

**THIRD SUPPLEMENTAL
TO THE
OFFERING DOCUMENT OF
MCB DCF INCOME FUND
(MCB DCFIF)
MANAGED BY
MCB ARIF HABIB SAVINGS AND INVESTMENTS
LIMITED**

Dated: July 13, 2016

Third Supplemental Offering Document dated July 13, 2016 to the Offering Document of MCB DCF Income Fund (Formerly: MCB Dynamic Cash Fund (MCB-DCF)) issued on February 22, 2007.

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 Regulation) Rules, 2003 and the Non-Banking Finance Companies and Notified Entities Regulations, 2008)

MCB DCF Income Fund (the Fund/the Scheme/the Trust/the Unit Trust/MCB DCFIF) 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 November 09, 2006, entered into and between MCB Asset Management Company Limited, as the Management Company and the Central Depository Company of Pakistan Limited, as the Trustee. MCB Asset Management Company Limited has been amalgamated with and into Arif Habib Investments Limited with effect from June 27, 2011. After this date, MCB Arif Habib Savings and Investments Limited is acting as the Management Company of MCB DCFIF.

Sub-clause 4.2.1, 4.2.2, 4.2.11 and Annexure ‘B’ of the Offering Document have been revised with regard to Minimum Investment amount and Addition of Bachat Units, to read in their entirety as follows:

1. Amendment of Sub-clause 4.2.1 to the Offering Document

Amended text to be read as

4.2.1 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 Growth Unit, Income Units, and / or Bachat Units.

2. Amendment of Sub-clause 4.2.2 to the Offering Document

Amended text to be read as

4.2.2 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. At the initial offer and later on, the minimum amount of investment to open and maintain an account is Rs. 500 for Growth Units and Rs. 100,000 for Income 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 account by redeeming the Units in such accounts at the close of any accounting period at the price applicable to redemptions on such date. For Income Units, in case the amount falls below Rs. 90,000, funds may be transferred to Growth Units.

Following the minimum initial investment, Unit Holders of MCB DCF Income Fund may add a minimum of Rs. 500 per transaction at their convenience. Units of MCB DCFIF (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) **Growth Units:** The Unit value grows in line with the growth in the NAV, and the Unit Holders are entitled to cash dividend and/or bonus units at the time of distribution.

Any Cash Dividend Units issued prior to this Supplemental Offering Document shall be converted to Growth Units.

(ii) **Income Units:**

- a) The Unit value grows in line with the growth in the NAV, and the Unit Holders shall receive distribution income in the form of cash, if any distribution announced by the Fund.
- b) Such periodic payment to the Income Units Holders shall be made by redeeming such number of Units as decided by the Management Company.
- c) Further, the Unit Holders, based on their own consent and instructions and with prior intimation to the Management Company, exercise the option of redeeming a certain number of Units less or equivalent to the amount earned on their invested 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.
- d) Such periodic payment shall be processed by the Management Company on the 25th day of each calendar month. Provided that if 25th day of the month of a certain regular interval is not a Dealing Day the redemption arrangement of Income Units would be transferred to the next Dealing Day.

- (iii) **Bachat Units:** Bachat units are meant for those investors having long term investment prospect i.e. two years or more. Front End Load on the Bachat Unit Holders will not be applicable, however back end load as outlined in Annexure 'B' will be allowed if the investor redeems their investment before two years' time. Minimum and additional Investment for Bachat Units are Rs. 500/- and Rs. 500/- respectively.

These Units will be entitled to get Bonus Units and/or Cash dividend whichever is announced by the Management Company.

Special Features:

- a) Conversion of Bachat units to another type of units of all funds excluding Bachat units is allowed subject to Back end load. However, no back end load will be applicable on the Bachat Units converted after two years from the date of its initial investment. Front end load will be applicable as per OD of other schemes if conversion is made in any other type of units.

- b) Conversion of Bachat units is allowed in bachat units of other Funds without any Back end load.
- c) Investment date in conversion cases shall remain the date of first investment in such type of unit in any Fund before any conversions were made.
- d) In case there is a multiple investment at different dates, the redemption of bachat units would be based on FIFO method.
- e) At the time of distribution, the dividend on Bachat Units would be reinvested in Growth units after deduction of applicable taxes. Investor needs to make a request through Account Opening form or Special Request Form for reinvestment of dividend.

4 Addition of Sub-clause 4.2.11 to the Offering Document

Added text to be read as

4.2.11 In case of Income Units, if the investment balance of the Unit Holder falls below the minimum limit i.e. Rs. 90,000/-, due to deduction of withholding tax at the time of distribution, the Management Company may, if it thinks fit, continue to pay income/ profit at the desired frequency of the Unit Holder on the reduced investment balance.

3. Amendment in Current Level of Front-end Load and Back End Load as specified in Annexure B to the Offering Document

Amended text to be read as

Growth and Income Units

Transaction less than or equal to Rs.15 million:	Front end load	1.5%
Transaction more than Rs.15 million:	Front end load	Nil
For corporate*	Front end load	Nil

*Corporate includes all the Unit Holders other than the individuals who hold valid National Identity Card/ Pakistan Origin Card or valid passport including foreigners.

Back End Load: Nil

Bachat Units

- Front End Load: Nil
- Back End Load:
 - 3% if redeemed before completion of two years from the date of initial investment.
 - 0% if redemption after completion of two years from the date of initial investment.

An AMC shall ensure that no sales load is charged if the investor approaches directly for investment or where transactions are done online through a website.