

**Supplementary Offering Document of  
ABL AMC Financial Planner  
Administrative plans under  
ABL Income Fund,  
ABL Stock Fund,**

**Managed by ABL Asset Management Company Limited (ABL AMC)**

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(Establishment and Regulation) Rules, 2003

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## **1. Introduction**

1.1 The ABL AMC Financial Planner (“Plan”) is comprised of three administrative plans offered by ABL Asset Management Company to provide the unit holders a customized investment approach to meet long term investment needs. This plan allows unit holders to invest periodically in a portfolio that would aim to generate returns as per their requirements. Unit Holders will be required to make consistent, periodic payments as per these plans, which will be invested in underlying funds, and will receive one payment at the time of redemption. ABL AMC will be able to re-allocate the portfolio of each client on at least a quarterly basis in order to maintain optimum allocation of assets as per the plan policies.

The ABL AMC Financial Planner will help investors in building up their savings for meeting future financial goals. These goals could be:

- Child Marriage Planning
- Child Education Planning
- Retirement Plans
- Dream Home etc.

1.2 All transactions under this arrangement are governed by the Trust Deeds relating to the ABL Income Fund (dated June 16, 2008) and ABL Stock Fund (dated April 23<sup>rd</sup>, 2009 ) as amended from time to time vide Supplemental Trust Deed(s). Unless specifically altered by this document, all the terms and conditions of the Offering Documents of the ABL IF and ABL SF shall apply to the respective Units of the Funds in which investment is made under these plans.

## **2. Regulatory Approval and Consent**

2.1 The plans offered under ABL AMC Financial Planner are offered to the unit holders after obtaining consent from CDC as Trustee for underlying funds vide its letter dated September 18<sup>th</sup>, 2012 and approval from SECP as regulator vide its letter dated September 24<sup>th</sup>, 2012.

### 3. Investment Objective

3.1 The investment objectives of the plans are to generate long term growth on savings and provide a lump sum amount to investors at the time of redemption. Periodic payments will help the investor to average out the planned assets and instill a disciplined approach to investing. ABL AMC Financial Planner is segregated into three sub-plans i.e. Moderate (Sahara) Plan (Low Return / Risk ), Dynamic (Taraqqi) Plan ( Medium Return / Risk) and Aggressive (Khushali) Plan (High Return / Risk). Each plan operates on different asset allocation strategies which are consistent with its investment philosophy. Moderate plan will have conservative asset allocation and will suit risk averse investors or those with short investment horizons (less than 2 years). The Dynamic Plan will have moderately aggressive allocation and will suit investors with some risk appetite or those with medium term investment horizons (3-5 years). Aggressive Plan will have aggressive asset allocation and will suit investors with high risk appetite or those with long term investment horizons (5 years plus).

### 4. Investment Plans and Pattern

Collective Investment Scheme	Moderate Plan	Dynamic Plan	Aggressive Plan
ABL Stock Fund	20%	40%	70%
ABL Income Fund	80%	60%	30%

### 5. Basic Plan Information

- Nature of Plan: Open-end
- Front-end Load: Up to 5%
- Back-end Load: 2% if redeemed within 6 months
- Minimum Investment Amount:
  - Initial = Rs. 25,000;
  - Subsequent investments = Rs. 1000 only
- Periodicity of Unit transactions: Every Monday to Friday that is a Subscription Day
  - Redemption Proceeds: Dispatched within 6 Business Days
- Processing charges up to 0.5% (applicable in case of switching of plans)

\* The present minimum application amount is Rs. 25,000/-. Units of ABL IF and ABL SF (including fractions thereof) shall be issued against the amount received from the Unit Holder in accordance with the terms of the Offering Documents of ABL IF and ABL SF. The Management Company may alter the minimum application amount from time to time and announce it on its website.

### 6. Features and Administrative Arrangements

6.1 The plans provide a blend of returns from each market instrument based on the allocation (risk / return profile) chosen by the investor. The periodic investment

arrangement will help to smoothen out market volatility and encourage a disciplined approach to savings;

- 6.2 The volatility of returns is also based on the allocation under each plan selected by the investor. Lower risk attracts lower volatility where as higher risk attracts high volatility;
- 6.3 An investor may invest through the each plan by filling out the prescribed Forms and submitting it along with the investment amount (drawn in favor of CDC Trustee ABL AMC Funds) either directly or through any Distributor.
- 6.4 The Investor in the plans offered through ABL AMC Financial Planner (hereinafter referred to as the Investor) may also select a systematic investment plan through which the investor may invest predetermined amounts on a periodic (monthly, quarterly etc) basis. The Investor may also alter the periodic savings amount, provided that such amount is not less than the minimum amount fixed by the Management Company from time to time.
- 6.5 The Investor shall send to the Distributor the monthly contributions. The Management Company may also introduce arrangements whereby an Investor may pay contributions through standing instructions to a bank or through electronic means like on-line transfers. In the event that the Investor does not make the monthly payment(s) for any reason, the account will remain live and amount outstanding in the Plan would continue to remain in the Plan. The Investor may continue the periodic payments at any stage.
- 6.6 On receipt of investment amount at the time of opening an account or subsequently for purchase of Units under the Plan, the Units shall be issued at the respective Offering Prices applicable for the underlying CISs on the day when the funds are realized after ensuring that the Application Forms are duly lodged with the Distributor.
- 6.7 The Transfer Agent/Registrar Services shall send an Account Statement to the Investor each time there is activity in the account (other than that caused by reallocation).
- 6.8 Such Statement shall be sent by ordinary mail to the Investor'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.
- 6.9 All investment plans will only be provided bonus distribution option, so that bonus declared on the respective Units held in the Plan shall be invested in the respective Funds to which such distribution relates in proportion to the weightages applicable to the Account at that point in time.
- 6.10 The Account shall be reallocated every quarter - or earlier in the event that there is a 10% variation in the allocation percentages due to market conditions. The allocation between the Funds will be done so as to ensure that the investment is divided between the Funds in proportion to the weightage of the investment applicable for that Plan. In the event that the stock market goes up resulting in an increase in the relative weightage of the investment in ABLSF, the surplus will be encashed (redeemed) and investment in ABL IF and vice versa. The Management Company may however, with the approval of the Commission after obtaining consent from the Trustee and with

notification to the Unit Holders change the reallocation frequency or percentage from time to time.

- 6.11 The account shall normally be reallocated, if required, on the first Subscription Day (i.e. between Monday to Friday) of each new quarter to bring the allocation in line with Investor's chosen plan. In the event of an earlier reallocation due to a variation of 10% in the plan allocation, the account shall be reallocated on the first subscription Day of the month, succeeding the month in which the percentage allocation varies by 10%. The last subscription day of the month shall be considered as cut off day for determining the requirement of such reallocation.
- 6.12 The reallocation shall be at the NAV of the respective Funds on the relevant Subscription Day
- 6.13 The Registrar shall not record a pledge/lien on the Units held under each Plan.
- 6.14 The Investor may submit a redemption request for redeeming partial or all Units purchased under the Plan. In case of partial redemption, the Units shall be redeemed in the same proportion (weightage) of the investment applicable for that period of the Plan for purchasing the Units in the underlying Funds.
- 6.15 The redemption proceeds shall be payable in accordance with the Offering Documents of relevant funds.
- 6.16 The Investor may also switch the Units held by him in the Plan into the units of any other schemes/ plans/ Funds being offered by the Management Company and vice versa, subject to such terms and conditions as set forth by the Management Company. Conversions to/from the Plan shall be at the NAV of the respective Funds plus a processing charge as mentioned in clause 5 above. The Management Company at its discretion may charge reduced or no processing charge for such conversions.
- 6.17 In the event of winding up of underlying funds, the Plan shall be discontinued and the Units standing to the credit of the Investor shall be dealt with in the same manner as the rest of the Units in the underlying funds.

In the event any changes are introduced in the Plan after an existing Investor has made an initial investment in the Plan, the existing Investor shall not be under any obligation to comply with the changes. However, if the Investor 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 without any additional cost

## **7. Who can invest?**

- 7.1 All eligible individuals or parents/guardian of the assigned child who will be responsible for making payments under the plan.

## **8. Insurance Coverage**

- 8.1 The Management Company may arrange free of cost Life and / or Accidental Insurance coverage to investors up to amounts as communicated to them and as amended from time to time. In the event of free insurance benefit, the investor will be responsible to settle the claims, if any, under this arrangement with an insurance company without any

obligation on the part of the Management Company, Trustee and Funds. The Management Company will only be responsible to make payment for insurance benefit arrangements. However Management company, Trustee and Funds will in no manner guarantee the performance of the insurance company nor will it be liable for any liabilities of the insurance company that may arise as a result of claims lodged against such policies.

## **9. Risk Disclosure**

9.1 In addition to the risks disclosed in the Offering Documents of ABL IF and ABL SF, the investment in the Plan is exposed to the following risks:

- Owing to the volatile nature of the stock market, the Plan may suffer losses in the short term. Thus an investment in the Plan, to the extent of it being in the ABL SF, would be exposed to higher risk and possible loss of capital, which may recover if the investment is retained for the long term, subject to market conditions.
- The NAVs of the Funds may be affected by changes in the general market conditions, factors and forces affecting capital market, in particular, level of interest rates, various market related factors and trading volumes, settlement periods and transfer procedures.
- The liquidity of the Plan's investments is inherently restricted by the trading volumes in the securities in which the respective Funds invest.
- Whereas it is expected that a long-term investment in the stock market instrument like ABL SF is likely to outperform fixed income instruments like ABL IF, a prolonged downturn in the stock market may not allow the recovery within a targeted investment period.
- Over a time period, as a result of the different levels of performance of ABL SF and ABL IF, the overall portfolio is likely to have some deviation from the target asset allocation for that plan. However, at the end of each quarter, the allocations will be re-adjusted.
- Investors in the Plan are not offered any guaranteed returns.
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- The ABL SF and ABL IF are subject to being wound up under certain circumstances as explained in the respective Offering Documents. In the event of either of the Funds being wound up, the Plan shall be discontinued and the Units standing to the credit of the Investor shall be dealt with the same manner the rest of the Units in the ABL SF and ABL IF.
- In case the plans offer complimentary Life and/or Accidental Insurance to the investors, the investors will be exposed to the performance of the insurance company in the matters of claims arising out of the subject insurance policy(ies).

## **10. All Other Matters**

- 10.1 The Offering Documents relating to the ABL SF and ABL IF of which this plan is an administrative arrangement, shall apply to all such matters, relating to the investment in Units issued under the respective Funds and is not covered by this Supplementary Offering Document.
11. "Investor" means an investor/ Unit Holder in the ABL SF and/or ABL IF, as the case may be.
12. The Unit holders are advised to read the Constitutive Documents, including the Trust Deed and Offering Documents, of the respective funds.