

1st Supplement

to the

OFFERING DOCUMENT

of

ABL ISLAMIC CASH FUND

(An Open End Shari'ah Compliant Islamic Money Market Scheme)

(Daily Dividend received by the Unit Holder(s) shall be REINVESTED)

Tax credit benefit to unit holders (other than the Corporate) of this scheme may not be available until the Fund is listed at Pakistan Stock Exchange (PSX)

(Wakalatul Istithmar based fund)

**Duly vetted by Shari'ah Advisor namely Mufti Irshad for and on behalf of
Al Hilal Sharia Advisers Reg. 0076243**

Managed by

ABL ASSET MANAGEMENT COMPANY LIMITED

Dated: February 18, 2020

ABL Islamic Cash Fund – 1st Supplementary Offering Document

First Supplement Dated **February 18, 2020** to the Offering Document of ABL Islamic Cash Fund (ABL-ICF).

Managed by ABL Asset Management Company Limited an Asset Management Company licensed under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003.

Established in Pakistan under the Trust Act 1882 (11 of 1882) by a Trust Deed dated November 1, 2019 between ABL Asset Management Company Limited, the Management Company and Central Depository Company of Pakistan Limited, the Trustee and registered under Regulation 44 of the Non-Banking Finance Companies and Notified Entities Regulation, 2008.

Effective from **February 18, 2020** the Offering Document has been amended to read in their entirety as follows:

1. The Following clause has been added under clause 1 of the offering and read as follows:

1.11 Introduction to the Scheme

1. Dividend on daily basis will be distributed to the unit holder(s).
2. Dividend would be distributed to unit holders appearing in the unit holder register within cut-off time as mentioned in this offering document.
3. Daily Dividend received by the Unit Holder(s) shall be reinvested.
4. The Fund will work on Forward Pricing method.

2. The following sub-clause has been added/ amended under clause 5 of the Offering Document and read as follows:

5.1 Declaration of Dividend

The Management Company shall decide as soon as possible but not later than forty-five days after the Accounting Date / interim period whether to distribute among Unit Holders, profits, either in form of bonus Units or cash dividend, if any, available for the distribution at the end of the Accounting Period and shall advise the Trustee of the amount of such distribution per Unit. The Fund will comply with regulatory and taxation requirements and the distribution policy may be amended accordingly.

The Management Company on behalf of the Scheme shall, for every accounting year, distribute by way of dividend to the Unit Holders, not less than ninety per cent of the accounting income of the Collective Investment Scheme received or derived from sources other than realized and unrealized capital gains as reduced by such expenses as are chargeable to a Collective Investment Scheme under the Regulations.

For the purpose of this Clause the expression “accounting income” means income calculated in accordance with the requirements of International Accounting Standards (IAS) as are notified under the Companies Act 2017, the Regulations and the directives issued by SECP. Wherever the requirement of Regulations or the directives issued by SECP differs with the requirement of IAS, the Regulations and the said directives shall prevail.

The dividend shall be distributed on a daily basis and that dividend shall be re-invested after deducting applicable taxes. By distributing dividend on a daily basis, the Management Company shall ensure that total distribution in an Accounting period accumulates to an amount that is required under the tax laws and other regulations in force to be distributed and that may be beneficial for its Unit Holders. The Fund will comply with regulatory and taxation requirements and the distribution policy may be amended accordingly after consent of Trustee and intimation to SECP.

Further provided that dividend amount less than Rs. 0.01 shall not be taken into account and dividend shall not be entitled if holding in register of any unit-holder(s) is less than one unit.

In case during the financial year, NAV falls below the par value, the dividend distribution shall be stopped immediately till the NAV reaches the par value. However in case where the NAV at the end of Financial Year is below the par; the Fund shall treat below par value as a par value for next financial year.

Dividend will be distributed to the Unit Holder(s) appearing in the register within cutoff timing as mentioned in this offering document on a daily basis. Unit Holder(s) having discrepancies of any type will not be eligible for dividend distribution purposes unless all the discrepancies are removed.

5.3 Payment of Dividend

All unit holders appearing in the register of Unit Holders will be entitled for dividend and the amount of dividend shall be reinvested after deduction of all applicable taxes and Charges, if any.

5.5 Reinvestment of Dividend

Any cash dividend entitled to the unit holder shall be reinvested after deduction of all applicable taxes and charges, if any.

3. The following sub-clause has been **deleted** under clause 7 of the Offering Document:

7.1.7 Tax Credit to Unit Holders

Unit Holders other than a company shall be entitled to a tax credit under Section 62 of the Income Tax Ordinance, 2001, on purchase of new Units

4. The following amendments in Annexure B of the Offering Document and read as follows:

1. Current Fee Structure:

Current Level of Front-end, Back End Load and Management Fee

	Front-End Load (%)	Back End Load	Management Fee (% p.a.) *
Class "A" Units (Purchase Units) (During and after Subscription period)	up to 1%	Nil	<u>2% of gross earning subject to minimum floor of 0.25% of net assets p.a. and maximum cap of 0.75% of net assets p.a</u>

Class “B” Units (Bonus Units)	Nil	Nil	<u>2% of gross earning</u> <u>subject to minimum floor</u> <u>of 0.25% of net assets</u> <u>p.a. and maximum cap</u> <u>of 0.75% of net assets</u> <u>p.a</u>
Class “C” Units (Dividend Re- Investment Units)	Nil	Nil	<u>2% of gross earning</u> <u>subject to minimum floor</u> <u>of 0.25% of net assets</u> <u>p.a. and maximum cap</u> <u>of 0.75% of net assets</u> <u>p.a</u>

Note:

Gross earnings of the Scheme would be calculated by adding up the following:

- 1) Realized and unrealized gains on Shariah Compliant Securities.
- 2) Income from bank deposits; and
- 3) any other income earned by the Scheme

While calculating Gross earnings of the Scheme, no deduction would be made whatsoever on account of any expense chargeable to the Scheme.

The actual rate of management fee on the basis of Net Assets shall be disclosed in the FMR and in the Financial Statements.