

**Third Supplemental Offering Document of
Pakistan Stock Market Fund (PSM)**

To Introduce GulLuck Plan

An administrative arrangement/plan under the

**Managed by MCB – Arif Habib Savings and Investments Limited,
An Asset Management Company**

This Third Supplemental dated 23 September, 2014 to the Offering Document of the Pakistan Stock Market Fund (PSM) was issued on February 28, 2002.

Managed by MCB Arif Habib Savings and Investments Limited, an Asset Management Company managing Collective Investment Schemes, registered with the Securities and Exchange Commission of Pakistan (SECP) and regulated under the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008).

The Pakistan Stock Market Fund (the Fund/the Scheme/the Trust/the Unit Trust/PSM) has been established in Pakistan as an Open-ended unit trust scheme under the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the “Regulations”) and registered under the Trust Act 1882 (11 of 1882) by a Trust Deed dated October 23, 2001, entered into and between MCB Arif Habib Savings and Investments Limited, as the Management Company and the Central Depository Company of Pakistan Limited, as the Trustee.

The following sub-clause of the Offering Document with regard to Administrative Plan has been added and to read in their entirety as follows:

Addition of Sub-clause 4.5.3

1. Introduction

- 1.1. The GulLuck Plan is an administrative arrangement offered by MCB-Arif Habib Savings and Investments Limited (MCBAH) under Pakistan Stock Market Fund so as to facilitate Subscribers to invest in a savings plan and benefit from the facility of investing in a portfolio of stock market investment. GulLuck Plan will seek to channelize domestic savings for accomplishing future career oriented educational goals of children through their Guardians..

2. Objectives

- 2.1. The objective of the GulLuck Plan is to promote saving culture amongst the children through a money-saving tool which will help them in learning the art of saving for short-term and long-term goals which at a later stage of their lives will lead to an increased level of financial literacy.
- 2.2. The Subscriber should benefit from the higher potential returns from investing in the PSM while reducing the risk through investing with a long-term horizon as well as through averaging out the purchase values of the equity based investment.
- 2.3. At the option of the Management Company, the Subscriber may also have the option to benefit from a specially designed insurance cover for his/ her Guardian(s).

3. The administrative arrangements

- 3.1. Since one of the features of GulLuck Plan is to facilitate regular domestic savings of young school going children, at the discretion of Management Company the GulLuck Plan Account may be opened only on the basis of receipt of Prescribed Form for this purpose. Whenever, after opening of GulLuck Plan Account the Subscriber/ Guardian(s) deposit any amount, the Units of PSM (including fractions thereof) shall be issued against the amount received in accordance with the terms of the Offering Documents of PSM.

Currently, there is no minimum or maximum limit on the initial and subsequent investment in GulLuck Plan. However, the Management Company may alter the minimum amounts required for opening, maintaining or adding to an account. Any change with reference to the minimum or maximum investment limit shall be notified through website of the Management Company. Provided an upward change for maintaining the account or adding funds thereto shall require reasonable notice.

- 3.2. A Subscriber may open an account for the GulLuck Plan by filling out the **Prescribed Form** and lodging it along with the Distributor/ Management Company. The acknowledgement receipt shall only be issued at the time of payment by the Subscriber / Guardian(s).
- 3.3. The Subscriber shall deposit/send the contributions for subscribing the units of PSM under this administrative arrangement as and when he/she may consider appropriate. The Management Company may introduce any electronic as well as physical arrangements, including collection of cash on account of contributions from Subscribers for subscribing units of PSM. In case of physical cash collection, the Management Company will arrange to issue receipt of the cash collected to the Subscriber. However, in case of physical cash collection arrangement, Management Company may limit maximum amount per transaction that can be collected in cash. Currently, this limit is Rs. 5,000/- per collection transaction per investor per day which may be reviewed and revised by the Management Company from time to time after seeking approval from SECP. In the event a Subscriber/ Guardian(s) does not deposit the contribution for any reason, the Account shall remain alive and the Subscriber/ Guardian(s) may continue the contributions at any stage subsequently.
- 3.4. The Management Company shall send SMS alerts to the Subscriber/ Guardian(s) on registered mobile number each time there is an activity in the account. Subscriber/ Guardian(s) can view/request Statement of Accounts on the website of the Management Company. Physical copy of the Statement of Account shall only be sent on the specific request of the Subscriber/ Guardian(s) at a cost of Rs.50/- which should be deducted from his/ her account.
- 3.5. Notwithstanding anything contained in the Trust Deed and Offering Document of PSM, the annual Statement of Account shall only be sent to the registered e-mail address of the Subscriber/ Guardian(s) as mentioned on the Prescribed Form and incase there is no email address of the Subscriber/ Guardian(s), the annual Statement of Account would be sent to his/ her registered address through post without any charge .
- 3.6. Certificates representing Units purchased under this plan shall not be issued.
- 3.7. In the event of winding up of the PSM, the GulLuck shall be discontinued and the Units outstanding to the credit of the Subscriber shall be dealt with in the same manner the rest of the Units in the PSM.
- 3.8. The Management Company undertakes that it will develop proper cash handling procedures to the satisfaction of Trustee in respect of sale of units at its end including cash-in-transit insurance coverage. The Insurance cover taken by the Management Company should be to the satisfaction of the Trustee.

3.9. Insurance Options

- 3.9.1 The Management Company may make arrangements with certain Insurance companies, to provide insurance cover to Guardian(s) of the subscribers in the event of death or permanent and complete disability of Guardian(s), without getting any benefit in any shape from the insurance company. The terms and conditions of the policies and the enforcement thereof are between the Insurance Company and Subscriber. The Management Company does not take any responsibility in this regard and is only facilitating the arrangement. The Management Company does not guarantee that any of the insurance companies shall be willing to provide the cover to any Guardian(s) nor does it guarantee performance by the insurance company.
- 3.9.2 The primary responsibility of ensuring that the policy does not lapse is that of the Subscriber, however, in order to assist the Subscribers in the event they do not send the monthly and/or full insurance premium applicable for any month, the Management Company may send the premium applicable to the insurance company so that the policy does not lapse due to non-payment of premium. The Management Company shall be entitled to full reimbursements by the Subscriber and it will redeem such number of units or fractions thereof standing in favor of the Subscriber, that are adequate to pay for the premium. Such redemption shall take place the day(or the next following day) the Management company is required to send the premium to the insurance company and in the event that the day is not the day when a Redemption Price is accounted for the PSM fund for any reason, redemption shall take place on the next day price is announced. Provided, under no circumstances shall the Management Company be obliged to pay any premiums unless there is sufficient holding of the Subscriber.
- 3.9.3 In the event the Subscriber wishes to stop the premium, the guardian of such Subscriber shall advise the Management Company or the Registrar in writing failing to which the Management Company may continue to pay the premium to the insurance company out of the Subscriber's investments/funds.
- 3.9.4 In the event any changes are introduced in the Plan after an existing Subscriber has made an initial investment in the Plan, the existing Subscriber shall not be under any obligation to comply with the changes. However, if the Subscriber is willing to comply with the change he/she shall be welcome to opt for the changed terms and may be required to sign a form accepting the new terms.

4. Operation of Account:

The account under GulLuck Plan shall be operated by the Guardian(s) till the Subscriber attain the age of 18 years, thereafter the Subscriber shall be eligible to operate the account as Principal Account Holders. After attaining the age of 18 years the Subscriber shall be the only person to be recognized by the Trustee, the Management Company and the transfer agent as having any right, title or interest in or to such units and the Trustee, the Management Company and the transfer agent may recognize the unit holder as the absolute owner thereof and shall not be bound by any notice to the contrary and shall not be bound to take notice of or to see to the execution of any trust, except where required by any court of competent jurisdiction.

Subscriber to the GulLuck Plan may redeem any Units held by them at any time using the Redemption Form and redemption procedure would be same as mentioned in Clause 13 of the Offering Document of Pakistan Stock Market Fund. In case where the subscriber (s) is a minor and does not have the bank account, the redemption amount shall be credited to his/ her Guardian bank account through electronic transfer/ online transfer/ Cheque/Payorder/DD.

5. Risk Disclosure:

- 5.1 In addition to the risks disclosed in the Offering Document of the Pakistan Stock Market Fund, the investment in the GulLuck Plan is exposed to the following risk:

- The target amount of saving and accumulation of the returns thereto are based on best estimates of the performance of the stock market and Management Company's actions based on the expected performance. There is no guarantee as to the actual performance of the PSM Fund.
 - The PSM Fund is subject to being wound up under certain circumstances as explained in clause 17 of the PSM Offering Document. In such an event the GulLuck plan shall be discontinued.
 - The Management Company does not take responsibility for any insurance company fulfilling its obligations.
 - In the event a Subscriber fails to pay the insurance premiums or abandons the policy or decides to redeem the Units owned by him/ her, the contributions made towards the insurance policy shall stand lapsed.
6. **All other matters** – The Offering Document relating to the Pakistan Stock Market Fund of which this plan is an administrative arrangement, shall apply to all matters not covered by this Supplementary Offering Document.
7. **“Guardian”** means who is legally responsible for the care and management of the Subscriber or property of the Subscriber.
8. ¹**“Subscriber”** means a unit holder who subscribes to GulLuck Plan.
9. **“Principal Account Holder”** means the Account holder, in whose name an investment account is maintained.
10. **“Prescribed Form”** means account opening form specifically designed for the purpose of GulLuck Plan and is available on the website of the Company.

¹ SECP approved Sixth Supplemental Offering Document dated July 13, 2016