Distribution Functions”** means the functions with regard to:
- 18.26.1 Receiving applications for purchase of Units together with the aggregate Offer Price for Units applied for by the applicants;
- 18.26.2 Interfacing with and providing services to the Unit Holders including receiving Redemption, Transfer and Pledge applications, conversion notices, trading applications and applications for change of address or issue of duplicate Certificates for immediate transmission to the Management Company or the Registrar as appropriate;
- 18.26.3 Acknowledging receipts by delivering consumer copy in respect 18.26.1 and 18.26.2 above; and
- 18.26.4 Accounting to the Trustee and the Management Company for (i) monies received from the applicants when they purchase Fund Units (ii) payments made to the Unit Holders on Redemption of Units; and (iii) expenses incurred in relation to the Distribution Functions.
- 18.26.5 The above functions may be performed electronically, if appropriate systems are in place.
- 18.27 **“Duties and Charges”** means in relation to any particular transaction or dealing, all stamp and other duties, taxes, Zakat, Government charges, bank charges, brokerage, 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 investments, 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 Distributor or any Front-end Load or Back-end Load or any commission charges or costs which may have been taken into account in ascertaining the Net Asset Value.
- 18.28 **“Financial Institution”** shall have the same meaning as assigned to it in the Ordinance
- 18.29 **“Formation Cost”** means all preliminary and floatation expenses of the scheme including expenses in connection with authorization of the Scheme and its application fee payable to SECP, execution and registration of the Constitutive Document, issue, legal costs, printing, circulation and publication of the Offering Document for the Initial Offer and all expenses incurred during the period leading up to the Initial Offer. Formation Cost shall not exceed one (1%) percent of the pre-IPO capital or five million rupees whichever is lower.
- 18.30 **“Front-end Load”** means the sales and processing charges commission (excluding duties and charges) not exceeding five percent (5%) of the NAV payable to the Management Company, which may be included in the Offer Price of certain classes of Units.

- 18.31 **“Fund”** means **Faysal Islamic Savings Growth Fund** or “Scheme” or “Trust” or “Unit Trust.” Or **“FISGF”** constituted by the Trust Deed.
- 18.32 **“Fund’s Auditors”** mean the Auditors.
- 18.33 **“Fund Property”** means the aggregate proceeds of the sale of all Units at Purchase (Offer) Price and any Transaction Costs recovered in the Purchase (Offer) or Repurchase (Redemption) price after deducting there from or providing there against the value of Redemption, Front-end Load, Duties and Charges (if included in the Purchase (Offer) Price or Repurchase (Redemption) Price) applicable to the Purchase or Redemption of Units, and any expenses chargeable to the Fund; and includes the Investment and all income, profits, back-end load, shares, securities, deposits, right and bonus shares, cash, bank balances, dividends, fees, commissions, receivables, claims, contracts, licenses, privileges and other benefits arising there from and all cash and other movable and other assets and properties of every description, whether accrued or accruing, for the time being held or deemed to be held upon trust by the Trustee for the benefit of the Unit Holders pursuant to the Trust Deed and shall include the income, profit etc earned on the amount credited to the Distribution Account, but shall not include the amount standing to the credit of the Distribution Account (except income or profit earned thereon).
- 18.34 **“Government Securities”** includes monetary obligations of the Federal Government or Provincial Government or of 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 Government Securities that comply with the principles of Shariah as advised by the Shariah Advisor
- 18.35 **“Halal”** means anything permitted by the Shariah
- 18.36 **“Haram”** means anything prohibited by the Shariah
- 18.37 **“Holder(s)”** or **“Unit Holder(s)”** means the investor(s) for the time being entered in the Register as owner(s) of a Unit(s) or a fraction(s) thereof including, investor(s) jointly so registered pursuant to the provisions of the Trust Deed.
- 18.38 **“Initial Offer”** means the issuance of Units during the Initial Offering Period.
- 18.39 **“Initial Offer Price”** means the price of Rs.100 per Unit during the Initial Offering Period determined by the Management Company.
- 18.40 **“Initial Period of Offer”** means the same as “Initial Offering Period” and “Initial Public Offer” which means the period during which first offer of Units shall be made at the Price of Rs100/units – per unit ,This period shall not exceed a period of ten days (provided that this period may be extended with the prior approval of the Commission and the Trustee).
- 18.41 **“Investments”** means any Authorized Investment forming part of the Fund Property.
- 18.42 **“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 the Offering Document.
- 18.43 **“Investment Facilitator”** (Facilitator) means an Individual, Firm, Corporate or other Entity appointed by the Management Company to identify, solicit and assist investors in investing in the Scheme.
- 18.44 **“Islamic Bank”** means a Bank having license as Scheduled Islamic Commercial Bank from State Bank of Pakistan or a Bank, which accepts deposits on profit and loss basis and will include all Banks or financial institutions, approved by Shariah Advisor for the purpose of banking by the Trust.

- 18.45 **“Istisna”** means a contractual agreement for manufacturing goods and commodities, allowing cash payment in advance and future delivery or a future payment and future delivery.
- 18.46 **“Mudarabah”** means a form of partnership where one partner provides funds, while other provides skill, expertise and management.
- 18.47 **“Murabaha”** means a sale on mutually agreed profit. Technically it is a contract of sale in which the seller declares his cost and profit. As a financing technique, it involves a request by the client to the financier to purchase certain item for him, which is then sold to the client at a mutually agreed price.
- 18.48 **“Musharikah”** means a relationship established under a contract by the mutual consent of the parties for sharing of profits and losses arising from a joint enterprise or venture. All providers of capital are entitled to participate in management, but not necessarily required to do so. The profit is distributed among the partners in pre-agreed ratios, while the loss is borne by each partner strictly in proportion to respective capital contributions.
- 18.49 **“Net Assets”** in relation to the Trust, means the excess of assets over liabilities of the Trust, such excess being computed in the manner specified hereunder:-
- (a) A security listed on a stock exchange, local or foreign as the case may be shall be valued at its last sale price on such exchange on the date as of which it is valued or, if such exchange is not open on such date, then at its last sale price on the next preceding date on which such exchange was open and, if no sale is reported for such date, the security shall be valued at an amount not higher than the closing asked price nor lower than the closing bid price.
  - (b) An investment purchased, and awaiting payment against delivery shall be included for valuation purposes.
  - (c) An investment sold, but not delivered pending receipt of proceeds, shall be valued at the net sale price.
  - (d) The value of any dividends, bonus shares or rights, which may have been declared on securities in the portfolio but not received by the Fund as of the close of business on the valuation date, shall be included as assets of the Fund if the security, upon which such dividends, bonuses or rights were declared, is included in the assets and is valued ex-dividend, ex-bonus or ex-rights, as the case may be.
  - (e) Profit accrued on any profit-bearing security in the portfolio shall be included as an asset of the fund if such accrued profit is not otherwise included in the valuation of the security.
  - (f) Any other income accrued up to the date on which computation was made, shall also be included in the assets.
  - (g) All liabilities, expenses, taxes and other charges, due or accrued up to the date of computation, which are chargeable under the Regulations and the Trust Deed, shall be deducted from the value of the assets.
  - (h) The valuation methods prescribed in the Regulations will be used unless the Regulations are amended or a different valuation method is prescribed by the Commission. For any asset class, where no specific methods or valuation is prescribed in the Regulations, the guidance from the SECP shall be obtained and valuation shall be done accordingly.
  - (i) An unlisted Shariah compliant debt security and a debt security; listed but not traded regularly on a stock exchange shall be valued in the manner specified by the

commission.

- (j) The remuneration accrued up to the date of computation payable to the Management Company, as the case may be, for providing management and other services shall be included as an expense;
  - (k) A security not listed or quoted on a Stock Exchange, other than a government or debt security, shall be valued at investment price or its break up value as per last audited accounts, whichever is lower;
  - (l) Government security not listed on a Stock Exchange and traded in the interbank market shall be valued at the average rate quoted on a widely used electronic quotation system and such average rate shall be based on the remaining tenor of the security.
  - (m) Any such method of valuation of assets and liabilities as may be specified or modified by the commission from time to time.
- 18.50 **“Net Assets Value” or “NAV”** means per Unit value of the Fund arrived at by dividing the Net Assets by the number of Units outstanding
- 18.51 **“Offer Price or Purchase Price”** means the sum to be paid by the investor for the purchase of one Unit, such price to be determined pursuant to the Deed and this Document.
- 18.52 **“Offering Document”** means the prospectus, advertisement or other document (approved by the Commission), which contain the investment and distribution policy and all other information in respect of the Scheme, as required by the Regulations and is circulated to invite offers by the public to invest in the Scheme.
- 18.53 **“Online”** means transactions through electronic data-interchange whether real time transactions or otherwise, which may be through the internet, intranet networks and the like.
- 18.54 **“Ordinance”** means the Companies Ordinance, 1984, as amended from time to time.
- 18.55 **“Par Value”** means the face value of Unit that shall be One Hundred Rupees or such other amount as may be determined by the Management Company in consultation with the Trustee from time to time.
- 18.56 **“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 the Offering Document.
- 18.57 **“Pre-IPO”** means period during which the investors have subscribed to the scheme before the Initial Public Offer.
- 18.58 **“Redemption Price” or “Repurchase Price”** means the amount to be paid to the relevant Holder of a Unit upon Redemption of that Unit, such amount to be determined pursuant to Clause 12.3 of the Trust Deed and as stated in the Offering Document.
- 18.59 **“Register”** means the Register of the Holders kept pursuant to the Regulations and the Trust Deed.
- 18.60 **“Registrar or Transfer Agent”** means an organization that the Management Company may appoint for performing the Registrar Function and may include a department of the Management Company. The term and definition of “Transfer Agent” is also covered within the definition of a Registrar.
- 18.61 **“Registrar Functions”** means the functions with regard to:

- a. Maintaining the Register;
  - b. Receiving applications for redemption and transfer/transmission of Units directly from Unit Holders or legal representatives or through Distributors;
  - c. Processing requests for issue, redemption, transfer and transmission of Units and requests for recording of pledges and lien or for recording of changes in data with regard to the Unit Holders;
  - d. Issuing account statement to the Holders;
  - e. Issuing and dispatching of Certificates;
  - f. Dispatching income distribution warrants and bank transfer intimations or any other instrument;
  - g. Issuing Certificates including Certificates in lieu of undistributed income to Unit Holders;
  - h. Canceling old Certificates on redemption or replacement.
  - i. Maintaining record of lien/pledge/charge;
  - j. Keeping record of change of addresses/other particulars of the Unit Holders; and
  - k. Allocating Units to the Unit Holders for reinvestments.
- 18.62 **“Regulations”** mean the Non-Banking Finance Companies and Notified Entities Regulations, 2008, as amended or substituted from time to time.
- 18.63 **“Rules”** mean the Non- Banking Finance Companies (Establishment and Regulation) Rules, 2003, as amended or substituted from time to time.
- 18.64 **“SECP”** means the Securities and Exchange Commission of Pakistan
- 18.65 **“Shariah”** or **“Islamic Shariah”** means divine guidance as given by the Holy Quran and the Sunnah of Prophet Muhammad (Peace be upon him) and embodies all aspects of the Islamic faith, including beliefs, practices, rules and principles.
- 18.66 **“Shariah Advisor”** means an expert in Islamic Shariah appointed the Management Company either in an individual capacity or as a member of the Shariah Advisory Board of the Fund.
- 18.67 **“Shariah Advisory Board”** means a board of Shariah Advisors acting collectively on all matters pertaining to the Scheme.
- 18.68 **“Shariah Compliant”** shall mean any activity that is approved by the Shariah Advisor or Shariah Advisory Board to be in accordance with the Islamic Shariah.
- 18.69 **“Stock Exchange”** mean Stock Exchanges, registered under the Securities and Exchange Ordinance, 1969.
- 18.70 **“Subscription Day”** means every Business Day provided that the Management Company may with the prior written consent of the Trustee and upon giving not less than seven days notices in the two widely circulated English & Urdu newspapers declare any particular Business Day or days not to be a subscription Day.
- 18.71 **“Sukuk”** means a type of Islamic bond that is backed by assets of the issuer that earn profit or rent.

- 18.72 **"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 Scheme's portfolio, necessitated by creation or cancellation of Units. Such costs may be added to the NAV for determining the Offer Price of Units or be deducted from the NAV in determining the Redemption Price. The Transaction Costs may not normally be applied in determining these prices, however, if the Management Company is of the view that it is in the overall interest of the Unit Holders, it may, in consultation with the Trustee, apply such charges either to the Offer and/or the Redemption Price. The Management Company may, however, apply Transaction Costs while determining Offer or Redemption prices, without consulting the Trustee provided the difference between the Offer Price and the Redemption Price does not exceed five percent. The element of Transaction Costs taken into account in determining the prices and collected so, shall form a part of the Fund Property.
- 18.73 **"Trustee"** means Central Depository Company of Pakistan Limited (CDC) or any other company appointed with approval of the Commission from time to time.
- 18.74 **"Trusts Act"** means Trusts Act 1882.
- 18.75 **"Trust Deed" or "Deed"** means the Trust deed executed between the Management Company and the Trustee along with all exhibits appended hereto (if any).
- 18.76 **"Unit"** means one undivided share in the Trust.
- 18.77 **"Zakat"** has the same meaning as in Zakat and Ushr ordinance (XVIII of 1980)

Words and expressions used but not defined herein shall have the meanings assigned to them in the Ordinance and the Rules and the 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 are for convenience only and shall not affect the construction of this Offering Documents.

## **ANNEXURE 'A'**

### **REMUNERATION OF THE TRUSTEE**

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

<b>NET ASSETS</b>	<b>TARIFF</b>
Up to Rs.1,000 million	Rs.0.7 million or 0.20% p.a. of NAV, which ever is higher.
On an amount exceeding Rs.1,000 million	Rs.2.0 million plus 0.10% p.a. of NAV, on amount exceeding Rs.1, 000 million.

## **ANNEXURE 'B'**

<b>CURRENT LEVEL OF FRONT-END AND BACK END LOADS</b>
--

**Current Front-end Load:   NIL**

**Current Back end Load:    NIL**

<b>CURRENT CUT-OFF TIME</b>
-----------------------------

Current Cut-Off Time for submitting applications for dealing in units is 9:00 am to 5:00 pm PST (during Business Days of the Fund).

<b>CURRENT LEVEL OF MANAGEMENT FEE</b>
--

Current level of management fee is 1.5% per annum

However, as per Non Banking Finance Companies & Notified Entities Regulations, 2008, the Management Company is entitled to charge a management fee not exceeding 3% per annum during the first five years of existence and 2% thereafter.

Any change in the load and fee structure, provided it is within the maximum limit disclosed in this Offering Document, shall be notified through an addendum to this annexure.

## ANNEXURE 'C'

### LIST OF DISTRIBUTION OFFICES

#### FAYSAL ASSET MANAGEMENT LIMITED

Head Office

8<sup>th</sup> Floor, Tower A (801-806 & 818),  
Saima Trade Tower, I.I Chundrigar Road,  
Karachi.

<b>Name:</b>	Jamsheed Ghaswalla
<b>Designation:</b>	Head of Distribution
<b>Location:</b>	Head Office, I.I. Chundrigar Road - Karachi
<b>Email:</b>	jamsheedghaswalla@faysalfunds.com
<b>Phone #:</b>	111-329-725 ext. 304

<b>Name:</b>	Sheikh M. Sajid Hussain
<b>Designation:</b>	Manager Corporate Sales
<b>Location:</b>	Head Office, I.I. Chundrigar Road - Karachi
<b>Email:</b>	shaikh.sajid@faysalfunds.com
<b>Phone #:</b>	111-329-725 ext. 123

#### Regional Office (Lahore)

<b>Name:</b>	Asim Pirzada
<b>Designation:</b>	Regional Head North
<b>Location:</b>	M.M. Alam Road Branch
<b>Email:</b>	asimpirzada@faysalfunds.com
<b>Phone #:</b>	(92 42) 5763409

#### Regional Office (Faisalabad)

<b>Name:</b>	Mohammad Umer Aslam
<b>Location:</b>	Bilal Road, Civil Lines Branch
<b>Email:</b>	umeraslam@faysalfunds.com
<b>Phone #:</b>	(92 41) 2644481-85 Ext. 349

**BRANCHES OF FAYSAL BANK LIMITED – AUTHORIZED AS DISTRIBUTION COMPANIES**

<b>South Region BRANCH NAME</b>	<b>BRANCH ADDRESS</b>	<b>PABX NOS.</b>
MAIN BRANCH	8 <sup>th</sup> Floor, Tower A (801-806 & 818), Saima Trade Tower, I.I Chundrigar Road, Karachi.	021-111-329-725
CLIFTON	QUALITY HEIGHTS KDA SCHEME 5, CLIFTON	021-5863771-3
GULSHAN	B-35 BLOCK 13A MAIN UNIVERSITY ROAD, GULSHAN-E- IQBAL	021-4994261-3
JODIA BAZAAR	G2, P # MR -6/52/1 ISMAIL TRADE CENTRE, RAM BHARTI STREET, JODIA BAZAR	021-2443795 / 2444073
DHA	23/C KHAYABAN E SHAHBAZ PHASE VI, DHA	5856053- 4 / 5857762- 3
SHAHEED E MILLAT KARACHI	IQBAL ARCADE PLOT #6 BLOCK 3/7 D.M.C.H.S, SHAHEED-E-MILLAT ROAD.	021-4388103-4
NORTH NAZIMABAD KARACHI	PLOT #D/6, BLOCK D, K.D.A SCHEME #2, NORTH NAZIMABAD	021-6625517 / 6670090 / 6670050
SHAHRAH E FAISAL KARACHI	26-A, BUSINESS AVENUE, BLOCK # 6, PECHS, MAIN SHAHRAH-E-FAISAL	021-4315634-6
CLOTH MARKET	BR-2, 1/1, BANDER QUARTERS, NEW NEHAM ROAD, KHARADAR	021-2434226/2437825/ 2439021-2
SITE BRANCH	PLOT NO. B-17, ESTATE AVENUE, SITE	021-2585921-3
MACHS BRANCH	PLOT # 2F(COMM.), M.A.C.H.S	. 021-4390511-5
KORANGI ROAD BRANCH	SPEEDY TOWERS, 129/ I & II, MAIN KORANGI ROAD, PHASE 1, DHA	021-5391345-7
NEW CHALLI BRANCH	ABID CHAMBERS, PLOT NO. SR.6 / 9, SHAHRAH-E-LIAQAT	021-2214903-5

<b>BRANCH NAME</b>	<b>BRANCH ADDRESS</b>	<b>PABX NOS.</b>
NORTH KARACHI BRANCH	SA-2, STREET 1/1, SECTOR 12-B, NORTH KARACHI INDUSTRIAL AREA, NORTH KARACHI TOWNSHIP	021-6957155
GULSHAN CHOWRANGI BRANCH	SHOP NO.1-4 GROUND FLOOR, SANA ARCADE, PL-NO.ZC-6, BLOCK NO.7, KDA-SCHEME 24.	021-4975502 / 4815308
KORANGI INDUSTRIAL AREA BRANCH	PLOT NO. 51/9, SECTOR - 15, MAIN ROAD, KORANGI INDUSTRIAL AREA.	021-5077192-4
TIMBER MARKET	PLOT 6/2, OLD HAJI CAMP, SIDDIQUE WAHAB RD, LEE QUARTERS,	021-2745890-95-99
CLIFTON BLOCK-II	B-3 & B-4, PLOT NO. FLI, BLOCK-II, CLIFTON	021-5877921-5
I.I. CHUNDRIGARH	11/13, TRADE CENTRE, I.I. CHUNDRIGAR ROAD	021-2638011 - 20
DHA - KHAYABAN-E-MUJAHID	43-C, STADIUM LANE 2, KHAYABAN-E-MUJAHID, DHA PHASE V	021-5349109-13
DHA - KHAYABAN-E-TANZEEM	14-C KHY-E-TANZEEM TAUHEED COMMERCIAL, DHA PHASE-V	021-5877908 - 10
GULISTAN-E-JAUHAR	SHOP NO.29 & 30, RUFU LAKE DRIVE,BLOCK-18, KDA SCHEME 36, GULISTAN-E-JAUHAR	021-4026856-57
DHA - PHASE-IV BRANCH	14-C SUNSET COMMERCIAL STREET NO.2, PH - IV, DHA, KARACHI	021-5802422
DHORAJI BRANCH	4, LUBNA PLAZA, PLOT NO. 448, BLOCK 7/8, C.P & BERAR COOP HOUSING SOCIETY	021-4860851-3
<b>QUETTA</b> FATIMA JINNAH ROAD BRANCH	FATIMA JINNAH ROAD, QUETTA	081-2824807, 2824973
<b>HYDERABAD</b> SADDAR BRANCH	PLOT #.339, MAIN BOHRA BAZAR, SADDAR	022-2728356-9

<b>Central Region BRANCH NAME</b>	<b>BRANCH ADDRESS</b>	<b>PABX NOS.</b>
FAISALABAD BRANCH	BILAL ROAD, CIVIL LINES	041-2644481-4 / 041-2644711-4
<b>LAHORE</b> MALL BRANCH	43- SHAHRAH-E-QUAID-E-AZAM, THE MALL	042-7236014-7 / 7314051-3 / 7352808-9 / 7314447
GULBERG BRANCH	95, B-II, M.M. ALAM ROAD, GULBERG-III, LAHORE	042-5755190-4
HAIDER ROAD BRANCH	32, HAIDER ROAD, RAWALPINDI CANTT. RAWALPINDI	051-5525871-4
BOSAN ROAD	I / A-2, OFFICERS COLONY, BOSAN ROAD, MULTAN	061-6214902-13
SIALKOT BRANCH	PLOT NO. B1-16S-98B, 17, PARIS ROAD, OPP. CC & I, SIALKOT	052-4292501-3
DHA LAHORE BRANCH	136 / 1, BLOCK H, PHASE 1, DHA, LAHORE CANTT.	042-5897712-7
GUJRANWALA BRANCH	ZIA PLAZA, G.T. ROAD, GUJRANWALA.	055-3730301-3
GARDEN TOWN BRANCH	4-AIBAK BLOCK, NEW GARDEN TOWN	042-5889810-24
CIRCULAR ROAD BRANCH	51, BABER CENTRE, CIRCULAR ROAD, LAHORE	042-7673001-6
OLD BAHAWALPUR ROAD	129 / 1, OLD BAHAWALPUR ROAD, MULTAN	061-4784491-4
SHALIMAR GARDEN BRANCH	CHOWK SHALIMAR BAGH, BAGHBANPURA	042-6844712-14 / 042-6844741-3
DHA Z-BLOCK-LHR	10TH, Z-BLOCK, PHASE-III, DHA, LAHORE.	042-5743741-43
LIAQUAT ROAD BRANCH	3, LIAQAT ROAD, FAISALABAD	041-2617403-8
ALLAMA IQBAL TOWN BRANCH	18TH HUNZA BLOCK, MAIN ROAD ALLAMA IQBAL TOWN-LAHORE.	042-5437006-10
UPPER MALL LAHORE	309 - A, UPPER MALL	042-5715393-95, 5714844
MAIN BOULEVARD GULBERG BRANCH	59-A, MAIN BOULEVARD, GULBERG	042-5872811-14
BHAWALPUR BRANCH	2-REHMAN SOCIETY, NOOR MAHAL ROAD, BHAWALPUR	062-2730691-5
MODEL TOWN BRANCH	SHOP NO. 13, BANK SQUARE MARKET, MODEL TOWN, LAHORE	042-8449781-5
BADAMI BAGH BRANCH	1 - TAJ CHAMBER, BADAMI BAGH, LAHORE	042-7705536-43

BRANCH NAME	BRANCH ADDRESS	PABX NOS.
VEHARI BRANCH	47 - A, KARKHANA BAZAR, VEHARI	067-3366123
OKARA	B-1.6.S / 1, MANDI ROAD OKARA	044-2552171 / 044-2551771 / 551772
RAHIMYARKHAN	27- TOWN HALL, OPP. CITY PARK, RAHIMYAR KHAN.	068-5889413-15
FAISAL TOWN BRANCH	25-D, MAIN BOULEVARD, FAISAL TOWN, LAHORE	042-5201992-7
SARGODHA BRANCH	KHAYAM CHOWK, SHAHEEN PLAZA, OPP.MOBILINK OFF., RAILWAY ROAD	048-9230794-6
JHANG	KATCHERY ROAD, NEAR SESSION CHOWK, SADDAR, JHANG.	047-7650650
<b>FSD -</b> GHULAM MOHD ABAD	39-B, USMAN PLAZA, SADDAR BAZAR, GHULAM MUHAMMAD ABAD	041-2691262/9162/ 1375/2575
D GROUND	447 - D, PEOPLES COLONY, FAISALABAD	041-8730443 / 8730403
LHR - SHADMAN	11-A, SHADMAN 1, JAIL ROAD, LAHORE	042-7599242
SHAH ALAM MARKET BRANCH	41, ALAMGIR MARKET, SHAH ALAM MARKET, LAHORE.	042-7675503-04, 7675619
URDU BAZAR BRANCH	S-38, R-205 / A, CATTLE STREET, CIRCULAR ROAD, OUTSIDE MORI GATE, URDU BAZAR	042-7314616-20
BEDIAN ROAD BRANCH	NEAR DHA PHASE-VI, BEDIAN ROAD, LAHORE CANTT.	042-8480400 / 8449782
JOHAR TOWN BRANCH	435-G-I, JOHAR TOWN, LAHORE	042-5301392-93
<b>North Region</b> <b>ISLAMABAD</b> MAIN BRANCH	15-WEST, JINNAH AVENUE, BLUE AREA	051-2275096-7
<b>PESHAWAR BRANCH</b>	SUPER MARKET, SADDAR ROAD, PESHAWAR CANTT.	091-5270176-77
<b>MIRPUR BRANCH</b>	MIAN MUHAMMAD ROAD, OPP. QUAID-E-AZAM STADIUM, MIRPUR, AZAD KASHMIR	058610-45100-3
HAIDER ROAD BRANCH	32, HAIDER ROAD, RAWALPINDI CANTT. RAWALPINDI	051-5525871-4
F-10 BRANCH	2-G, CAPITAL BUSINEES CENTER, F-10 MARKAZ	051-2104456-7
SATELLITE TOWN BRANCH	5TH ROAD, CITY SHOPPING CENTRE, COMMERCIAL MARKET, SATELLITE TOWN	051-4424969-72

**Distributors:****Pak Oman Investment Company Limited**

1st Floor, Tower A, FTC,

Shahrah e Faisal, Karachi.

**Tel:** (92 21) 5630971-5, 5630969, 5630982, 5631019

**JS Global Capital Limited**

6th Floor, Faysal House, St-2, Commercial Lane,

Main shahrah-e-Faisal, Karachi.

**Tel:** (92 21) 2799541

**Alfalah Securites (Pvt) Limited**

Saima Trade Tower "A", 12th Floor,

I.I.chundrigar Road, Karachi.

**Tel:** (021) 9217810-19

**Atlas capital markets (Private) Limited**

B-209, 2nd Floor, Park Towers,

Abdullah Shah Ghazi Road, Clifton, Karachi

**Tel:** (92 21) 5875706, 587576, 5875697

**IGI Investment Bank Limited**

7th Floor, The Forum, Suit No.701-713, G-20,

Khayaban-e-Jami, Block-9, Clifton, Karachi.

**UAN:** (92 21) 111-234-234 ext 949,946

**Tel:** (92 21) 5301743

**BMA Financial Services Limited**

Level 8, Unitower,

I.I.Chundrigar Road, Karachi.

**UAN:** (92 21) 111-262-111

**Faysal Asset Management Limited**  
**FAYSAL ISLAMIC SAVINGS GROWTH FUND**  
**Account Opening Form – FISGF – 01**  
**(TO BE FILLED IN BLOCK LETTERS)**

New  
Changes / Amendments  
Reference No: \_\_\_\_\_

<b>INFORMATION ABOUT PRINCIPAL ACCOUNT HOLDER</b>										<b>Date</b>	
Name: Mr. /Mrs./ Ms./ M/s											
CNIC No											
Father's/ Husband's Name											
Date of Birth:											
Gender: Male Female				Nationality:				Religion:			
Phone No. (Off./ Res.):						Marital Status			Single Married		
Zakat Deduction: Yes No (Declaration Attached)						Income Tax Status			Taxable Exempt (Tax exemption certificate)		
Name of Guardian (for minor applicant)											
Address:											
City				Postal Code		Country		Fax no.		E-Mail	
Signature of Investor/Guardian (With Rubber Stamp incase of Institutional Clients)								OCCUPATION -[please select one]			
								Professional Business			
								Service-Public/Private Agriculturist			
								Housewife Student			
								Retired Others _____			
<b>FOR INSTITUTIONAL CLIENTS:</b>											
<b>Contact Person:</b>											
Type Of Organization:		Public Ltd. Companies		Private Ltd. Companies		NBFI / NBFC Insurance		DFI NGO		Provident/Pension/Gratuity Fund Others (Please specify) _____	
Incorporation/ Registration No.				NTN No.						Non-Resident	
<b>FULL DETAILS OF BANK ACCOUNT OF PRINCIPAL ACCOUNT HOLDER</b>						Bank Name					
Branch Name						Account No.					
Branch Address											
Request for Account Statement		Account Statement of Units will be issued in registered, un-certificated form and will be confirmed by means of an account statement issued by the Registrar.									
Request for Physical Certificates		Unit Certificate(s) will be issued only if requested and on payment of Rs. 25/ certificate(s) may be combined with the payment for Unit(s). Unless indicated by the applicant, minimum number of certificates will be issued.									
<b>STATEMENTS</b>											
<b>Mode of Distribution</b>		Via Post		Via Email		<b>Frequency</b>		Half-yearly		Quarterly Monthly	
Dividend Option / Dividend Mandate		Do not reinvest dividend and transfer to my bank account Please provide me with Dividend Warrants									
		Reinvest dividend amount and convert into units at repurchase price of Ex-dividend									
<b>JOINT HOLDERS DETAILS (IF ANY)</b>				NAME		SIGNATURE		CNIC No			
Mr. /Mrs./ Ms./ M/s											
Mr. /Mrs./ Ms./ M/s											
Mr. /Mrs./ Ms./ M/s											
<b>INSTRUCTIONS TO OPERATE THE ACCOUNT FOR INDIVIDUALS / GROUP OF PERSONS, INSTITUTIONS/FUND AS PER THEIR BOARD RESOLUTION</b>											
Jointly		Singly		Either or Survivor		Others (Please Specify): _____					
<b>NOMINEE</b>											
Name: Mr. /Mrs./ Ms.						Relation with principal holder:					
Address											
CNIC No.						Telephone #					
<b>FOR OFFICIAL USE ONLY</b>											
<b>APPLICATION CHECKLIST</b>											
Copy of CNIC(s)				Memorandum and Articles of Association/ Bye				Laws/ Trust Deed			
Certificate of Incorporation/ Registration				Zakat Declaration (where applicable)				Any Other Document (Specify)			
Board Resolution (authorizing investment)				Documentary evidence for tax exemption (if any)							
Power of Attorney(s) (or any other document authorizing officers to operate the account)											
<b>Facilitator Code</b>		<b>Distributor Name &amp; Code</b>		<b>Investment Form No.</b>		<b>Investment Form Date</b>					
Name of Authorized Person at Distribution Centre						Authorized Signature					
<b>FOR REGISTRAR USE ONLY</b>											
Date Account Opening Form Received		Registration # issued to client		Data input By		Data and Attachments Verified By					

**Receipt**

Received from \_\_\_\_\_ . Application Form for Account Opening / changes / amendments to existing Account.

Unit certificate not requested

\_\_\_\_\_  
Authorized Branch  
(Rubber Stamp)

\_\_\_\_\_  
Authorized Signatory

**Date** \_\_\_\_\_

## **Guidelines for Completing the Application for Account Opening**

This Form is a one-time requirement for both Individual and Institutional Customers, and is required to be filled when the account is opened for the first time or if there are any changes in investors' particulars. Please complete the application form in Block letters and write with a ball pen.

### **INFORMATION ABOUT PRINCIPAL ACCOUNT HOLDER**

- 1) Information about the Principal Account Holder is recorded under this section.
- 2) Please make sure that information i.e. name, address, telephone number provided in this section is correct.
- 3) In case of an Individual, if the client chooses "NO" for Zakat Deduction, the Zakat declaration would be required (in case of joint holder declaration from all holders will be required).
- 4) In case of Institutional Clients, ensure that type of institution and Registration/Incorporation number and the NTN number is filled in under the "For Institutional Client" section. All non-resident companies need to tick in the box assigned for the purpose.

### **DETAILS OF BANK ACCOUNT OF PRINCIPAL HOLDER**

- 5) Please make sure to provide correct details of bank account of Principal Account Holder. Any error in filling this information may cause delay in transfer of funds to the account holder.

### **DETAILS OF JOINT HOLDER(S) IF ANY**

- 6) If there are any Joint Holders, their name(s) need to be specified along with their CNIC # and signature (Joint signatories for institution).
- 7) Please "Tick" how the account shall be operated.

### **DEATH OF UNIT HOLDER**

- 8) In the case of FAML receiving notice of the demise of an investor, FAML shall not be obliged to allow the transfer of title, redemption or pay out any dividends with-out the production of evidence of title or right to the units which FAML considers sufficient.

### **OPTIONAL INFORMATION**

- 9) The account holder is encouraged to fill in the Optional Information. Knowledge about the customers would help us serve them more efficiently.

### **CHECK LIST**

- 10) In case of Individual Client Attested copies of CNIC's\*, Zakat Declaration (if exemption claimed) will be required.
- 11) In case of Institutional Client attested copies of;
  - a) CNIC's\* (authorized officers)
  - b) Power of Attorney (s) (or any other document authorizing officer to operate the account)
  - c) Board Resolution (authorizing investment)
  - d) Memorandum and Articles of Association/Trust Deed/Bye Laws
  - e) Certificate of Incorporation/Registration

*\*Note; In the absence of CNIC, to better facilitate our clients, **ATTESTED** copies of the old NICs **ALONG WITH** proof of application (NADRA receipt) for the new CNICs, can also be accepted.*

### **OTHER INSTRUCTIONS**

**12) Minimum investment for class A units is Rs. 5,000/- and for class B units is Rs. 50,000/-**

- 13) Principal Account Holder must sign in the space meant for the purpose. Without signature of \_\_\_\_\_ the Principal Account Holder, the officer at Distributor Office will not accept the form.
- 14) In case the account holder is illiterate and cannot sign, then he/she must be required to submit either a clear copy of CNIC with photo or one recent passport size photograph authenticated by his/her banker.
- 15) The account holder should either mark all empty spaces in the form "Void" or cross (X) them out.
- 16) In case of an Application form being filled in by the guardian, on behalf of a minor(s), the name of the minor(s) as well as the guardian should be written clearly on the Form and the guardian's signature should be recorded.
- 17) **Cash shall not be accepted.**
- 18) It shall be the responsibility of the applicant to pay all stamp and other duties, taxes and processing charges in relation to the units acquired by him/her.
- 19) If an acknowledgement of the investment is not received within 10 working days, the investor should contact Faysal Asset Management Limited.

If you have any questions or need additional information, please call:

**(92 21) 111-329-725 (111 FAYSAL)**

Or contact the **Management Company** at;

**Faysal Asset Management Limited**

8th Floor, Tower A (801-806 & 818),  
Saima Trade Tower, I.I. Chundrigar Road, Karachi

U.A.N: (92 21) 111-329-725 ext 144

Fax: (92 21) 2277301

Website: [www.faysalislamicfunds.com](http://www.faysalislamicfunds.com)

**RISK DISCLOSURE:** All investments in mutual funds are subject to market risks. The NAV of units may go up or down based on the market conditions. Past performance is not necessarily indicative of the future results. Please read the Offering Document for understanding the investment policies and the risks involved.

**Faysal Asset Management Limited**  
**FAYSAL ISLAMIC SAVINGS GROWTH FUND**  
**Investment Application Form – FISGF – 02**  
**(TO BE FILLED IN BLOCK LETTERS)**

<b>INFORMATION ABOUT PRINCIPAL ACCOUNT HOLDER</b>												Date	
Name Mr./Mrs./Ms./M/s.													
CNIC No.													

**INVESTMENT DETAILS**

<b>Unit Types</b>			<b>Amount Rs.</b>		<b>In words</b>	
Type A	Fixed Type B	Flexible Type B				
Name of Guardian (for minor applicant)			Signature of Guardian			

**No. of Units:** \_\_\_\_\_

**Mode of Payment:**      **Direct Transfer**      **Cheque**      **Pay order**      **Demand Draft**  
    **No.** \_\_\_\_\_      **Date:** \_\_\_\_\_

**Drawn on: (Name of Bank & Branch)** \_\_\_\_\_

**Please Note:**

Cheque/Payorder/Demand Draft to be made in favor of “CDC-Trustee Faysal Islamic Savings Growth Fund” and crossed “Payee Account Only”.

**Periodic Payment:**

Amount of income the Unit holder needs at regular intervals Rs. \_\_\_\_\_ (For fixed Type B Units Only).  
 (The capital invested may deplete incase sufficient returns are not earned to cover the amount of relevant interval payment required by the unit holder).  
 (I authorize FAML to redeem my units to pay me/we income at regular intervals based on the given instructions).  
 Frequency of Payment (Please tick one): Monthly Quarterly Semiannually      Annually

**Unit Certificate** will be issued only if requested and on payment of Rs.25 per certificate. Payment for certificate(s) may be combined with the payment for unit(s). Unless indicated by the applicant, minimum number of certificates will be issued). Certificate for Type 'B' Units shall not be issued.

**DECLARATION**

I/We hereby confirm having read and understood the relevant Trust Deed, Offering Documents of FISGF that govern this transaction and further acknowledge understanding of the risk involved.

Signature of Applicant	Signature of Applicant	Signature of Applicant	Signature of Applicant(Rubber stamp incase of institution)
------------------------	------------------------	------------------------	--

**DISTRIBUTION INFORMATION**

Facilitator/Distributor Name	Code	Transaction Date	Investment form No.	Name of Authorized person at Distribution Centre	Authorized Sign.

**FOR REGISTRAR USE ONLY**

Investment Form Received on	Data and Attachments Verified by	Data Input by	Number of Units issued	Issue Price per Unit

**TO BE FILLED BY THE DISTRIBUTION COMPANY**

<b>RECEIPT</b>		Date: _____
Received from _____ Application Form for the sale of _____ units of FISGF with cheques/ draft/ pay order No. _____ dated _____ for Rs. _____ drawn on _____.		
_____ Authorized Branch (Rubber Stamp)	_____ Authorized Signatory	

## **Guidelines for Completing the Investment Application Form**

This Form is common for both Individual and Institutional Customers, and is designed to make investments in Faysal Islamic Savings Growth Fund.

Please complete the application form in Block letters and write with a ball pen.

### **INFORMATION ABOUT PRINCIPAL ACCOUNT HOLDER**

- 1) Information about the Principal Account Holder is recorded under this section
- 2) Please make sure that information i.e. name and registration number (if issued) provided in this section are correct.

### **INVESTMENT DETAILS**

- 3) **Minimum investment for class A units is Rs. 5,000/- and for class B units is Rs. 50,000/-**
- 4) **Cash shall not be accepted.**
- 5) Payments in the form of cheques/draft/pay-order/ telegraphic transfer should be made in favor “**CDC - Trustee FAYSAL ISLAMIC SAVINGS GROWTH FUND**” and crossed “**Payee Account only**”.
- 6) If the cheque is returned unpaid the application will be rejected.
- 7) The Account Statement will be dispatched at the Registered Address of the Principal Account Holder within 10 days of submission of properly documented Application Form.
- 8) If acknowledgment of investment is not received within 10 working days the investor should contact Faysal Asset Management Limited.

### **OTHER INSTRUCTIONS**

- 9) Principal Account Holder must sign in the space meant for the purpose.
- 10) Without signature of the Principal Account Holder, the officer at Distributor Office will not accept the form.
- 11) In case the account holder is illiterate and cannot sign, then he/she must be required to submit either a clear copy of CNIC with photo or one recent passport size photograph authenticated by his/her banker. His/her form would also need to be signed by a witness.
- 12) The account holder should either mark all empty spaces in the form "Void" or cross (X) them out.
- 13) In case of an Application form being filled in by the guardian, on behalf of a minor(s), the name of the minor(s) as well as the guardian should be written clearly on the Form and the guardian's signature should be recorded.
- 14) It shall be the responsibility of the applicant to pay all stamp and other duties, taxes and processing charges in relation to the units acquired by him/her.
- 15) For change in the Unit Holder's Register, such as address, unit holders may please complete Form 01, as applicable.

**If you have any questions or need additional information, please call:**  
**(92) (21) 111-329-725 (111 FAYSAL)**

---

If you have any questions or need additional information, please call:

**(92 21) 111-329-725 (111 FAYSAL)**

Or contact the **Management Company** at;

**Faysal Asset Management Limited**

8th Floor, Tower A (801-806 & 818),  
Saima Trade Tower, I.I. Chundrigar Road, Karachi

U.A.N: (92 21) 111-329-725 ext 144

Fax: (92 21) 2277301

Website: [www.faysalislamicfunds.com](http://www.faysalislamicfunds.com)

**RISK DISCLOSURE:** All investments in mutual funds are subject to market risks. The NAV of units may go up or down based on the market conditions. Past performance is not necessarily indicative of the future results. Please read the Offering Document for understanding the investment policies and the risks involved.

**Faysal Asset Management Limited**  
**FAYSAL ISLAMIC SAVINGS GROWTH FUND**  
**Redemption Application Form – FISGF – 03**  
(TO BE FILLED IN BLOCK LETTERS)

**INFORMATION ABOUT PRINCIPAL ACCOUNT HOLDER**

**Redemption Date:** \_\_\_\_\_

Name: Mr./Mrs./Ms./M/s.	Registration No
Name of Guardian (for minor applicant)	Signature of Unit Holder / Guardian (Rubberstamp incase of institutional investors)
Certificate Issued: <input type="checkbox"/> Yes <input type="checkbox"/> No	

**DISINVESTMENT INFORMATION**

UNIT TYPE	No of Units	Amount (In figures)	Amount (In Words)	Redeem all units and close account
Type A Units				Redeem less units so that minimum balance is maintained
Type B Units				

**INSTRUCTIONS REGARDING CERTIFICATE**

Certificate Numbers				
1. _____	2. _____	3. _____	4. _____	5. _____
Cancel, Split and Reissue the attached certificate			Do not issue certificate, start normal statement system	

**INSTRUCTIONS REGARDING REDEMPTION PROCEEDS**

Credit to my bank account (Faysal Bank Account Holders Only)	FBL Account No:
Send me crossed cheque / pay order at my registered address	

**AUTHORIZATION BY JOINT HOLDERS/JOINT SIGNATORIES**

Mr./ Mrs./Ms./ M/s (Name in Full)	Mr./ Mrs./ Ms./ M/s (Name in Full)	Mr./ Mrs./Ms./ M/s (Name in Full)
Signature	Signature	Signature
Witness Name (incase of illiterate)	Address	Signature

**FOR REGISTRAR USE ONLY**

Account Number Verified by	Redemption Date
Signature Verified by	Bank Account details Verified By
Certificates Verified and defaced by	Data input by

**DISTRIBUTOR INFORMATION**

Distributor/Facilitator Name	Redemption form No
Distributor/Facilitator Code	Transaction Date
<b>Total Certificates and Units Received</b>	Authorized Signature
Certificates _____ Units _____	
Remarks	

**RECEIPT**

**To be filled by the Distributor/ Facilitator**

<b>Date:</b> _____	<b>Received From:</b> _____ (Holder / First-named Holder)
Application form for Redemption of _____ units of FISGF along with Certificates (where applicable).	
Authorized branch (Rubber stamp)	Authorized Signatory

## **Guidelines for Completing Redemption Application Form**

This form would be used for disinvestment of funds from Faysal Islamic Savings Growth Fund for both Individual and Institutional Customers.

Please complete the application form in Block letters and write with a ball pen.

### **INFORMATION ABOUT PRINCIPAL ACCOUNT HOLDER**

- 1) The Account Holder would need to state his/her name and most importantly the Registration number.
- 2) The Account Holder needs to specify whether he had taken physical possession of the certificates against his/her investment. If the account holder ticks in the box provided against '**yes**' option the certificates would need to be attached with the redemption form.

### **DISINVESTMENT INFORMATION**

- 3) In this section the Account Holder may choose to specify the disinvestment in terms of Rupees or Units, as per convenience.
- 4) In case the redemption is likely to result in the balance of the account to fall below the required minimum balance then the Account Holder would need to specify if he/she wishes to close the account or only redeem to an extent of funds in excess of the required minimum limit.
- 5) In the section '**Instructions regarding Certificates**' the Account Holder would need to identify if he/she wishes to '**Cancel**', '**Split**' and '**Reissue Certificates**' or would not want the 'Issue of New Certificates.'

### **INSTRUCTIONS REGARDING INVESTMENT PROCEEDS**

- 6) Payment of redemption proceeds will be made by the Trustee within six Business days after the receipt of a properly documented request for Redemption of Units by relevant Distribution Company.
- 7) If redemption requests on any single day exceed 10% of the total number of Units in issue, the Trustee shall redeem only 10% on a first-come-first-serve-basis and defer the remaining redemption requests to the next Business Day.

### **INFORMATION ABOUT JOINT HOLDERS**

- 8) All Joint Holders as specified in the Account Opening Form (FISGF-01) under the section '**Instructions to Operate the Account**' will need to sign this form, and specify their Names.

### **OTHER INSTRUCTIONS**

- 9) In case the applicant is illiterate and cannot sign, then he/she must be required to submit either a clear copy of CNIC with photo or one recent passport size photograph authenticated by his/her banker. His/her form would also need to be signed by a witness. In the said case, redemption proceeds will be credited to the designated bank account; no proceeds will be sent to the registered address.
- 10) The Account Holder should either mark all empty spaces in the form 'void' or cross (X) them out.
- 11) In case of an Application form being filled in by the guardian, on behalf of a minor(s), the name of the minor(s) as well as of the guardian should be written clearly on the Form and the guardian's signature should be recorded.

**If you have any questions or need additional information, please call:  
(92 21) 111-329-725 (FAYSAL)**

If you have any questions or need additional information, please call:

**(92 21) 111-329-725 (111 FAYSAL)**

Or contact the **Management Company** at;

**Faysal Asset Management Limited**

8th Floor, Tower A (801-806 & 818),

Saima Trade Tower, I.I. Chundrigar Road, Karachi

U.A.N: (92 21) 111-329-725 ext 144

Fax: (92 21) 2277301

Website: [www.faysalislamicfunds.com](http://www.faysalislamicfunds.com)

**RISK DISCLOSURE:** All investments in mutual funds are subject to market risks. The NAV of units may go up or down based on the market conditions. Past performance is not necessarily indicative of the future results. Please read the Offering Document for understanding the investment policies and the risks involved.

**Faysal Asset Management Limited**  
**FAYSAL ISLAMIC SAVINGS GROWTH FUND**  
**Application Form for Pledge/Lien of Units-FISGF-04**  
**(TO BE FILLED IN BLOCK LETTERS)**

Gangjees Registrar Services (Pvt.) Limited  
Registrar Faysal Islamic Savings Growth Fund  
513, Clifton Centre, Khayaban-e-Roomi, Block 5, Clifton  
Karachi.

Dear Sirs,

**RE: REQUEST FOR REGISTRATION OF UNITS UNDER LIEN**

I/We own the Units hereunder held in Account Number \_\_\_\_\_, Name \_\_\_\_\_ being the registered holder(s)/pledger of under mentioned units of FISGF request you to record pledge/lien over the following Unit(s) in favor of pledge/lien holder(s) according to the provisions of the Trust Deed & Offering Document of the Fund.

**PLEDGER**

<b>Number of Units to be placed under lien / pledge</b>	<b>Certificate Numbers (if issued)</b>
<b>Name:</b>	
<b>Address:</b>	
<b>Bank Account Details:</b>	
<b>Contact No.:</b>	

**Type of Unit(s):**                      Type A                      Flexible Type B                      Fixed Type B

In making the request, I/We recognize and understand that:

- The registration of this lien places a responsibility on you to ensure that all benefits accruing on such Units (hereinafter referred to as the Pledged Units) shall be held or paid to the order of the lien-holder.
- Save any legal bar or court order requiring otherwise, any dividends that are declared on the Pledged Units shall be paid to the order of the lien-holder, any bonus Units that the Pledged Units are entitled to be automatically marked under the lien of the lien-holder and in the event the Pledged Units are redeemed by lien-holder for any reason whatsoever, the proceeds shall be paid to the order of the lien-holder.
- You do not however, accept any responsibility for the validity of my/our act of placing the Pledged Units under lien nor for any obligations or commitments undertaken by me/us in respect thereof.
- The lien on the Pledged Units shall continue till such time it is released by the lien-holder in writing.

Thanking You.  
Yours Faithfully

<b>Name(s) and Signature(s) (stamp incase of Institution)</b>	
1. _____	2. _____
3. _____	4. _____

Unit Holder or Authorized Signatory(s)

Date \_\_\_\_\_

Corporate Stamp \_\_\_\_\_

<b>RECORD OF PROCESSING THE REQUEST</b>			
<b>ACKNOWLEDGEMENT</b>			
Distributor Branch (if involved)	Code	Date	Signature
RECORDED BY REGISTRAR	Sequential Number	Date	Initials

**MANAGEMENT COMPANY**

REGISTRATION REQUEST FORMS SIGNED	Initials/date	Initials/date
-----------------------------------	---------------	---------------

**To be filled by Distributor/ Facilitator**

**Receipt**

Received from \_\_\_\_\_ Date \_\_\_\_\_  
Application Form for Pledge/ Lien of \_\_\_\_\_ units of FISGF  
(Name of Pledger)  
along with Certificates -where applicable. (Certificate Nos. \_\_\_\_\_)

\_\_\_\_\_  
Authorized Branch

\_\_\_\_\_  
Authorized Signatory

## **Guidelines for completing the Application Form for Pledge / Lien**

Please complete the application form in Block letters and write with a ball pen.

- 1) The Unit holder/ Pledger must indicate the name and account number along with the particulars of the pledgee/ lien holder for the record of the Registrar.
- 2) In case of verification, the verified pledge/ lien form will be the only instrument recognized by the Registrar for recording pledge/ lien of units. If the pledge/ lien form is lost or destroyed or mutilated a new verified pledge/ lien form will be issued on application by the Unit-holder/ lien-holder and on payment of such cost and on such terms as to evidence, indemnity and security, including publication of the fact in newspapers.
- 3) The Distribution Company will verify the signature(s) on the Pledge/ Lien Application Form along with the copies of the original documents or request for attested copies.

Copies of the following documents are required to be submitted by the pledgee/ lien holder with the Pledge/ Lien

Application Form;

- a) Individuals: Computerized National Identity Card(s)\*
- b) For Corporate/ Statutory bodies:
  - Memorandum and Articles of Association/ Bye Laws/ Trust Deed
  - Power of Attorney or other documents authorizing the officer signing the Application Form.
  - Computerized National Identity Card\* of the officer(s) - signing on company's behalf
  - Board Resolution authorizing pledge.
- 4) For change in Unit-holder's and pledge/ lien holder's Register, such as address, unit holders/ lien holders may please complete Form 01, as applicable.

*\*Note; In the absence of CNIC, to better facilitate our clients, **ATTESTED** copies of the old NICs **ALONG WITH** proof of application (NADRA receipt) for the new CNICs, can also be accepted.*

**If you have any questions or need additional information, please call:  
(92 21) 111 329 725 (111 FAYSAL)**

---

If you have any questions or need additional information, please call:

**(92 21) 111-329-725 (111 FAYSAL)**

Or contact the **Management Company** at;

**Faysal Asset Management Limited**

8th Floor, Tower A (801-806 & 818),

Saima Trade Tower, I.I. Chundrigar Road, Karachi

U.A.N: (92 21) 111-329-725 ext 144

Fax: (92 21) 2277301

Website: [www.faysalislamicfunds.com](http://www.faysalislamicfunds.com)

**RISK DISCLOSURE:** All investments in mutual funds are subject to market risks. The NAV of units may go up or down based on the market conditions. Past performance is not necessarily indicative of the future results. Please read the Offering Document for understanding the investment policies and the risks involved.

**Faysal Asset Management Limited**  
**FAYSAL ISLAMIC SAVINGS GROWTH FUND**  
**Application Form for transfer of Units-FISGF-05**  
**(TO BE FILLED IN BLOCK LETTERS)**

Gangjees Registrar Services (Pvt.) Limited  
Registrar Faysal Islamic Savings Growth Fund  
513, Clifton Centre, Khayaban-e-Roomi, Block 5, Clifton  
Karachi.

Transfer Number \_\_\_\_\_

Date \_\_\_\_\_

**TRANSFEROR INFORMATION**

Dear Sir

- 1) I/We, the undersigned transferor(s) being the registered Holder(s) of under mentioned Units of the Faysal Islamic Savings Growth Fund transfer the said Units to the herein after named transferee to hold to the same conditions on which I/We hold them.

Registration Number	Certificate(s) Number (attach if issued)	Number of Units	Amount

**Present Holding:**

**Type A Unit**

**Type B Unit**

Fixed Type B Unit

Flexible Type B Unit with Profit Payments intervals of:

**Monthly**

**Quarterly**

**Semi-Annually**

**Annually**

Yours faithfully,

Name(s) and signature(s) of the transferor(s)

(All joint holders shall sign unless first named is authorized to sign singly)

Name(s) and Signature(s) (Stamp incase of institution)			
1.		2.	
3.		4.	

Witness

Name	Address	Signature

**TRANSFEEE(S) INFORMATION**

I am/ we are a Unit holder. Our Registration number is \_\_\_\_\_

The above Units may be registered under the Registration Number / separate Registration Account

- 1) Mr./ Mrs./ Ms./ M/s \_\_\_\_\_

Signature of transferee / First named joint transferee \_\_\_\_\_

**Witness**

Name	Address	Signature

**NOTES:**

- For Transferees who are NEW APPLICANTS, Transfer of Units of FISGF Form 05 will NOT be accepted without submission of Form 01 along with appropriate documents.
- If an applicant already has an account with FISGF, Form 01 will not be required.

RECORD OF PROCESSING THE REQUEST			
<b>Acknowledgement</b>			
Distributor Branch (if involved)	Code	Date	Signature
<b>RECORDED BY REGISTRAR</b>		Date	Initials

**To be filled by the Distribution Company**

**Receipt**

Date: \_\_\_\_\_

Received from Mr./ Mrs./ Ms. \_\_\_\_\_ (Name of transferor)

Application Form for transfer of \_\_\_\_\_ Units of FISGF

\_\_\_\_\_  
Authorized Branch  
(Rubber Stamp)

\_\_\_\_\_  
Authorized Signatory

## **Guidelines for completing the Application Form for Transfer**

Please complete the application form in Block letters and write with a ball pen.

- 1) This Application form is divided into two parts.
  - a) "Part A" is your application for transfer of Units. This portion has to be filled by the transferor and the transferee. If the transferee is already a Unit-holder the Registration Number should be stated.
  - b) "Part B" is particulars of transferee for the record of the Registrar.
    - If the transferee is not already a Unit-holder, then he will be required to submit Form 01 along with all appropriate documents.
    - If the transferee is already a Unit-holder and has indicated the existing Registration Number in Part A, submission of Form 01 is not required. However, if there is any change in the particulars, he will have to submit Form 01 for changes/ amendments.
- 2) At the request of the Unit-holder, the Registrar will verify the holding and relevant details on the Transfer Application form and signature of the Unit-holder. In case of verification the verified Transfer Application Form will be the only instrument recognized by the Registrar for transfer. If the verified Transfer form is lost, destroyed or mutilated a new verified Transfer Form will be issued on application by the Unit holder and on payment of such costs and on such terms as to evidence, indemnity and security, including publication in newspapers. In case of redemption of Units, the verified Transfer Application form will have to be surrendered.
- 3) The Distribution Company will verify the signature (s) on Transfer Application Form along with the copies of the original documents or request for attested copies.

All the requirements as set forth in Form 01 will have to be fulfilled including for the Transferee to submit copies of the following documents with the Application for Transfer of Units:

  - a) Individuals (new Applicants only) Computerized National Identity Card\*.
  - b) For Corporate/ Statutory bodies (new applicants only and if there is any amendment in these documents):
    - Memorandum and Articles of Association/ Bye Laws/ Trust Deed
    - Power of Attorney or other documents authorizing the officer signing the Application Form
    - Computerized National Identity Card\* in respect of the officer signing on behalf of the Institutional Investors
    - Board Resolution authorizing investment / disinvestments
- 4) Account Statement/ Unit Certificate (if any) will be dispatched at the registered address within 10 business days after the submission of a properly documented Application Form for Transfer.

*\*Note; In the absence of CNIC, to better facilitate our clients, **ATTESTED** copies of the old NICs **ALONG WITH** proof of application (NADRA receipt) for the new CNICs, can also be accepted.*

- 5) If an acknowledgement of the transfer is not received within 10 working days, the investor should contact Faysal Asset Management Limited.

**If you have any questions or need additional information, please call:  
(92 21) 111 329 725 (111 FAYSAL)**

If you have any questions or need additional information, please call:

**(92 21) 111-329-725 (111 FAYSAL)**

Or contact the **Management Company** at;

**Faysal Asset Management Limited**

8th Floor, Tower A (801-806 & 818),

Saima Trade Tower, I.I. Chundrigar Road, Karachi

U.A.N: (92 21) 111-329-725 ext 144

Fax: (92 21) 2277301

Website: [www.faysalislamicfunds.com](http://www.faysalislamicfunds.com)

**RISK DISCLOSURE:** All investments in mutual funds are subject to market risks. The NAV of units may go up or down based on the market conditions. Past performance is not necessarily indicative of the future results. Please read the Offering Document for understanding the investment policies and the risks involved.

**Faysal Asset Management Limited**  
**FAYSAL ISLAMIC SAVINGS GROWTH FUND**  
**Investment Scheme/Type Conversion Form - 6**  
**(TO BE FILLED IN BLOCK LETTERS)**

**Date:** \_\_\_\_\_

**Registration No.** \_\_\_\_\_

I/We, being the registered holder(s) of under mentioned Units, apply for the conversion of investment type/scheme of the Fund as specified below in accordance with the provisions of the Trust Deeds & Offering Documents of the respective Funds.

<b>Name</b> (Mr./Mrs./Ms./M/s)	
--------------------------------	--

**DETAILS OF CONVERSION OF INVESTMENT SCHEME/TYPE**

Units	From	To
	From	Name of Scheme
Entire or Units _____	Faysal Islamic Savings Growth Fund <b>Type A</b>	Faysal Islamic Savings Growth Fund <b>Type A</b>
Entire or Units _____	<b>Type B Flexible Units</b> Monthly Quarterly Semi-annual Annual	<b>Type B Flexible Units</b> Monthly Quarterly Semi-annual Annual
Entire or Units _____	<b>Type B Fixed Units</b> Monthly Quarterly Semi-annual Annual	<b>Type B Fixed Units</b> Monthly Quarterly Semi-annual Annual
Entire or Units _____	Faysal Balanced Growth Fund	Faysal Balanced Growth Fund
Entire or Units _____	Faysal Income & Growth Fund	Faysal Income & Growth Fund
Entire or Units _____	Faysal Savings Growth Fund <b>Type A</b>	Faysal Savings Growth Fund <b>Type A</b>
Entire or Units _____	<b>Type B Flexible Units</b> Monthly Quarterly Semi-annual Annual	<b>Type B Flexible Units</b> Monthly Quarterly Semi-annual Annual
Entire or Units _____	<b>Type B Fixed Units</b> Monthly Quarterly Semi-annual Annual	<b>Type B Fixed Units</b> Monthly Quarterly Semi-annual Annual
Entire or Units _____	Faysal Islamic Balanced Growth Fund	Faysal Islamic Balanced Growth Fund

**DECLARATION:**

- I/We confirm having filled and signed this application form after having read and understood all the reference notes and the provisions of the Trust Deeds and offering documents of the respective Funds and the risks involved.
- I/We ratify that the information provided in this form is correct.

\_\_\_\_\_  
**Name(s) and Signature(s) of Unit Holder(s)**

(All joint Holders shall sign unless the first named is authorized to sign singly)

**SIGNATURE(S):** (with Rubber Stamp in case of Institutional client)

1. \_\_\_\_\_ 2. \_\_\_\_\_ 3. \_\_\_\_\_ 4. \_\_\_\_\_ 5. \_\_\_\_\_

**INSTRUCTIONS REGARDING CERTIFICATES:**

Certificate issued: Yes No

1. \_\_\_\_\_ 2. \_\_\_\_\_ 3. \_\_\_\_\_ 4. \_\_\_\_\_ 5. \_\_\_\_\_

**RECORD OF PROCESSING THE REQUEST**

Acknowledgement			
Distributor Branch (if involved)	Code	Date	Signature
RECORDED BY REGISTRAR		Date	Initials

\_\_\_\_\_  
**To be filled by the Distribution Company**

**Receipt**

Date \_\_\_\_\_

Received from Mr./ Mrs./ Ms. \_\_\_\_\_ (Name of transferor)

Application Form for transfer of \_\_\_\_\_ Units of \_\_\_\_\_

\_\_\_\_\_  
**Authorized Branch**  
(Rubber Stamp)

\_\_\_\_\_  
**Authorized Signatory**

## **Guidelines for Completing the Application for Account Opening**

This Form is a one-time requirement for both Individual and Institutional Customers and is required to be filled when the account is opened for the first time or if there are any changes in investors' particulars.

Please complete the application form in Block letters and write with a ball pen.

### **INFORMATION ABOUT PRINCIPAL ACCOUNT HOLDER/TRANSFEROR**

- 1) The Account holder would need to state his/her institutions Name, Registration No., allotted at Account Opening stage.
- 2) The account holder would need to mention the Amount to be transferred to other Investment Plan(s).

### **OTHER INSTRUCTIONS**

- Principal Account Holder must sign in the space meant for the purpose.  
Without signature of the Principal Account Holder, the officer at Distributor Office will not accept the form.
- In case the account holder is illiterate and cannot sign, then he/she must be required to submit either a clear copy of CNIC with photo or one recent passport size photograph authenticated by his/her banker. His/her form would also need to be signed by a witness.

**If you have any questions or need additional information, please call:  
(92 21) 111-329-725 (111 FAYSAL)**

---

If you have any questions or need additional information, please call:

**(92 21) 111-329-725 (111 FAYSAL)**

Or contact the **Management Company** at;

**Faysal Asset Management Limited**

8th Floor, Tower A (801-806 & 818),

Saima Trade Tower, I.I. Chundrigar Road, Karachi

U.A.N: (92 21) 111-329-725 ext 144

Fax: (92 21) 2277301

Website: [www.faysalislamicfunds.com](http://www.faysalislamicfunds.com)

**RISK DISCLOSURE:** All investments in mutual funds are subject to market risks. The NAV of units may go up or down based on the market conditions. Past performance is not necessarily indicative of the future results. Please read the Offering Document for understanding the investment policies and the risks involved.

## Annexure E

### Muhammad Abubaker Siddiq

Address: House No. R-348, Block A, Millat Garden Malir 15, Karachi, Pakistan.

Phone: (Res.) +92-21-6021870 (Off) 92-21-4117900 (Mob) +92-300-2171063

Fax: (Office) +92-21-4117900 e-mail [siddiq43@gmail.com](mailto:siddiq43@gmail.com) & [muftiabubaker@faysalbank.com](mailto:muftiabubaker@faysalbank.com)

- Father's Name:** Haji Abdur Rehman Mustafai
- Date & Place of Birth:** 14th October 1969, Nawabshah, Sindh, Pakistan
- Marital status:** Married
- Qualification:**
- Ashhada-tul-Alimiyyah fil uloomil Arabia wal Islamiyah** i.e. Darse Nizami in 1994 from Tanzeemul Madaris Alesunnat Pakistan (Federal Board of Islamic Institutions) with 3rd position in all Pakistan.
  - Darajah al-Ijazah al-Aliyah** i.e. Graduation level in Islamic Studies and Modern Thought (including Islamic Economics) from Aleemiyah Institute of Islamic Studies Karachi with 2<sup>nd</sup> position in Aleemiyah Institute of Islamic Studies
  - **M.A** (Islamic Culture) from University of Sindh. Equivalent Degree of M.A in Islamic Studies and Arabic from University of Sindh.
  - **B.A** (Economics, Political Science) from University of Sindh
  - **D.H.M.S** from Pakistan Central Homoeopathic Medical College Karachi.
  - **Intermediate & Matriculation** (Pre-Engineering) from Hyderabad board.
- Current Occupation:** - **Shariah Advisor**  
Faysal Bank Ltd
- Shaik-ul-Hadith** at Jamia Mustafa Razviyah Karachi,  
**Chief Mufti** of Darul Ifta Jamay Toba, Karachi.  
**Teaching Islamic Sales, Ijarah, Islamic banking and writing fatwa** to the class of Takhasus at Jamia Mustafa Razviyah Karachi.

**Head of Darulifta Qtv international** since 22 October, 2005 up till now and is answering the live calls of peoples four times a week in program named "**Aap kay msail ka Hal**" as well as writing the answers of the peoples asked by emails and letters.  
**Visiting Lecturer at Sheikh Zayed Islmic Institute**  
Delivering lectures on Fiqhul Muamlat in PGD class.

**Experience:**

**Shariah Advisor**

Dawood Islamic Bank Ltd since March 25, 2006 to December 15, 2007

Dawood Islamic Fund since 1<sup>st</sup> July 2006 to December 5, 2007

Dawood Family Takaful since 1<sup>st</sup> October 2007 to December 15, 2007

Has taught several branches of Islamic learning (including Islamic Jurisprudence) since 1995 in Jamia-tul-Madina Karachi up till 27<sup>th</sup> June 2005.

Has written fatwa's at Darul Ifta Ahlesunnat for last six years and has written more than fifteen thousands (15000) fatwa's.

Has written fatwa's more than two thousands at Darul Ifta Jamia-tul-Madina for last five years.

Has written fatwa on internet since 1998 up till 2005 and

has written more than five thousands fatwa's in English.

Has answered the questions of the people in the following newspapers:-

- 1. Weekly Deen**
- 2. Weekly Zarb-e-Islam**
- 3. Weekly Aqeeda**

- Had been a member of Majlis Bara- e-Tahqeeqat Shariah Pakistan. (A team of intelligent sholars for solving the current fiqhi problems of the Muslim Ummah)
- Member of Majlis-e-Sharai India. (A team of experienced sholars of the Muslim world for solving the current fiqhi problems of the Muslim world.)  
Urdu, Arabic and English.

**Languages Known:**

**Publications in English:**

**1. Answer to a Cross Worshipper**, Answers of the objections of an apostate and the authenticity of Islam and Quran and proof of the coming of the Holy Prophet

Muhammad (*Blessings and Peace be upon him*) from the Bible published by Qutbe Madina Publishers Karachi.

**2. Three Important Fatawa**, Published by Qutbe Madina Publishers Karachi.

**3. The First Caliph Sayyaduna Siddique Akbar A** brief biographical history of Hazrat Abubakr Siddiq (*radi Allahu anhu*) Published by Qutbe Madina Publishers Karachi.

#### **Publications in Urdu:**

**4. Qistoon Par Saman ki kharid-o-Frokhtm**, a detailed Fatwa regarding the business on the basis of installments published by Nashrul Islam Publishers Karachi.

**5. Currency Ka lain Dain**, a detailed fatwa regarding the exchange of money published by Nashrul Islam Publishers Karachi.

**6. Maal kamanay Kay Najaiz Traiqay**, three detailed fatwa's regarding Golden Key Company, Biznass and Pentagona published by Nashrul Islam Publishers Karachi.

**7. Rozay Kay Jadid Fiqhi Masail** answers of those new problems regarding fasting which are not found in old books of Fiqh published by Nashrul Islam Publishers Karachi.

**8. Roza Aur Jadid Scienci Tahqeeqt**, the favors of fasting in the light of modern science published by Nashrul Islam Publishers Karachi.

**9. Taharat kay Jadid Fiqhi Masail**, answers of those new problems regarding purification which are not found in old books of Fiqh published by Nashrul Islam Publishers Karachi.

**10. Tarke Jama'at Kay Aazar**, a fatwa points out those problems which allow praying without congregation published by Nashrul Islam Publishers Karachi.

**11. Teen Aham Fatawa**, three fatwa's regarding three important problems published by Qutbe Madina Publishers Karachi.

**12. Sarkar ki Aamad Marhaba**, a book which reveals the prophecies in the scripture of Jews and Christians regarding the coming of our beloved Prophet Muhammad (*Blessings and Peace be upon him*) published by Nashrul Islam Publishers Karachi.

**13. Rasail-e-Ziya-i-ya**, a collection of twenty one booklets on various topics including the books mentioned above published by Nashrul Islam Publishers Karachi.

**Unprinted work:**

**1. Modern Islamic banking and Imam Ahmad Raza**  
(*Rahmatullahi alaihi*), the views of the first ideologist of Islamic banking, Imam Ahmad Raza, and the Islamic modes of financing in the light of the fatwa's of Imam Ahmad Raza.

**2. Zakat ki Aasan Ktiab ma Zakat kay Jadid Masail.** answers of the new problems regarding Zakat which are not found in old books of Fiqh.

**Research Work:**

**3. Sarkar ki Aamad Marhaba Part 2,** a book which reveals the prophecies in the scriptures of the Jews and the Christians regarding the coming of our beloved Prophet Muhammad (Blessings and Peace be upon him).

**4. Rejection of Al-Alazhar's Fatwa regarding the lawfulness of predetermined profit in Mudarabah (English).**

**5. A Number of Fatwa's** regarding Banking, Islamic Sales, Ijara, Murabaha and Musharaka.

**6. Islamic Credit Card.**

A discussion about Islamic Credit and its various models.

**7. Yes we can avoid Riba.**

Answer to those who think that we can not avoid riba even by Islamic Banking too.

**8. Current Account in the light of shariah.**

Status of current account either it is a loan or amaanah or some thing else and its easy solution.

Some of the Islamic articles have been published in Weekly Pakistan from Sydney Australia.

**Journalism:**

**Computer:**

Knows the usage of Windows, Microsoft Word and Inpage software.

House no # 2/229, Shah Faisal Colony no.2  
Karachi.  
Mobile # 0333-3580880  
D.O.B # 13/06/1979  
N.I.C # 42201-0734943-5

## **ABDUL ZAHID FAROOQI**

---

### **OBJECTIVE**

Would like to explore career-growth opportunities in Islamic banking where in professional qualification and experience could be highly utilize with and aspiration to learn grow and harness my potential to the fullest.

### **Education**

**M.A: In Arabic Literature University of Karachi with the 1<sup>st</sup> Division.  
P G D (Islamic banking and finance) from Sheikh Zayed Islamic Centre Karachi university  
Graduate (Punjab University): with the 2<sup>nd</sup> Division, with subjects of Political Science and Islamic Studies.  
Intermediate: Sargodah Board  
Matriculation: Sargodah Board  
Al-Shahadat ul Alamiyya Fil Uloomil Arabia wal Islamia.  
(Dar ul Uloom Muhammaddia Ghosia) Bhera Distt. Sargodha.  
Al-Shahadat ul Ejazat le Rewa tul Hadith D.M.G.  
Al EIjazatul Alia from D.M.G. Bhera Sargodha.  
Fazil Arabia from Sargodah Board.  
Adeeb Arabia from Sargodah Board.**

### **Computer Literacy**

**Good hand using Ms Office and Inpage.  
Effective and fast searching, browsing and Emailing etc.**

### **Experience**

**Having Research Certificate Course for Phil / PhD from University of Karachi  
Two year experience in Fatwa Naveesi  
Two Years Research experience in Arabic Books.**

### **Extra Curriculum Activities:**

**Had been the best speaker since 1995 to 1996 in D.M.G Sargodha.  
Got 2<sup>nd</sup> position in yearly speech competition in D.M.G Sargodha.  
Had been General Secretary of student Organization since 1996 to 1997 in D.M.G Sargodha.  
Had been President of Al-Nida ul Arabi in the Dept. of Arabic (University of Karachi).  
Got 3<sup>rd</sup> position in Speech competition organized by Sheikh Zaid Islamic Centre, (University of Karachi).  
Received the best Performance Award in the Dept. of Arabic (University of Karachi).**

**Interests**

**Research and, Islamic Jurisprudence, Administration, and Management etc**

**Special Skills:**

**Analytical, negotiation, communication skill in Arabic, Urdu and ability to talk in English.**

**Management and administrative skills.**

**Demonstrative ability to work from public floor to the president,**

**Have been good debater, writer and speaker.**

**Have got many prizes in various competitions.**

**References:**

**Shall be furnished upon request.**

**Abdul Zahid Farooqi.**