



ASSET MANAGEMENT LTD.
إيسيت ميجمنت لميڊت

Frequently Asked Questions (FAQs) on Conversion of HBL Growth Fund “HGF” (Formerly: PICIC Growth Fund “PGF”) and HBL Investment Fund “HIF” (Formerly: PICIC Investment Fund “PIF”) from Closed-end to Open-end Scheme

1. Why HGF and HIF have been converted into Open-end schemes?

HGF and HIF have been converted as per order of SECP.

2. What is the structure of both funds after conversion?

HGF and HIF have been converted into Open-end Schemes, with bifurcation of two classes of Units i.e. Class-A and Class-B Units.

Class-A Units of the Open-end Scheme have been allotted with the ratio of 1:1 out of the Frozen Portfolio also known as Class-A Segment which is remain listed and tradable on PSX (stock exchange) as certificate of Closed-end Funds.

Class-B Units of the Open-end Scheme have been allotted with the ratio of 1:1 out of the Unfrozen Portfolio and remaining Net Assets also known as Class-B Segment which will be redeemable at applicable price based on Net Asset Value (NAV) after deduction of Back-end Load, subject to completion of Account Opening formalities of HBL AML to activate certificate-holder account.

Accordingly, HBL AML announce two separate NAVs for Class-A Segment of Frozen Portfolio and Class-B Segment of Unfrozen Portfolio.

Now, HBL AML is also authorized to offer new Class-C Units from unfrozen portfolio subject to front-end load as per Constitutive Documents of respective funds.

3. What is the proportion of Class A and Class B units?

One unit of Class A and one unit of Class B of the Open-end Scheme have been issued for each certificate of closed-end fund.

Class A unit are not be redeemable but remain listed and tradable on PSX (stock exchange) after adjustment of prices on PSX due to issuance of Class-B Units to the existing Certificate Holders. However, Class B unit are redeemable with a back end load.

Ratio of price adjustment was based on proportion related Class-B Segment in Net Assets on last day of the book closure i.e. June 30, 2018.

4. What is the Effective Date of funds conversion?

Effective Date of funds conversion is July 02, 2018 thereafter both Funds have been converted into Open-end Schemes.

5. What is procedure to activate my account?

Account will be activated after receiving duly filled **Account Opening Form** along with supporting documents by Retail Sales at Head Office or HBL AML Branches or designated Branches of Habib Bank Limited (HBL) or Distributors offices.

HBL AML have sent Account Statements along Guidelines (Procedure for Account Activation and Redemption) after Effective Date of Conversion to Certificate-holders at their registered addresses.

6. Is it necessary to activate my account if already have CDC / broker account or having physical certificate?

Yes, to enable us to complete KYC / CDD formalities as per SECP directives.

7. How and when I can redeem my units after conversion of Funds?

You can redeem Class-B units immediately after Effective Date of conversion subject to Back-end Load as mentioned hereafter by filling a Redemption Form. Kindly refer procedure for further understanding.

8. What is the TAT for Redemption of Units?

As per regulation, it is six business (working) days after receiving the complete and dully filled Redemption Form which may be filled after Effective Date of Conversion of the funds.

9. Is there any Back-end load (BEL)?

Yes, BEL shall form part of the Trust Property and will be charged on Class-B Units as following:

of NAV	Period
10%	If Units redeemed within six (06) months from the Effective Date
5%	If Units redeemed after expiry of six (06) months but before the expiry of one (01) year from the Effective Date
Nil	If Units redeemed after the expiry of one (01) year from the Effective Date

BEL will also be charged on Class-A Units after unfreezing of the Frozen Portfolio, with similar tariff. However, BEL will not be charged on redemption of bonus or additional (dividend re-invested) Units.

10. How long do I need to hold my investment to wave Back-end load on Class-B Units?

One year from Effective Date of Conversion.

11. Do I have to submit the Affidavit (ZD-50) to avail Zakat exemption, if already submitted to CDC / broker?

Yes, this will be treated as fresh account with HBL AML.

12. Who is the Registrar / Transfer Agent after Conversion?

Class-A Segment:

THK Associates (Private) Limited is the registrar of Class-A Segment.

Class-B Segment:

HBL AML (the Management Company) is the registrar of Class-B Segment.

13. When do you collect Capital Gain Tax (CGT)?

Class-A Segment:

NCCPL will continue to collect and deduct CGT on Class-A Units as usual process for Closed-end Fund / Listed Securities as per law which are listed and tradable on PSX after Conversion.

Class-B Segment:

The Management Company will collect and deduct CGT at the time of redemption (or investment withdrawal) of Class-B Units and deposit with NCCPL as per law applicable on Open-end Scheme.

14. How do you calculate Capital Gain Tax (CGT)?

Class-A Segment:

NCCPL will continue to calculate CGT as usual process for Closed-end Fund / Listed Securities as per law but cost of purchase of all holding before the Effective Date will be reduced with the proportionate ratio of Frozen Portfolio in Net Assets as on last day of the Book Closure i.e. June 30, 2018.

For Class-B Segment:

The Management Company will calculate CGT as usual process for Open-end Scheme as per law but cost of purchase of all holding before the Effective Date will be reduced with the proportionate ratio of Unfrozen Portfolio in Net Assets as on last day of the Book Closure i.e. June 30, 2018.

15. What is the procedure to receive returned or undelivered Dividend Warrants?

Please write a letter to THK Associates (Private) Limited with reference to your existing Folio Number of Class-A Units along with your valid CNIC copy to retrieve your previous returned or undelivered Dividend Warrants, if any.

16. What is the procedure to receive revalidate Dividend Warrants?

Please write a letter to THK Associates (Private) Limited along with reference to your existing Folio Number of Class-A Units along with your valid CNIC copy and Dividend Warrants for revalidation.

17. How do we contact THK Associates (Private) Limited?

Please note following details:

Public Dealing Timing (Monday to Friday)

9:30 am to 12:30 pm and 2:30 pm to 4:30 pm

Mr. Tauqir Abdi

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Email: thklhr@thk.com.pk

18. What is the procedure for Account Opening / Activation?

Please read Account Opening / Activation process as mentioned in Guideline.

19. What is the procedure for Redemption of Class-B Units?

Please read Redemption process as mentioned in Guideline.

20. Do I need to submit existing old Physical Certificates of Closed-end Funds before Redemption, in case of physical holding?

Yes for further details, please read Redemption process as mentioned in Guideline.

21. What is the procedure to retrieve CDS Redemption Report for Units Redemption, in case of CDS holding?

Please read process to execute Redemption request on CDS terminal as mentioned in Guideline.

Disclaimer: FAQs are prepared for your information, kindly read the Restated Trust Deeds and Offering Documents of the Funds for further understanding.