

## 1<sup>st</sup> Supplementary Offering Document of HBL Financial Planning Fund (HBL-FPF)

**Managed by HBL Asset Management Limited, an asset management company registered under Non-Banking Finance Companies (Establishment and Regulation) Rules 2003.**

SECP has approved this Supplementary Offering Document vide its letter No: SCD/AMCW/HBLAML/405/2019 dated May 10, 2019, under regulation 54 of NBFC Regulations 2008. It must be clearly understood, that in giving this approval, SECP does not take any responsibility of the financial soundness of the Plan nor for the accuracy of any statement made in this Supplementary Offering Document.

### 1. Introduction:

HBL Asset Management Limited is launching a new plan “HBL Financial Planning Fund – Special Income Plan” under HBL-FPF via this Supplementary Offering Document, in compliance with the relevant regulations and as stated in Clause 2.2.7 of the Offering Document of HBL-FPF.

Effective from June 11, 2019, the Offering Document has been amended to read in its entirety as follows:

#### 1. The following text has been added and amended in clause 1.5

Name of Plan	Start Date	End Date
Special Income Plan	June 11, 2019	September 13, 2019

For the Special Income Plan the amounts received from the Investors during the Initial Period shall be deposited in a Bank Account of the Fund and any income, profit etc. earned and/or accrued on the investments of that amount up-to and including the day closing of Initial Period shall not form part of the Trust Property and shall be paid by the Management Company or the Trustee to those Investors participated during the Offering Period, either in cash or in additional Units.

#### 2. The following sub-clause has been added in clause 2.2

d) HBL Financial Planning Fund - Special Income Plan

#### 3. The following sub-clause has been added in clause 2.2.1

The “Special Income Plan” is an Allocation Plan under the “HBL Financial Planning Fund” with an objective to earn a potentially high return through active allocation of funds between Income and Money Market schemes based on fundamental analysis of economic indicators, interest rate environment, market liquidity conditions and a strategy of minimizing risk & volatility. The duration of this plan is 24 months (Two Years). However, SECP or the Management Company may wind it up or revoke, on the occurrence of certain events as specified in the Regulations or clause no.10.4 of the offering document of HBL-FPF.

**4. The following row has been added in clause 2.2.2**

Allocation Plan	Equity Scheme(s)	Income / Money Market Scheme(s)	Bank Deposits (excluding TDRs) in Banks
Special Income Plan	0%	0-100%	0-10%

**5. The following sub-clause has been added in clause 2.2.4**

**2.2.4.4 Special Income Plan:**

The Benchmark of Special Income Plan in the Fund will be the weighted average daily return of:

- a. Six(6) months KIBOR rates
- b. 70% three (3) months PKRV rates and 30% three (3) months average deposit rate of three (3) AA rated scheduled banks as selected by MUFAP.

based on actual proportion in Income / Money Market Funds and/or in cash and/or near cash instruments in each allocation plan.

**6. The following text in clause 2.2.8 (Para 2) has been amended and read as follows:**

For “Active Allocation Plan”, “Strategic Allocation Plan” and “Special Income Plan” the Management Company shall actively manage the allocations, from time to time, based on the outlook for the asset classes/scheme(s), subject to the specified limits as per Clause 2.2.2.

**7. The following has been added after clause 2.2.13.3**

**2.2.13.4 Special Income Plan**

**Investment Policy:**

This allocation plan will be allocated between Income and Money Market CIS. Asset Allocation means that the Management Company may, from time to time, change the allocations to Income Scheme and Money Market Schemes based on fund manager’s strategic view of economic indicators, Interest rate, investment time horizon and value of underlying assets. Initially, the Management Company may seek to invest in the Collective Investment Schemes mentioned in Clause 2.2.3 of the Offering Document of HBL FPF.

**Basic Features:**

- a) Term/ Duration of the allocation plan: The duration of Special Income Plan will be Twenty Four (24) months (Two Years) starting from closing of IPO date. However, the management company may change the duration of the plan with prior permission of the commission and

by giving at least 90 days' notice to the plan investors.

- b) **Subscription Period:** The allocation plan will be open for subscription from April 22, 2019 to June 21, 2019, both days inclusive. Subscription for the allocation plan is for limited time period only.
- a. **Class "B"** Units shall be issued to investors at the Offer Price, during subscription period. The units may carry Front-end Load and a Contingent Load.
  - b. **Class "D"** maybe issued as Bonus units and shall not be charged with any Front-end Load and a Contingent load.
  - c. **Class "F"** units which will be issued as "Dividend re-Investment units" in case of reinvestment of any Cash Dividends announced (as defined in clause 5.5 of the Offering Document of HBL FPF) from time to time, net of any applicable taxes. These units shall not be charged with any Front-end Load and a Contingent load.
- c) After close of subscription period of this Plan, the subscription of new units will be suspended by the management company. The subscription may be re-opened after giving due notice and with approval by the commission.
- d) **Front-end Load:** Up to 2%. Management Company may waive or reduce the Front-end Load fully or partially at its own discretion to any investor.
- e) **Contingent Load:** Applicable in case of redemption of units before the Plan's maturity. From closing of IPO date till 1 year 1.0% of NAV and after 1 year 0.5% of NAV.

**8. Substitution of Sub-Clause 3.12.1 (a)**

The Sub-Clause 3.12.1 (a) shall be substituted as follows;

- a) The Trustee, at the request of the Management Company, shall open Bank Account(s) titled"
- I. MCBFSL Trustee HBL Financial Planning Fund – Conservative Allocation Plan
  - II. MCBFSL Trustee HBL Financial Planning Fund – Active Allocation Plan
  - III. MCBFSL Trustee HBL Financial Planning Fund – Strategic Allocation Plan
  - IV. MCBFSL Trustee HBL Financial Planning Fund – Special Income Plan

for the Unit Trust at designated Bank(s) inside or outside Pakistan, subject to the relevant laws, Trust Deed, Rules and Regulations, for collection, investment, redemption or any other use of the Trust's Funds.

**9. Substitution of Sub-Clause 4.3.4 (b)**

The Sub-Clause 4.3.4 (b) shall be substituted as follows;

- b) Application for Purchase of Units shall be made by completing the prescribed Investment Application Form and submitting it to the authorized branches of the Distributor or to the Management Company together with the payment by cheque, bank draft, pay order or online transfer as the case may be in favor of Trustee Bank Account and crossed “Account Payee only” as specified below;

**For Conservative Allocation Plan:**

- “MCBFSL Trustee - HBL Financial Planning Fund – Conservative Allocation Plan”

**For Active Allocation Plan:**

- “MCBFSL Trustee - HBL Financial Planning Fund – Active Allocation Plan”

**For Strategic Allocation Plan:**

- “MCBFSL Trustee - HBL Financial Planning Fund – Strategic Allocation Plan”

**For Special Income Plan:**

- “MCBFSL Trustee - HBL Financial Planning Fund – Special Income Plan”

**10. Addition of Clause 10.8**

**10.8 Revocation and Liquidation of “Special Income Plan” at end of the Duration of Plan**

10.8.1 The Plan shall stand automatically dissolved after the end of the duration as specified in clause 2.2.13.4 (a) of this Offering document.

10.8.2 All Units in all forms (certificate and/ or electronic) shall stand automatically redeemed within Thirty (30) Business Days of the end of the duration of plan at the redemption price which shall be determined by the Management Company after completion of the realization of all Investments of Special Income Plan.

10.8.3 The redemption proceeds shall be distributed amongst the Unit Holders via cheque/pay order/electronic transfer that will be sent to their registered address or via online account transfer as per the information given in the Purchase Application Form. The Management Company may also give Unit Holders the option of investing their redemption proceeds in any other Scheme offered by the Management Company.

**11. Substitution of Annexure “A”**

The Annexure “A” shall be substituted as follows:

## ANNEXURE “A”

### Current Level of Front-end Load for A & B Class: Up to 2%

\*Management Company may waive the Front-end Load fully or partially at its own discretion to any investor.

**Note:** No sales load will be charged if the investor approaches directly for investment or where Transactions are done online, through website of the AMC

### Current Back-end Load: Nil

### Current Contingent Load:

Allocation Plan	% of applicable NAV
Conservative Allocation Plan	Nil
Active Allocation Plan	Nil
Strategic Allocation Plan	<b><i>In case of redemption of units:</i></b> From closing of IPO date till 1 year 1.0% After 1 year 0.5%
Special Income Plan	<b><i>In case of redemption of units:</i></b> From closing of IPO date till 1 year 1.0% After 1 year 0.5%

### Current Cut-Off Time

During Subscription Days of the Fund

Monday to Friday: 9:00 AM to 4:00PM

Current Cut-off Time for dissemination & announcement of NAV for Each Dealing Day:

Latest by 10:30 a.m. on subsequent Dealing Day

Any change in the Cut-Off Timings/Business Hours including for the month of Ramadan shall be notified to investors/Unit-Holders via the Company’s website.

### Current Level of Management Fee

Current level of management fee is 1.00% per annum

\* No Management Fee will be charged if the Fund invests in CIS managed by the Management Company.