

**Consolidated Offering Document
Of
Mahana Munafa Plan**

Risk Profile: Low¹

Risk of Principal Erosion: Principal at Low Risk

**An administrative plan under
UBL Money Market Fund (UMMF)
Managed by UBL Fund Managers Limited**

Consolidated till 02-11-2022

1. Introduction

1.1 The Mahana Munafa Plan is an administrative plan offered by UBL Fund Managers Limited so as to facilitate the Unit Holders to generate a stable stream of income on a monthly basis.

1.2 The Mahana Munafa Plan provides Unit Holders with regular income at a reasonable rate of return through investment in Class „C' Units of UBL Money Market Fund (UMMF). It is ideal for investors having a moderate risk tolerance.

1.3 All transactions under this arrangement are governed by the Trust Deed relating to the **UMMF** (dated February 21, 2014) as may be amended from time to time vide Supplemental Trust Deed(s). Unless specifically altered by this document, all the terms and conditions of the Offering Document of the UMMF shall apply to the investment made in this plan ¹

2. Investment Objective

To generate consistent returns and provide a stable stream of regular income from a portfolio that is invested in fixed income instruments (through investment in **Class „C“ units of UMMF**).

3. Investment Pattern

| Asset Class | Percentage Allocation |
|------------------------|------------------------------|
| UMMF (Class „C“ Units) | 100% |

4. Basic Plan Information ⁴

Nature of Plan: Open-end

Front-end Load: Currently 1% of NAV per Unit (equivalent to the Front-end Load of the underlying Fund)

Back-end Load: Not Applicable

Minimum Application* and Maintenance Amount: Rs. 100,000 * (gross of Front end Load)

Subsequent Investment: Rs. 500 only (gross of Front end Load) **Periodicity of Unit**

Transactions: Every Monday to Saturday that is a Subscription Day within cut-off timings specified below:

Cut-Off Timings:

Monday-Friday: 9 am to 1 pm Saturday: 9 am to 12 pm

Redemption Proceeds: Payment Instrument Dispatched within 6 Business Days

¹ Amended as per 4th consolidated SOD effective date 31-03-20

Dividends Declared: All dividends shall be reinvested in the Plan

* The present minimum application and maintenance amount is Rs. 100,000/-. Units of UMMF shall be issued against the amount received from the Unit Holder in accordance with the terms of the Offering Document of UMMF. The Management Company may alter the minimum application and/or maintenance amount from time to time after giving not less than fifteen-day (15) prior notice in at least two widely circulated newspapers, one in the English language and one in the Urdu language to the investors and may also announce it on its website.

5. Features and Administrative Arrangements ⁵

- 5.1 The Plan is constituted of the Fund in order to generate income, at regular intervals (as specified by the Unit Holder), with the portfolio being invested in UMMF (fixed income instruments) thereby providing stability to investments.
- 5.2 An investor may invest in the Mahana Munafa Plan by filling out the prescribed Form and submitting it along with the cheque or payorder or bank draft of investment amount drawn in favor of "CDC-Trustee - UBL Funds and "crossed A/C payee only". The Management Company with prior consent of the Trustee, may make arrangements to receive applications to issue Units through electronic, on-line IVR (Interactive Voice Response) or other means.
- 5.3 The Mahana Munafa Plan Unit Holder (hereinafter referred to as the Unit Holder) may also select a Systematic Investment Plan (SIP) through which the investor may invest predetermined amounts, subject to minimum amount specified in clause 4 above, on a monthly, quarterly, semi-annual or on an annual basis.
- 5.4 The Unit Holder shall send in the monthly, quarterly, semi-annual or annual contributions (as the case may be), by submitting the prescribed form along with 12, 4, 2 or 1 post dated cheques respectively, or by giving instructions to their banks, provided they have indicated this in their purchase application form, to make payments to the plan on the systematic investment date specified in the application form for purchase of units under the SIP. In the event that the Unit Holder does not make the monthly/quarterly/ semi-annual/ annual payment(s) for any reason, the account will remain live and amount outstanding in the Mahana Munafa Plan would continue to remain in the Plan. The Unit Holder may continue the monthly/quarterly/ semi-annual/ annual payments at any stage. No penalties shall be imposed in case of delay or missing out on contributions.
- 5.5 In the event payment has been accepted by cheque, bank draft or pay order the payment shall be deemed to be complete on the date the cheque bank draft or pay order is received by the Distributor. However, NAV shall be locked at the close of the date of receipt of cheque and Units shall be issued upon realisation of funds. If the cheque is returned, no Units shall be issued. A Cheque shall be received on the condition that it is not post dated and is drawn on a Bank in the local town of the distributor or investment center. Timely deposit of cheque shall be the responsibility of Distributor. However, in case of any negligence by the Distributor with respect to delay etc. the Management Company shall make good the loss to the Unit Holder from resources of the Management Company.
- 5.6 The Transfer Agent („UBL Fund Managers') shall send an Account Statement to the Unit Holder each time there is a transaction in the account. Such Statement shall be sent by ordinary mail or e-mail (if available) as determined by the Management Company from time to time, to the Unit Holder's address recorded in the Register. Certificates representing Units purchased under this plan shall not be issued and the Account Statement issued in this respect will be the final confirmation in respect of the Units purchased under the Administrative Plan.

5.7 Systematic Withdrawal Option⁵

The Management Company may offer Systematic Withdrawal Plan (SWP) facility/Systematic Withdrawals to the Unit Holders. Those who opted this option will give them flexibility to withdraw certain amount from their investments in the plan at pre-defined intervals (i.e. monthly, quarterly, semi-annually, annually). The withdrawal amount, frequency of withdrawal, and the systematic withdrawal option shall be specified by the unit holder in the Application Form for Purchase of Units. The Management Company may offer both or any of the following Systematic Withdrawal options to unit holders:

5.7.1 Regular Profit Option

- (a) In case of regular profit Option, the unit-holder will have the option to redeem the profit amount equal to periodic appreciation in the NAV of the fund at pre defined intervals (i.e. monthly, quarterly, semi-annually, annually).
- (b) If no appreciation is earned on the units of UMMF or the value of Units of UMMF falls during an interval, which means that NAV of the Fund has declined the Management Company shall not redeem any units at the end of that interval as there would not be any profits for distribution.

If profit is earned on the units of the underlying Funds during an interval, the Management Company shall calculate the number of units to be redeemed for the purpose of distribution of income in such a manner that the total redemption value of such units is equal to the increase in the value of investment during that interval, which means that the profit earned on the respective units due to increase in NAV would be distributed to the unit holders.

5.7.2 Fixed Withdrawal Option

- (a) In case of fixed withdrawal option, the unit-holder will have the option to redeem fixed amount from the fund at pre defined intervals (i.e. monthly, quarterly, semi-annually, annually). The periodic redemption amount and its frequency shall be specified by the unit holder in the Application Form for Purchase of Units. In case of fixed withdrawal option, the capital invested may deplete in case sufficient returns are not earned.
- (b) In case, the investment amount falls below the maintenance amount, due to the erosion of capital (as a consequence of Clause 5.7.2 (a) during an interval, the Management Company shall continue to distribute the specified fixed amount at the end of that interval, provided that the Unit-Holder's maintenance amount at the time of distribution is sufficient to meet the specified fixed amount. Further, the Management Company may seek additional amount from the unit holders to meet the maintenance amount. In case the additional amount called for by the Management Company is not paid within the time prescribed by the Management Company, the Management Company can stop the payment of regular income in its discretion till such time that the amount is paid to meet the maintenance amount. Further, the Management Company may also decide to close the accounts in such case. However, in such a case the Unit Holder can also exit from the plan through redeeming his Units.

5.7.3 Any Unit holder can avail Regular Profit Option or the Fixed Withdrawal Option subject to the terms and conditions as specified below:

- (a) The minimum withdrawal amount for fixed withdrawal option shall be Rs. 500 for all pre defined intervals (i.e. monthly, quarterly, semi-annually, annually).
- (b) The Redemption Price applicable for systematic withdrawals shall be the price calculated on the day of the withdrawal and such withdrawal dates are decided by the Unit Holder at the time of registration.

- (c) Systematic withdrawals shall not be allowed on pledged units, however, if part of the units of the Unit Holder is pledged, withdrawal on the remaining unpledged units shall be allowed.
- (d) In case the value of investments of the Unit Holder falls below Rs. 100,000 further systematic withdrawal shall not be allowed.
- (e) Units under systematic withdrawal option shall not be issued in physical form.
- (f) Unit Holders can modify their withdrawal amount in the fixed withdrawal option by filling out an Account Update/Service Request Form and submitting the same to the Distribution Company and their requests shall be facilitated accordingly.
- (g) In the event a Unit Holder decides not to continue with the Systematic Withdrawal Plan facility, the Unit Holder should inform the Management Company of his intention in writing.

5.7.4 Currently, the Management Company is not offering Fixed Withdrawal Option. However, once the Management Company decides to offer this Option, it may make such announcement through its website.

5.8 Dividends declared on the respective Units held in the Mahana Munafa Plan shall be reinvested in the Fund. However, in case if the investor opts for cash payout, the investor shall be paid cash dividends by dispatch of crossed payees account warrants or cheques at the risk of the Holders at their addresses recorded in the Register. In case of joint Holders, the warrant/ cheque shall be issued in the name of the Holder named first in the Register.

5.9 ¹The Unit Holder may submit a redemption request for redeeming partial or all Units purchased under the Mahana Munafa Plan. The redemption proceeds shall be payable in accordance with the Offering Documents of UMMF²

5.10 ¹In case of partial redemption, the Units shall be redeemed in the same proportion (weightage) of the investment applicable for the Plan for purchasing the Units in the two Funds. However, partial redemption will only be allowed subject to maintenance of a minimum application amount (as specified in Clause 4 above) in the Plan

5.11 The Unit Holder may also convert the Units held by him in the Mahana Munafa Plan into the units of any other plans being offered by the Management Company and vice versa. Such conversions to/from the Mahana Munafa Plan shall be at the NAV of the respective Funds UMMF² as per their constitutive documents. The Management Company shall not charge any processing charge for such conversions.

5.12 ¹ In the event of winding up of UMMF, the Mahana Munafa Plan shall be discontinued and the Units standing to the credit of the Unit Holder shall be dealt with in the same manner as the rest of the Unit Holders in the UMMF².

5.13 ¹ The Management Company may at its discretion, with the prior approval of the Commission and Trustee and with prior written notification of at least 15 days prior to change, posted or published in news papers introduce changes in the Plan, from time to time

5.14 ¹ In the event any changes are introduced in the Plan after an existing Unit Holder has made an initial investment in the Plan, the existing Unit Holder shall not be under any obligation to comply with the changes and can hence redeem his investment. A prior notice of at least fifteen days shall be given to all investors of the plan. However, if the Unit Holder is willing to comply with the changes, he/she shall be welcome to opt for the changed terms and may be required to sign a form accepting the new terms. Any subsequent investments shall be in accordance with any changes so made.

¹ Clauses 5.9, 5.10, 5.11, 5.12, 5.13 & 5.14 have been amended and renumbered as per second SOD dated 4 April 2011

² Amended as per 3rd SOD effective date 7-03-2014 i.e USIF is replaced by UMMF

6 Insurance / Takaful Coverage⁷

6.1 Free Insurance / Takaful Coverage:

- a) The management company, through a reputable Insurance / Takaful Company, shall provide Free Insurance / Takaful cover to the plan investors (who meet the eligibility criteria and Insurance / Takaful provider's documentary requirements). Initiation, discontinuation or changes in the Insurance / Takaful coverage shall be done with prior approval of SECP.
- b) The terms and conditions of Free Insurance / Takaful policy in place are as stated in Annexure A.
- c) The management company will make available a summary of the terms and conditions of the Insurance / Takaful policy in place through its website.
- d) The Management Company will inform the covered investors through announcements in newspapers (1 major English newspaper and 1 major Urdu newspaper), about any changes in terms and conditions OR discontinuation of the Insurance / Takaful policy at least 15 days before implementation of changes or discontinuation.
- e) All claims will be processed by the Insurance / Takaful Company as per the process stated in the Insurance / Takaful policy. The Management Company, the Trustee and the underlying Fund shall not be held liable for honoring any claims of investor(s).

7. Risk Disclosure⁸

7.1 In addition to the risks disclosed in the Offering Document of UMMF, the investment in the Mahana Munafa Plan is exposed to the following risks:

7.1.1 The NAVs of the Funds may be affected by changes in the general market conditions, factors and forces affecting the debt market and money market, in particular, level of interest rates, various market related factors and trading volumes, settlement periods and transfer procedures.

7.1.2 The liquidity of the Plan's investments is inherently restricted by the trading volumes in the securities in which the Funds invest.⁹

7.1.3 Investors in the Plan are not offered any guaranteed returns.

7.1.4 The target amount of monthly income and returns thereon in the UMMF are based on best estimates of the performance of the Fund and is dependant on the ability to continue investing in similar investments on maturity of the investments in the portfolio. There is no guarantee as to the actual performance of UMMF.

7.1.5 Investors may note that the Fund Manager's investment/ asset allocation decisions for the Funds may not be always profitable.

⁷ Entire Clause 6 amended in point #3 of Third Supplementary Offering Document dated 19th February 2014

⁸ Clause 7.1,7.1.1,7.1.4,7.1.6 amended and Clause 7.1.7 & 7.1.8 inserted in point #8 of Second Supplementary Offering Document dated 4th April 2011

⁹ Sub-Clause 7.1.2 has been amended in First Supplemental Offering Document dated 18th May 2010

7.1.6 The UMMF is subject to being wound up under certain circumstances as explained in the Offering Document. In the event of the Fund being wound up, the Mahana Munafa Plan shall be discontinued and the Units standing to the credit of the Unit Holder shall be dealt with in the same manner as the rest of the Units in the UMMF.

7.1.7 In case of Fixed Withdrawal Option, if offered by the Management Company, the amount invested may be depleted in case sufficient returns are not earned to cover the amount distributed to the Unit Holder.

7.1.8 Investors eligible for Insurance (Insured Person), under this Plan, in case of bankruptcy/default of the Insurance Company, may face the risk of default by the Insurance Company in honoring its obligations under the terms and conditions stated herein. In such an event, any (Insurance) benefit payable to the Investor will be dealt with in accordance with the terms and conditions imposed by a competent authority on the insurance Company. The Management Company and the Trustee shall not be held liable for honoring any such claims.

7.1.9 The terms and conditions of Insurance / Takaful may change or the free value-added services be discontinued in the future. Investor(s) should make investment decisions based on the objectives of the plan and not on the free value-added features.¹⁰

8. All Other Matters¹¹

The Offering Document relating to the UBL Money Market Fund (UMMF) of which this plan is an administrative arrangement, shall apply to all such matters, relating to the investment in Units of the respective Fund issued under this plan that are not covered by this Supplementary Offering Document.

9. Definitions¹²

Words and expressions used but not defined herein shall have the meanings assigned to them in the Offering Document of UISF.

9.1 “Administrative Plan/ Plan” means any investment plan offered by the Management Company from time to time, subject to prior approval of the SECP, that allows investors a focused investment strategy in any one or a combination of Open - end Collective Investment Scheme(s) managed by the Management Company that have a common Trustee

9.2 “Back-end Load” means the charges (not exceeding 5% of NAV of a Fund) deducted from the NAV in determining the Redemption Price.

9.3 “Front-end Load” means 0.45% of NAV per Unit (Only on units of UMMF²)

9.4 “Fund” means either UMMF²

9.5 “Maintenance amount” means the amount that shall be maintained in the Investors account at all times and is specified in Clause 4 above

¹⁰ Sub-Clause 7.1.9 inserted as point #4 of Third Supplemental Offering Document dated 19th February 2014

¹¹ Clause 8 amended in point #9 of Second Supplementary Offering Document dated 4th April 2011

¹² Clause 9 amended in point #10 of Second Supplementary Offering Document dated 4th April 2011

² Clause 9.3 & 9.4 Amended as per 3rd SOD dated 7-3-14

9.6 “Net Asset Value” or “NAV” “Net Asset Value” or “NAV” means per Unit value of the Fund arrived at by dividing the Net Assets of Fund by the number of outstanding Units of that Fund.

9.7 “Unit Holder” means an investor/ Unit Holder in the UMMF²

10. The Unit holders are advised to read the Trust Deed and Offering Document (Constitutive Documents) of UMMF before investing in this Mahana Munafa Plan (Conventional)¹³

Annexure A ¹⁴

Salient features / terms and conditions of Free Takaful Coverage

A free Takaful cover shall be provided to the investors of *UBL Mahana Munafa Plan*. The premium for providing the free Takaful cover shall be borne by UBL Fund Managers Ltd.

1. Eligibility criteria

Individuals (only the first unit holder in case of a joint account) meeting following criteria shall enjoy Free Takaful Coverage under this policy:

- 1) The age of investor is between the 18 years and 60 years
- 2) The cumulative investment balance of the investor is over PkR 1,000/- in the following administrative plans / retirement schemes:¹

| ADMIN PLANS | PENSION FUNDS |
|--|--|
| UBL Mahana Munafa Plan | UBL Retirement Savings Fund |
| Al-Ameen Islamic Mahana Munafa Plan | AL-Ameen Islamic Retirement Savings Fund |
| AL-Ameen Islamic Profit+Growth Plan | UBL Income Payment Plan |
| UBL Children's Savings Plan | Al-Ameen Islamic Income Payment Plan |
| AL-Ameen Islamic Children's Savings Plan | |
| Al-Ameen Islamic Hajj Savings Plan | |
| UBL Equity Builder Plan | |
| AL-Ameen Islamic Equity Builder Plan | |
| UBL Wealth Builder Plan | |
| Al-Ameen Islamic Wealth Builder Plan | |

- 3) Note: Eligible investors as on 30th December 2013 are automatically be registered for coverage. Investors meeting eligibility criteria at a later date will have to fill Takaful Provider's "Health Questionnaire Form" and their coverage will be subject to acceptance by the Takaful provider.

2. Coverage and covered events

Events covered: Death by any cause

Coverage available: Equivalent to cumulative investment in the above mentioned plans, with a ceiling of Rupees Five million (PkR 5,000,000/-). (The Takaful claim shall be settled in Pakistani Rupee only.) Cessation of insurance cover

An Individual's coverage to this scheme shall automatically terminate:

¹ Amended as per 6th SOD effective from November 8, 2022

- a) If the individual ceases to be an investor of the respective administrative plans and pension funds.
- b) If he / she does no longer meet the eligibility criteria defined above.
- c) If the Individual Covered is engaged in or takes part in any naval, military or air-force activities.
- d) If the Scheme terminates due to non-renewal at anniversary, or due to decisions made by the Participant or the Takaful Operator. In such cases, a 15-day notice shall be provided to the Individuals Covered under the scheme prior to termination of coverage.

3. Process for registration

Eligible investors may register for Free Takaful coverage through the following process:

- a) Eligible investor fills out the "Health Questionnaire Form" and submits it at any of the Investment Centers or the registered offices of UBL Fund Managers Ltd.
- b) UBL Fund Managers Ltd shares the "Health Questionnaire Form" with Takaful Provider.
- c) The Takaful Provider does due diligence on the "Health Questionnaire Form" and confirms or rejects coverage to the individual. Takaful Provider also reserves the right to request further documents before confirming coverage for the individual.
- d) The individual's Free Takaful coverage status is shown in the account statement.

4. Role and responsibilities of UBL Fund Managers Ltd in relation to the settlement of claims

Upon receiving information of death of a covered investor under the said Takaful policy, and a request for filing of Takaful claim by successor(s) of a deceased investor (claimant(s)), UBL Fund Managers Ltd will perform the following role:

- a) UBL Fund Managers Ltd will provide notice of event(death of covered investor) to Takaful Provider, along with confirmation of individual's coverage under "Group Family Term Takaful Plan" signed by UBL Fund Managers.
- b) UBL Fund Managers Ltd will direct the Claimants (s) to the Takaful provider for formal filing of the claim. The Claimant(s) will solely be responsible for fulfilling all evidence / documentary requirements (e.g. Death certificate, Medical reports, FIRs etc) as requested by the Takaful Provider while the claim is processed. Settlement processing and procedures shall be as stipulated by the Takaful provider.
- c) UBL Fund Managers Ltd shall, once the claim is cleared by the Takaful Provider, receive the claim payment from the Takaful Provider and pass it on to the claimant(s) as per the succession certificate.

Note: The AMC will not be responsible or liable for maintaining service levels and / or any delay in processing claims arising out of this facility. The Management Company, the Trustee and the underlying Fund shall not be held liable for honoring any Takaful claims.