

HBL GOVERNMENT SECURITIES FUND – SIXTH SUPPLEMENTAL OFFERING DOCUMENT

Sixth Supplement Dated 25th October 2021 to the

Offering Document of HBL Government Securities Fund (HBL GSF)

Issued on January 27, 2017

Managed by HBL Asset Management Limited, a company incorporated under Companies Ordinance 1984 and licensed under Non-Banking Finance Companies (Establishment and Regulation) Rules 2003.

The HBL Government Securities Fund (Formerly PICIC Income Fund) (the Fund/the Scheme/the Trust/the Unit Trust) has been established through a Trust Deed (the Deed) dated February 17, 2017, under the Trust Act, 1882 entered into and between HBL Asset Management Limited, the Management Company, Central Depository Company of Pakistan Limited, the Trustee.

Effective from 23rd November 2021, following changes in the offering document of HBL Government Securities Fund will be made and amended as follows:

1. Text under the heading “Authorized Investments” in clause 2.1.1 of the offering document of HBL Government Securities Fund is amended and read as follows:

S. No	Authorized Investment	Minimum Rating		Minimum Investment as a % to Net Assets	Maximum Investment as a % to Net Assets
		Entity	Instrument		
1	Government Securities issued and / or Guaranteed by GoP including Reverse Repo against Government Securities	N/A	N/A	70%	100%
2	Cash in Bank Accounts (excluding term deposits) and Government Securities up to 90 days Maturity ¹	‘A’ or above in case of cash in banks	N/A	*10% - 30% in case of cash in bank accounts & 0% to 100% in case of T-bills of less than 90 days	
3	Reverse Repo (up to six months only) against Government Securities	N/A	N/A	0%	90%
4	Deposit with Banks, DFIs and NBFC including TDRs, Letter of Placement (LOP), Certificate of Deposit and Certificate of Musharaka of less than 6 months	‘A’ or above	N/A	0%	30%

	Deposit with Banks, DFI's and NBFC including TDR's, Letter of Placement (LOP), Certificate of Deposit and Certificate of Musharakas of greater than 6 months	'A' or above	N/A	0%	15%
6	Authorized investments in overseas markets including mutual funds. Overseas investments would be subject to prior approvals/guidelines of SECP and SBP;	'A' or above	N/A	as specified by Commission at time of grant of approval (Subject to a cap of USD15 million)	N/A
7	Spread Transactions and MTS as approved by the Stock Exchanges and the SECP;	N/A	N/A	0%	10%
8	Commercial papers; ²	'A' or above	** 'A' or above	0%	20%
9	Term Finance Certificates / Sukuk ³	'A' or above	'A' or above	0%	20%
10	Any instrument / securities which is an authorized investment under the trust deed or which is allowed by the SECP. ⁴	'A' or above	'A' or above	As maybe allowed by the Commission	

* At least 70% of net assets shall remain invested in Government Securities on monthly average basis calculated at the end of each month. In the event of any breach in the same due to increase or decrease in net assets due to issuance or redemption, the breach shall be regularized within one month of the breach.

The investment in Cash/Near Cash Instruments may temporarily deviate from the minimum and maximum requirements. However, minimum exposure limit shall be 10% of net assets calculated on the basis of the average for each calendar month.

**In case instrument rating is unavailable, the entity rating shall be applicable

2. Text under the heading “Investment Restrictions” in clause 2.3 (c) point xxv and xxvi of the offering document of HBL Government Securities Fund is amended and new clause xxix is added and read as follows:

- xxv Take exposure on a security in the portfolio with a rating lower than ‘A’.
- xxvi Place funds with any NBFC and Modarabas with a rating lower than ‘A’ Place funds with any bank and DFI a rating lower than ‘A’
- xxix As Asset Management Company, on behalf of each eligible Collective Investment Scheme, shall not place funds (including TDR, PLS Saving deposit, COD, COM, COI, Money Market Placements and other clean placements of the funds), of more than 25% of net assets of that CIS with all microfinance banks, non-banking finance companies and Modarabas.