

**1<sup>ST</sup> SUPPLEMENT**

**TO THE**

**OFFERING DOCUMENT OF**

**ALFALAH GHP ALPHA FUND**  
**Category: Equity Scheme**

**MANAGED BY**

**ALFALAH GHP INVESTMENT**  
**MANAGEMENT LTD.**

**DATED: May 10, 2010**

## **Alfalah GHP Alpha Fund – 1<sup>st</sup> Supplementary Offering Document**

**First Supplement Dated May 10, 2010 to the Offering Document of Alfalah GHP Alpha Fund (AGAF) issued on August 30, 2008.**

**(Managed by Alfalah GHP Investment Management Ltd. an Asset Management Company Licensed under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003)].**

Established in Pakistan under the Trusts Act 1882 (11 of 1882) by a Trust Deed dated April 11, 2007 between Alfalah GHP Investment Management Limited, the Management Company and Central Depository Company of Pakistan Limited, the Trustee and is authorized under Rule 67 the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003.

Effective from May 27, 2010, the following clauses of the Offering Document have been amended to read in their entirety as follows:

### **1. Addition of new sub-clause 1.4.8 in Modification of Trust Deed**

A new sub-clause in Modification of Trust Deed is added as 1.4.8.

**After the said amendment the clause 1.4 Modification of Trust Deed would include sub-clause 1.4.8 as:**

“The Offering Document, Trust Deed or any supplementary Trust Deed or Offering Document shall be governed by NBFC Rules, NBFC Regulations, circulars, directives or guidelines issued and amended by the SECP from time to time. In case of any revision of said rules, regulation, directives, circulars or guidelines since the approval of these Documents, these will deem to have been included in the Offering Document and Trust Deed and no amendment or modification is required unless specifically required by the SECP.”

### **2. Addition of new sub-clause 1.6.4 in Units**

A new sub-clause in Units is added as 1.6.4.

**After the said amendment the sub-clause 1.6, Units would include sub-clause 1.6.4 as:**

“For the convenience of investors, the Management Company may introduce different administrative plans under different administrative arrangements with the prior approval of SECP and consent of the Trustee. Units issued under the different administrative arrangements shall be governed by the Rules, Regulations, Deed and this Offering Document or any supplemental Deed or supplemental Offering Document as and when made available by the Management Company.”

### **3. Amendments in sub-clause 1.9 Transaction in Units after Initial Period of Offer (IPO)**

In sub-clause 1.9 in the second line after the full stop “.” the following sentence is deleted:

“The Management Company will fix the Purchase (Offer) and Redemption (Repurchase) Prices daily on the basis of the Net Asset Value (NAV) of the

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Units after the close of the Stock Exchange(s) / financial market(s) Business Day.”

and replaced with following sentence:

“The Management Company shall announce and make available the Offer Price to the public at the office and branches of the Authorized Distributor(s) and on the website of the company ([www.alfalahghp.com](http://www.alfalahghp.com)) as of the close of each Business day latest by 18:30 hours (or such time as modified by SECP from time to time). The Management Company shall also announce the Redemption Price on a daily basis on all Business Days latest by 18:30 hours (or such time as modified by SECP from time to time) at the office and branches of the Distribution Company(ies) and on the website of the company. The Offer and Redemption Prices shall be determined by the Management Company under the provisions of this Offering Document. The Offer and Redemption Price so calculated shall be applicable for the Business Day. However, the announcement of prices may be delayed after 18:30 hours in case of extraordinary circumstances beyond the control of Management Company including delays in announcement of valuation prices by Stock Exchanges, MUFAP, etc or if there is breakdown of means of communication normally employed in the announcement of NAV prices of the Fund by the Management Company.”

In the sixth line after words “for the” and before the words “or the” the word Sales Load is deleted and brackets of words Front-end Load is removed.

In the sixth line after words “or the” and before the words “as the” the word Redemption Load is deleted and brackets of words Back-end Load is removed.

At the end of para following new sentence is added

“The Management Company may issue Units without Front end Load to Unit Holder(s) opting to receive Units in lieu of dividends.”

**After the said amendment, sub-clause 1.9 reads as under:**

“Subsequent to the Initial Period of Offer, Units shall be purchased at the applicable Purchase (Offer) Price and redeemed at the applicable Redemption (Repurchase) Price. The Management Company shall announce and make available the Offer Price to the public at the office and branches of the Distribution Company(ies) and on the website of the company as of the close of each Business day latest by 18:30 hours (or such time as modified by SECP from time to time). The Management Company shall also announce the Redemption Price on a daily basis on all Business Days latest by 18:30 hours (or such time as modified by SECP from time to time) at the office and branches of the Distribution Company(ies) and on the website of the company. The Offer and Redemption Prices shall be determined by the Management Company under the provisions of this Offering Document. The Offer and Redemption Price so calculated shall be applicable for the Business Day. However, the announcement of prices may be delayed after 18:30 hours in case of extraordinary circumstances beyond the control of Management Company including delays in announcement of valuation prices by Stock Exchanges,

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MUFAP, etc or if there is breakdown of means of communication normally employed in the announcement of NAV prices of the Fund by the Management Company. In the event there are closed days, for any reason, following that Business Day, the NAV so determined shall be adjusted for the accrual of income or losses, if any, for such closed days. 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 4.9 mentioned herein. Such prices shall be applicable to purchase and redemption request, complete in all respects, received during the business hours on the Business Day as announced by the Management Company from time to time. The Management Company may issue Units without Front end Load to Unit Holder(s) opting to receive Units in lieu of dividends.”

#### 4. Amendments in clause 2.3

The table of authorized investments in clause 2.3 is deleted and replaced with following table:

After the said amendment the table 2.3 Authorized Investments read as under:

Asset Class	Min Entity Rating	Min Instrument Rating	Max Exposure Limit
<b>a. Equity Securities</b>			
.i. Listed Equity Securities	N/A	N/A	100%
.ii. Unlisted Equity Securities*	N/A	N/A	15%
.iii. Spread Transactions in local listed securities.	N/A	N/A	40%
.iv. Spread Transactions between Global Depository Receipts (GDR) and / or American Depository Receipts (ADR) with local securities.	N/A	N/A	30%
.v. Convertible and Non Convertible Preferred securities.	BBB+	N/A	25%
<b>b. Other than Equity Instrument</b>			
.i. Cash in bank accounts (excluding TDRs)	A-	N/A	30%
.ii. Treasury Bill not exceeding 90 days	N/A	N/A	30%
<b>c. Outside Pakistan Investments</b>			
.i. Other investments available outside Pakistan, subject to SECP and SBP approval and on such terms and conditions as may be issued by the SECP and the State Bank including:	A- rated by a reputed International Rating Agency		30% Subject to cap of US \$ 15,000,000/-
• Depository receipts such as Global Depository Receipts (GDR) and / or American Depository Receipts (ADR)			
• international equities;			

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• foreign currency bank deposits			
• International mutual funds.			
<b>d. Any other securities or instrument that may be permitted or approved by SECP from time to time.</b>			
<ul style="list-style-type: none"> <li>• Investment in unlisted equity securities shall be only for such securities for which application for listing has been accepted by the stock exchange.</li> <li>• Max exposure means max exposure in relation to Net Assets of the Fund.</li> <li>• If the instrument/security is not rated then the entity issuing the income / money market securities/instrument would have a minimum investment grade rating as defined above by a credit rating agency registered with the SECP.</li> </ul>			

2.3.e All authorized investment made by Fund shall be in compliance with SECP directive of minimum investment grade rating. The Fund is an equity fund in terms of requirement of SECP Circular No. 7 of 2009. Within these requirements, the Fund will be managed in the following manner:

- At least 70% of net assets of the Fund shall remain invested in listed equity securities during the year based on quarterly average investment calculated on daily basis;
- The remaining net assets shall be invested in cash and/ or near cash instrument which include cash in bank accounts (excluding TDR's), and treasury bill not exceeding 90 days maturity; and
- The Fund shall not take exposure to continuous Funding Systems (CFS).

2.3.f Further at least 5% of net assets of the Fund shall remain invested in cash and/ or near cash instrument which include cash in bank accounts (excluding TDR's), and treasury bill not exceeding 90 days maturity;

2.3.g All Investments shall be made within the limits prescribed in the Regulations or otherwise as may be specified by the Commission and for investments in offshore countries, Investments shall be made within the limits prescribed by the State Bank of Pakistan.

2.3.h The above asset classes, restrictions and limitations are as per guidelines issued by SECP through Regulations, circulars, directives or any clarification issued by SECP from time to time. However for purpose of prudent fund management the Management Company has placed certain restrictions over and above SECP requirements. In case of any revision or change in above limitations or restrictions including revision of asset classes, rating or exposure limits issued by SECP, the later will take precedence.

**5. Addition of new sub-clause 2.3.A as Benchmark of the Scheme:**

A new sub-clause in Investment Objectives, Investment Policy, Restrictions, Risk Disclosure and disclaimer is added as 2.3.A.

**After the said addition the sub-clause 2.3.A reads as:**

“The benchmark of Alfalah GHP Alpha Fund is KSE-100 Index.”

**6. Addition of new sub-clause 2.7.9 in Investment Restrictions**

A new sub-clause in Investments Restrictions is added as 2.7.9.

**After the said amendment the clause 2.7 Investments Restrictions would include sub-clause 2.7.9 as:**

“The Management Company shall not net off any investment of the Fund against the investment of the Unit Holder(s) in the Fund.”

**7. Addition of new sub-clause 2.7.10 in Investments Restrictions**

A new sub-clause in Investments Restrictions is added as 2.7.10.

**After the said amendment the clause 2.7 Investments Restrictions would include sub-clause 2.7.10 as:**

“In case investments are made on behalf of the Fund in any offshore countries, the same shall be with prior approval of SECP and SBP and subject to the limits as may be prescribed by the SBP and/or the Commission.”

**8. Addition of new sub-clause 2.7.11 in Investments Restrictions**

A new sub-clause in Investments Restrictions is added as 2.7.11.

**After the said amendment the clause 2.7 Investments Restrictions would include sub-clause 2.7.11 as:**

“In respect of investment held in foreign currencies, the same will be translated in Pakistan Rupees using the closing buying spot rates declared by the State Bank of Pakistan at each balance sheet date.”

**9. Addition of new sub-clause 2.9.7 in Borrowing & Borrowing Restriction**

A new sub-clause in Borrowing & Borrowing Restriction is added as 2.9.7.

**After the said amendment the clause 2.9 Borrowing & Borrowing Restriction would include sub-clause 2.9.7 as:**

“The Management Company shall not make any new investment or rollover of any investment of the Fund in case of borrowing limits has already been exhausted or redemptions are pending for more than six days.”

**10. Addition of new sub-clause 2.11.6 in Transactions with Connected Persons**

A new sub-clause in Transactions with Connected Persons is added as 2.11.6.

**After the said amendment the clause 2.11 Transactions with Connected Persons would include sub clause 2.11.6 as under:**

“The Management Company on behalf of the Fund shall not without the approval of its Board of Directors in writing and consent of Trustee, purchase from, or sell any securities to any Connected Person or employee of the Management Company. Provided that, the above shall not apply to the issue, sale or redemption of units issued by the Scheme.”

**11. Addition of new sub-clause 2.14 in Investment Objectives, Investment Policy, Restrictions, Risk Disclosure and Disclaimer**

A new sub-clause in Investment Objectives, Investment Policy, Restrictions, Risk Disclosure and Disclaimer is added as 2.14.

**After the said amendment the clause 2 Investment Objectives, Investment Policy, Restrictions, Risk Disclosure and Disclaimer would include sub-clause 2.14 as:**

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**2.14 Provision Policy**

**2.14.1. Preamble**

The Provisioning Policy is formulated to define the provisioning requirements which are over and above the provisioning requirements prescribed under SECP Circular 1 of 2009.

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**2.14.2. Eligibility Criteria for Making Provision**

The advent of the following events makes the debt securities and other exposures eligible for provisioning:

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- a. Default on the interest payment;
- b. Default on the principal payment;
- c. Rating of the debt security / borrower is down graded to “D” (Default);
- d. In the event of bankruptcy;

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Further, following securities are eligible for the provision against the non performance:

- a. Debt Securities
  - i. Term Finance Certificates (TFCs)
  - ii. Privately Placed Certificates (PPTFCs)
  - iii. Sukuk / Ijara Certificates
  - iv. Commercial Papers

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- b. Other Exposures
  - i. Term Deposit Certificates (TDR)
  - ii. Certificate of Investments (COI)
  - iii. Certificate of Deposits (COD)
  - iv. Letter of Placements (LOP)
  - v. Certificate of Musharaka (COM)

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**2.14.3. Criteria for Classification as Non Performing Exposure**

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**a. Debt Securities**

Debt security shall be classified as non-performing, if the interest and / or principal amount is past or overdue by 15 calendar days from the due date.

**b. Other exposures**

Exposures other than debt securities such as TDR, COI, COD, LOP, COM etc shall be immediately classified as non-performing if the interest and / or principal amount past the due date.

However, full provisioning shall be made immediately if the applicable rating of the debt security is down graded to “D” (Default).

**2.14.4. Provisioning Requirements & Time Frame For Maintaining The Applied Provisions** ← --- Formatted: Bullets and Numbering

**a. Debt Securities**

All non-performing debt securities whether secured or unsecured shall be provided for in accordance with the following criteria:

**i. For TFC’s, PPTFC’s, & Sukuk**

With Semi-annual & Annual coupons

Effective day for Provisioning	Minimum Provision as % of book value	Cumulative Provision
Upto 180th days	50%	50%
Upto 365th days	50%	100%

With Quarterly & Monthly coupons

Effective day for Provisioning	Minimum Provision as % of book value	Cumulative Provision
Upto 90 <sup>th</sup> days	50%	50%
Upto 180th days	50%	100%

**ii. For Commercial Papers & Other exposures**

All non-performing Commercial Papers and other exposures whether secured or unsecured shall be provided in the remaining number of days of the current financial year.

**2.14.5. Criteria for Suspension of Mark Up** ← --- Formatted: Bullets and Numbering

a. The accrual of interest / profit shall be suspended from the first day the interest / profit payment falls due and is not received.

b. All interest / profit accrued and recognized in the books of Collective Investment Scheme shall be reversed immediately once a debt security and exposures other than debt securities is classified as non – performing. ← --- Formatted: Bullets and Numbering

**2.14.6. Criteria for Reversal of Provisioning** ← --- Formatted: Bullets and Numbering

**a. Debt Securities**



- i. In case a Collective Investment Scheme has received all the arrears of interest, the interest amount reversed shall be written back to the extent it is received.
- ii. In case a Collective Investment Scheme has received all arrears of interest and the debt security has not been reclassified as performing, the suspension of further accrual of interest shall continue.
- iii. The debt security shall only be reclassified as performing once all the arrears have been received in cash and debt security is regular on all payments (interest as well as principal as per applicable redemption schedule) for the next two (2) installments. The provision made for the principal amount shall be written back in the following manner.
  - Where provision of principal was made due to the interest defaults only, 100% of the debt security provided for in the books shall be written back upon reclassification of the debt security as performing.
  - Where both installments and interest were in defaults, 50% of the provision made in the books shall be written back at the receipt of the first payment (interest/principal) and 50% at the receipt of second payment and the asset shall be reclassified as performing.
- iv. The debt security shall also be classified as performing if the issuer re-schedules the terms and conditions of the debt security and majority of the debt security holders agree to it.

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**b. Other exposures**

Other Exposures reversed previously shall only be written back to the extent the Collective Investment Scheme has received the arrears of interest along with the principal amount.

**2.14.7. Requirements for Disclosure**

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- a. Provisioning policy will be uploaded to the website so that all the unit holders and the prospective investors can review the policy at any time.
- b. Provisioning policy will be disseminated to all the unit holders through emails / postal mails.
- c. Provisioning Policy shall be incorporated in the Constitutive Documents of all the schemes after all the regulatory requirements.
- d. All unit holders will be informed through the FMR that they can review the provisioning policy by visiting our website or they can visit the office premises to get a copy of the policy in the business hours on any business day.”

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**12. Addition of new sub-clause 3.5.1.m in Responsibilities of the Management Company**

A new sub-clause in Role of the Management Company is added as 3.5.1.m.

**After the said amendment the clause 3.5 Role of the Management Company would include sub-clause 3.5.1.m as:**

“The Management Company shall not enter into transactions with any Broker on behalf of the Scheme which exceeds thirty percent of the commission paid by the Scheme in any one accounting year; subject, that such Broker shall not have a common director, officer or employee with the Management Company.”

**13. Addition of new sub-clause 3.5.1.n in Responsibilities of the Management Company**

A new sub-clause in Role of the Management Company is added as 3.5.1.n.

**After the said amendment the clause 3.5 Role of the Management Company would include sub-clause 3.5.1.n as:**

“The Management Company shall with prior approval of its board open or close any account with a bank, broker or depository for the Fund.”

**14. Addition of new sub-clause 3.5.1.o in Responsibilities of the Management Company**

A new sub-clause in Role of the Management Company is added as 3.5.1.o.

**After the said amendment the clause 3.5 Role of the Management Company would include sub-clause 3.5.1.o as:**

“The Management Company may in consultation with the Trustee further appoint advisors and professionals 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 Fund, the Management Company and the Trustee and their respective obligations in relation thereto. The fees of such advisors and professionals shall not be charged to the Fund.”

**15. Addition of new sub-clause 3.5.1.p in Responsibilities of the Management Company**

A new sub-clause in Role of the Management Company is added as 3.5.1.p.

**After the said amendment the clause 3.5 Role of the Management Company would include sub-clause 3.5.1.p as:**

“The Management Company may appoint investment advisors 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 abroad at its own cost and discretion provided that the Management Company will be responsible for acts of such investment advisers.”

**16. Addition of new sub-clause 3.6.2.d in Basic Role of the Trustee**

A new sub-clause in Trustee is added as 3.6.2.d.

**After the said amendment the clause 3.6 Trustee would include sub-clause 3.6.2.d as:**

“The Trustee shall not invest in the Units of the Fund.”

**17. Addition of new sub-clause 3.6.2.e in Basic Role of the Trustee**

A new sub-clause in Trustee is added as 3.6.2.e.

**After the said amendment the clause 3.6 Trustee would include sub-clause 3.6.2.e as:**

“The Trustee shall immediately inform the Commission if any action of the Management Company contravenes the Ordinance, the Rules, the Regulations,

Constitutive Documents, guidelines, codes, circulars, directives or any other applicable laws; and”

**18. Addition of new sub-clause 3.6.2.f in Basic Role of the Trustee**

A new sub-clause in Trustee is added as 3.6.2.f.

**After the said amendment the clause 3.6 Trustee would include sub-clause 3.6.2.f as:**

“The Trustee shall comply with the directions of the Commission given in the interest of the Unit holders.”

**19. Amendments in sub-clause 3.11.1 Distributors and Investment Facilitators**

In sub-clause 3.11.1 at the end of paragraph after “.” full stop following wording is included:

“The appointment of Distributor(s) and/or Sub-Distributor(s) will be done through written Distribution Agreement(s) defining among other terms and condition, terms and condition for avoidance of frauds and sales based on misleading information. Further the distributor so appointed shall maintain associate membership of the Association(s) constituted in consultation with the Commission and abide by the code of conduct prescribed by the Association(s). The Distributor shall be remunerated by the Management Company out of the Front-end Load or out of its own resources.”

**After the said amendment the clause 3.11 Distributors and Investment Facilitators would include sub-clause 3.11.1 as:**

“Parties detailed in “Annexure C” of this Offering Document have each been appointed as Distributors to perform the Distribution Functions at their Authorized Branches within or outside Pakistan. The addresses of these branches are given in Annexure C of this Offering Document; these branches may be increased or decreased by the Management Company from time to time. The Management Company may from time to time, appoint additional Distributors or terminate the arrangement with any Distributor and intimate the Trustee accordingly. The Management Company may itself perform the functions of a Distributor either directly or through sub-distributors. The appointment of Distributor(s) and/or Sub-Distributor(s) will be done through written Distribution Agreement(s) defining among other terms and condition, terms and condition for avoidance of frauds and sales based on misleading information. Further the distributor so appointed shall maintain associate membership of the Association(s) constituted in consultation with the Commission and abide by the code of conduct prescribed by the Association(s). The Distributor shall be remunerated by the Management Company out of the Front-end Load or out of its own resources.”

**20. Addition of new sub-clause 3.14.2.j in Bank Accounts**

A new sub-clause in Bankers is added as 3.14.2.j.

**After the said amendment the clause 3.14 Bankers would include sub-clause 3.14.2.j as:**

“The Management Company shall not open or close or arrange to open or close any account with Banks without approval of its Board. However, where the Management Company has obtained approval for opening/arranging to open an account(s) with any particular bank, it may open accounts with any branch of that bank and shall obtain approval of its board in the subsequent meeting.”

**21. Addition of new sub-clause 3.14.2.k in Bank Accounts**

A new sub-clause in Bankers is added as 3.14.2.k.

**After the said amendment the clause 3.14 Bankers would include sub-clause 3.14.2.k as:**

“The rating of the banks where bank accounts will be maintained shall not be lower than BBB (investment grade) as defined in rules, regulations and circulars issued by SECP from time to time”

**22. Addition of new sub-clause 3.14.2.l in Bank Accounts**

A new sub-clause in Bankers is added as 3.14.2.l.

**After the said amendment the clause 3.14 Bankers would include sub-clause 3.14.2.l as:**

“To facilitate investment in administrative plans the Trustee, at the request of the Management Company, shall open Bank Accounts titled “**CDC-Trustee Alfalah GHP Funds**” for the Unit Trust at designated Bank(s) at Karachi (or any other city as per the instruction of the Management Company from time to time). Such accounts shall be used as temporary allocation accounts where collection (i.e. investments in Administrative Plans) shall be held prior to their being allocated and being transferred in the respective Collective Investment schemes.”

**23. Addition of new sub-clause 3.14.2.m in Bank Accounts**

A new sub-clause in Bankers is added as 3.14.2.m.

**After the said amendment the clause 3.14 Bankers would include sub-clause 3.14.2.m as:**

“The Trustee shall, if requested by the Management Company open Bank Accounts titled “**CDC – Trustee Alfalah GHP Alpha Fund**” in offshore countries where the Investments are made/managed on account of the Fund, if such Investments necessitate opening and operation of Bank Accounts by the Trustee. For this purpose, the Trustee shall be deemed to be authorized to sign and submit the prescribed account opening forms of such Banks, 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 Fund. 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 SBP and the exchange control regulations, as well as any directives of the SBP and/or the Commission.”

**24. Addition of new sub-clause 3.14.2.n in Bank Accounts**

A new sub-clause in Bankers is added as 3.14.2.n.

**After the said amendment the clause 3.14 Bankers would include sub-clause 3.14.2.n as:**

“The Management Company will exercise due caution and diligence in appointing and arranging of such Bank, brokerage houses and custodian/sub-custodian in offshore countries. The Management Company and the Trustee shall be indemnified out of the Fund Property for any losses, costs and expenses that may be suffered, sustained or incurred by the Management Company /Trustee and against all consequences arising from and out of:

3.13.2.n.i the execution by the Management Company/Trustee of the account opening forms/ documents with all particulars as may be required by such Bank(s), Financial Institution(s), custodian(s)/sub-custodian(s) and brokerage house(s),

3.13.2.n.ii the opening of such account(s) with the offshore Bank(s), Financial Institution(s), custodian(s)/sub-custodian(s) and brokerage house(s),

3.13.2.n.iii the Investments made in offshore countries on account of the Trust,

3.13.2.n.iv the appointment of Bank(s), Financial Institution(s), broker(s) and/or custodian(s)/sub-custodian(s) for the Funds' Investments, securities and other assets internationally; and

3.13.2.n.v all other related or incidental activities of the Management Company/Trustee in relation to the above. Provided that such indemnity shall not be available to the Management Company and/or the Trustee, if such loss, cost or expense is sustained or incurred due to negligence on their respective part. For the purpose of making such arrangements in offshore countries, the Management Company may in consultation with the Trustee retain the services of advisors and professionals to ensure legal and regulatory compliances on part of the Management Company and the Trustee. However, the cost of such advisors and professional fees shall not be charged to the Fund.”

**25. Amendments in sub-clause 4.2.11 Classes of Units**

In sub-clause 4.2.11 in the forth line after the full stop “.” the following sentence is added:

“However, the Management Company on its discretion may waive condition of payment of fee for issuance of Certificate of any denomination per Certificate.”

**After the said amendment, sub-clause 4.2.11 reads as under:**

“The Unit Holder(s) may obtain Certificates representing the Units they hold by paying a nominal fee of Rupees (Rs. 50/-) per Certificate, subject to revision from time to time by the Management Company. Requests for redemption, transfer or transmission of Units shall be processed only on the production of the Certificate(s) if issued earlier. However, the Management Company on its

discretion may waive condition of payment of fee for issuance of Certificate of any denomination per Certificate. In the event of loss or defacing of Certificates, the process shall be carried out subject to appropriate safeguards to the satisfaction of the Management Company/Trustee/Registrar and the associated cost if any will be borne by the Unit Holder.”

**26. Addition of new sub-clause 4.2.15 in Classes of Units**

A new sub-clause in Classes of Units is added as 4.2.15.

**After the said amendment the clause 4.2 Classes of Units would include sub-clause 4.2.15 as:**

“No issuance and redemption of units of the scheme (including redemption and reissuance of units to the same unit holders on different NAVs) shall be allowed other than cash settlement transaction, based on the processing of formal redemption and issuance request by Unit Holder(s) unless permitted otherwise by the commission under the Regulations. This shall not apply to Bonus and transfer of Units.”

**27. Addition of new sub-clause 4.2.16 in Classes of Units**

A new sub-clause in Classes of Units is added as 4.2.16.

**After the said amendment the clause 4.2 Classes of Units would include sub-clause 4.2.16 as:**

“The Management Company will ensure that all applications of purchase, redemption, conversion etc will be acknowledged by mentioning appropriate date and time through time stamping machine at designated location of acceptance of these applications and formally forward to the Trustee within 24 hours of the receipt of such requests.”

**28. Addition of new sub-clause 4.2.17 in Classes of Units**

A new sub-clause in Classes of Units is added as 4.2.17.

**After the said amendment the clause 4.2 Classes of Units would include sub-clause 4.2.17 as:**

“The Management Company may announce different administrative plans under different administrative arrangements with differing levels of Front-end/Back-end Load, as disclosed in the Supplemental Offering Document(s). Consequently, the Offer/Redemption Price may differ for Units issued under different administrative arrangements and for different investors.”

**29. Addition of new sub-clause 4.3.4 in Purchase and Redemption of Units**

A new sub-clause in Purchase and Redemption of Units is added as 4.3.4.

**After the said amendment the clause 4.3 Purchase and Redemption of Units would include sub-clause 4.3.4 as:**

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

**30. Addition of new sub-clause 4.4.2.1 in Procedure for Purchase of Units**

A new sub-clause in Procedure for Purchase of Units is added as 4.4.2.1.

**After the said amendment the clause 4.4 Procedure for Purchase of Units would include sub-clause 4.4.2.1 as:**

“Cut off time for acceptance of application for issuance, redemption, swap, transfer, pledge and conversion of units is 9:00 am to 5:00 pm from Monday to Friday and on Saturday from 9:00 am to 1:00 pm during business day. The place of receiving application forms is attached in Annexure “C” of this supplementary document. Cut off timing during the Holy Month of Ramazan will be adjusted accordingly and announced separately by Management Company through its website and same will be communicated to Distributors.”

**31. Addition of new sub-clause 4.7.6 in Procedure for Transfer of Units**

A new sub-clause in Procedure for Transfer of Units is added as 4.7.6.

**After the said amendment the clause 4.7 Procedure for Transfer of Units would include sub-clause 4.7.6 as:**

“A Unit Holder may convert the Units held by him in a Collective Investment Scheme/Administrative Plan managed by the Management Company into units of another Collective Investment Scheme/Administrative Plan managed by the Management Company or vice versa subject to the terms of the respective Offering Documents or the terms stated in the Supplementary Offering Document(s) relating to the respective Administrative Plan(s). The Registrar shall carry out the conversion after satisfying himself that all the requisite formalities have been completed and payment of the applicable taxes and fees, and back-end load if any, has been received. However no front-end load and back-end load shall be charge in case of conversion of Units into Administrative Plan or vice versa in the same fund.”

**32. Amendments in sub-clause 4.9.1 Temporary change in the method of dealing**

In sub-clause 4.9.1 after the completion of paragraph a new paragraph is added as:

“The Management Company may, at any stage, suspend the dealing of Units and for such periods, it may so decide with the prior approval of its board of directors and with the consent of the Trustee and intimation to the SECP.”

**After the said amendment, sub-clause 4.9.1 reads as under:**

“Under the extraordinary circumstances as defined in clauses 4.9.2, 4.9.3 and 4.9.4 below, the Management Company with the with the prior approval of its board of directors and consent of Trustee in the interest of unit holder(s) make temporary changes in the method of dealing in Units. Such approval shall not be unreasonably withheld.

Under extraordinary circumstances the Management Company may, at any stage, suspend the dealing of Units and for such periods, it may so decide with the prior approval of its board of directors and with the consent of the Trustee and intimation to the SECP.”

**33. Amendments in sub-clause 4.9.2.a Suspension of Redemption of Units**

In sub-clause 4.9.2.a Suspension of Redemption of Units, in the first line of first paragraph after the word “Units” and before “during extraordinary” following words are added:

“with the prior approval of the board of directors”

**After the said addition the sub-clause 4.9.2.a Suspension of Redemption of Units would read as:**

“The Management Company may suspend/deferred redemption of Units with the prior approval of the board of directors during extraordinary circumstances including:”

**34. Addition of new sub-clause 4.9.2.d in Suspension of Redemption of Units**

A new sub-clause in Suspension of Redemption of Unit is added as 4.9.2.d.

**After the said amendment the sub-clause 4.9.2 Suspension of Redemption of Unit would include sub-clause 4.9.2.d as:**

“The Management Company shall ensure that in case of suspension of redemption of units due to extraordinary circumstances in terms of the Regulations (as amended or replaced) and the constitutive documents, the issuance of fresh units to the public shall also be kept suspended until redemption of units is resumed.”

**35. Amendments in sub-clause 4.9.3 Suspension of Fresh Issue of Units**

The wording of sub-clause 4.9.3 is deleted in clause 4.9 Dealing, Suspension and Deferral of Dealing and re-worded & re-arranged as follows.

**After the said amendment the sub-clause 4.9.3 Suspension of Fresh Issue of Units would read as:**

*a* The Management Company may at any time, subject to the Regulations, as may be modified from time to time, suspend issue of fresh Units. These circumstances may include:

- i.* A situation in which the Management Company has decided to terminate the Scheme subject to regulatory approval;
- ii.* A situation in which it is not possible to invest the amount received against issuance of fresh units e.g. closure of money markets and/or scheduled banks etc;
- iii.* A situation in which the Management Company has suspended the redemption of units; or
- iv.* Any other situation in which issuance of fresh units is, in Management Company’s opinion, against the interests of the existing/remaining unit holders.

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*b* Such suspension may however not affect existing subscribers for the issue of bonus Units as a result of profit distribution or the option to receive dividends in the form of additional Units.

*c* The Management Company shall announce the details of exemptions at the time a suspension of fresh issue is announced.

*d* The Management Company shall immediately notify the SECP if fresh issue of Units is suspended and shall also have the fact published, immediately following such decision, in the newspapers in which the Fund's prices are normally published.

**36. Amendments in sub-clause 4.10.2 Frequency of Valuation, Dealing and Mode of the Price Announcement**

In sub-clause 4.10.2 in the second line before the words “Prices daily” and after the comma “,” and words “calculated on the basis” following words are added:

“latest by 18:30 hours(or such time as modified by SECP from time to time) to the public at the office and branches of the Distribution Company(ies) and on the website of the company as of the close of each Business day”

In the third line after the full stop following sentence is added:

“However, the announcement of prices may be delayed after 18:30 hours in case of extraordinary circumstances beyond the control of Management Company including delays in announcement of valuation prices by Stock Exchanges, MUFAP, etc or if there is breakdown of means of communication normally employed in the announcement of NAV prices of the Fund by the Management Company.”

**After the said amendment, sub-clause 4.10.2 reads as under:**

“Subsequent to the First Offer, the Management Company shall announce the Purchase (Offer) and Redemption (Repurchase) Prices daily latest by 18:30 hours(or such time as modified by SECP from time to time) to the public at the office and branches of the Distribution Company(ies) and on the website of the company as of the close of each Business day, calculated on the basis of the NAV and adjusted for such load, transaction costs, charges and duties as are described herein. However, the announcement of prices may be delayed after 18:30 hours in case of extraordinary circumstances beyond the control of Management Company including delays in announcement of valuation prices by Stock Exchanges, MUFAP, etc or if there is breakdown of means of communication normally employed in the announcement of NAV prices of the Fund by the Management Company. The method of calculation shall be cleared to the Trustee's satisfaction that such method is adequate for ensuring accurate calculation of the prices.”

**37. Amendments in sub-clause 5.8 Closure of Register**

In sub-clause 5.8 in the second line after the words “not exceeding” and before the words “forty five” following words are added:

“six (6) working days at a time and”

**After the said amendment, sub-clause 5.8 reads as under:**

“The Management Company may close the Register with intimation to Trustee by giving at least seven (07) days notice to Unit Holders and for a period not exceeding six (6) working days at a time and forty-five (45) days in a calendar year. During the period the Register is closed for the purchase and redemption of Units, including transfer applications which will be suspended.”

**38. Addition of new sub-clause 6.2.1.g in Remuneration of the Management Company**

A new sub-clause in Fees and Charges, Remuneration of the Management Company is added as 6.2.1.g.

**After the said amendment the sub-clause 6.2.1 Fees and Charges, Remuneration of the Management Company would include sub-clause 6.2.1.g as:**

“The Management Company with prior approval of SECP and consent of the Trustee may charge performance fee based or fixed fee or the combination of both which shall not exceed the limit prescribed in the Regulations and such fee structure shall be disclosed in the Offering Document or in supplementary Offering Document.”

**39. Addition of new sub-clause 6.5.15 in Other Costs and Expenses to be charged to and borne by the Scheme**

A new sub-clause in Fees and Charges, Remuneration of the Management Company is added as 6.5.15.

**After the said amendment the sub-clause 6.2.1 Fees and Charges, Remuneration of the Management Company would include sub-clause 6.5.15 as:**

“Any cost associated with sales, marketing and advertisement of collective investments scheme shall not be charged to the collective investment schemes”

**40. Addition of new sub-clause 8.1.4 in Financial Year of Alfalah GHP Alpha Fund**

A new sub-clause in Reports and Accounts is added as 8.1.4.

**After the said amendment the clause 8 Reports and Accounts would include sub clause 8.1.4 as under:**

“However, the Management Company in future may change annual accounting period dates of the Scheme subject to prior approval of its Board and under intimation to the Trustee and after complying with all regulatory requirements in this regard.”

**41. Amendments in sub-clause 9.3.6 Book Closure**

In sub-clause 9.3.6 in the second line after the words “not exceeding” and before the words “forty five” following words are added:

“six (6) working days at a time and”

**After the said amendment, sub-clause 9.3.6 reads as under:**

“The Management Company may close the Register with intimation to the Trustee by giving at least (07) days notice to Unit Holders and for period not exceeding six (6) working days at a time and forty-five (45) days in any Accounting period. During the period the Register is closed, no application will be entertained.”

**42. Amendments in sub-clause 9.5.2 Certificates**

In sub-clause 9.5.2 at the end of paragraph after the full stop “.” the following sentence is added:

“However, the Management Company on its discretion may waive condition of payment of fee for issuance of Certificate of any denomination per Certificate.”

**After the said amendment, sub-clause 9.5.2 reads as under:**

“Unit Holders can apply for the issue of Certificate by completing the prescribed form and submitting it to the relevant Distribution Company and to Management Company or to the Management Company through an Investment Facilitator together with a fee at the rate of Rupees (Rs. 50/-) per Certificate or any other amount as determined by the Management Company from time to time. However, the Management Company on its discretion may waive condition of payment of fee for issuance of Certificate of any denomination per Certificate.”

**43. Addition of new Definition 16.4.A as Administrative Plan**

A new Definition “Administrative Plan” is included after the Definition of “Act”.

**After the said amendment, Definitions would include 16.4.A as:**

“Administrative Plan” means investment plan/saving plans offered by Management Company, where such plan allow investor a focused investment strategy in any one or more combination of collective investment schemes managed by the Management Company.”

**44. Addition of new Definition 16.16.A as Business Hours**

A new Definition “Business Hours” is included after the Definition of “Business Day”.

**After the said amendment, Definitions would include 16.16.A as:**

“Business Hour” means the time period for dealing in Units in a Business Day from 9:00 am to till 5:00 pm from Monday to Friday and from 9:00 am to 1:00 pm on Saturday or any other time interval specified by the Management

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Company from time to time. Business hour during the Holy Month of Ramazan will be adjusted accordingly and announce separately by Management Company through its website and same will be communicated to Distributors.”

### **45. Addition of new Definition 16.22.A as Cut-off time**

A new Definition “Cut-off time” is included after the Definition of “Custodian”.

**After the said amendment, Definitions would include 16.22.A as:**

“Cut-off time” means such Business Hours on a Business Day before which unit transactions shall be effectuated. Cut-off time for acceptance of application for issuance, redemption, swap, transfer, pledge and conversation of units is 9:00 am to 5:00 pm from Monday to Friday and on Saturday from 9:00 am to 1:00 pm during business day. The place of receiving application forms is attached in Annexure “C”. Cut-off timing during the Holy Month of Ramazan will be adjusted accordingly and announce separately by Management Company through its website and same will be communicated to Distributors.”

### **46. Amendments in Definition 16.44 Offering Document**

The wording of definition “Offering Document” is deleted and replaces with following revise wording

**After the said amendment, Definitions 16.44 read as under:**

““Offering Document” means the prospectus, advertisement or other document (approved by SECP), which contains the investment and distribution policy and all other information in respect of the Unit Trust, as required by the Regulation and is circulated to invite offers by the public to invest in the Unit Trust and includes any other Supplementary Offering Document.”

### **47. Amendments in Annexure “B”**

In Annexure B the percentage of front-end load is changed from 2.5% to 5.00% and a percentage (%) of Back-end Load is added.

**After the said amendment, the percentage of Front-end load read as under:**

<b>Type of Load</b>	<b>Class A Units</b>	<b>Class B Units</b>
Front-end Load	0%	5%
Back-end Load	0%	0%

### **48. Amendments in Annexure “C”**

List of Distribution Offices of Bank Alfalah Limited is deleted and replaced with following branches:

**After the said amendment, the Annexure “C” read as under:**

**Annexure C**

**LIST OF DISTRIBUTOR OFFICES**

**Distributor Offices**

**Bank Alfalah Limited – Priority Banking And Wealth Management Limited**

**North**

**Islamabad**

**F-10 Markaz Branch**

Priority Banking & Wealth Management  
Bank Alfalah Ltd, 4-D, Urfi Center, F-10  
Markaz, Islamabad.  
Tel: 051-32102871-74  
Fax: 051-32102870

**Rawalpindi**

**Peshawar Main Branch**

Priority Banking & Wealth Management  
Bank Alfalah Ltd, 6-B, Islamia Road,  
Peshawar Cantt.  
Tel: 091-35284761-2  
Fax: 091-35284723

**Central**

**Lahore**

**Gulberg Branch**

Priority Banking & Wealth Management  
Bank Alfalah Ltd, 125, E/I, Main Boulevard,  
Gulberg-III, Lahore.  
Tel: 042-5870911-4  
Fax: 042-5870915

**Defense Main Branch**

Priority Banking & Wealth Management  
Bank Alfalah Ltd, G9 Commercial Area,  
Main Boulevard, DHA, **Lahore.**  
Tel: 042-35741777, 35745222  
Fax: 042-35748110

**South**

**Karachi**

**Karachi Main Branch**

Priority Banking & Wealth Management  
Bank Alfalah Ltd, Mezzanine Floor, B.A. Building I.I. Chundrigar Road Karachi.  
Tel: 021 – 32425502, 32425504  
Fax: 021 – 32425503