

**ELEVENTH SUPPLEMENTAL OFFERING DOCUMENT**

**OF**

**NBP RIBA FREE SAVINGS FUND**

**(Formerly: NAFA Riba Free Savings Fund)**

**MANAGED BY**

**NBP FUND MANAGEMENT LIMITED**

The NBP RIBA FREE SAVINGS FUND formerly (NAFA RIBA FREE SAVINGS FUND) (the Fund/the Scheme/the Trust/the Unit Trust/NRFSF) has been established through a Trust Deed (the Deed) dated June 29 , 2010, entered into and between NBP Fund Management Limited, the Management Company, and Central Depository Company of Pakistan Limited, the Trustee, and is authorized under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the “Rules”) and Non-Banking Finance Companies and Notified Entities Regulation, 2008 (“Regulations”).

## REGULATORY APPROVAL AND CONSENT

### Approval of the Securities and Exchange Commission of Pakistan

The Securities and Exchange Commission of Pakistan (SECP) has authorized the offer of Units of NBP Riba Free Savings Fund (formerly NAFA Riba Free Savings Fund) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 and Non-Banking Finance Companies and Notified Entities Regulations 2008. The SECP has approved this Offering Document, under Regulation 54 of the NBFC & NE Regulations 2008.

SECP has approved this supplemental Offering Document through SECP letter No. **SCD/AMCW/NAFA/407/2019** dated **May 13 , 2019**.

The name of the Fund has been changed from NAFA Riba Free Savings Fund to NBP Riba Free Savings Fund. NAFA Riba Free Savings Fund (the Previous Fund name) appearing anywhere in the Offering Document and Supplementals shall be read as NBP Riba Free Savings Fund.

Following amendments are made through this supplemental Offering Document. The clauses mentioned below will be read as follows;

#### 1. Amendment in clause 3.13.1 – Shariáh Compliant Bank Accounts

*Amended text to be read as:*

- (a) The Trustee, at the request of the Management Company, shall open Bank Account(s) with scheduled Islamic Banks / Islamic Windows of Conventional Banks titled **CDC Trustee NBP Riba Free Savings Fund** 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.
- (b) The Management Company may also require the Trustee to open Bank Account(s) with scheduled Islamic Banks / Islamic Windows of Conventional Banks as Distribution Account(s) for dividend distribution out of the Unit Trust. Notwithstanding anything in the Deed, the beneficial ownership of the balances in the Accounts shall vest in the Unit Holders.

- (c) All bank charges for opening and maintaining Bank Accounts with scheduled Islamic Banks / Islamic Windows of Conventional Banks for the Trust shall be charged to the Fund.
- (d) All income, profit etc. earned in the Distribution Account(s), including those accruing on unclaimed dividends, shall form part of the Trust Property for the benefit of the Unit Holders and shall be transferred periodically from the Distribution Account(s) to the main Bank Account with scheduled Islamic Banks / Islamic Windows of Conventional Banks of the Trust.
- (e) The amounts received from the Investors before the Initial Period shall be deposited in a Bank Account with scheduled Islamic Banks / Islamic Windows of Conventional Banks of the Fund and any income, profit etc earned and/or accrued on the investments of that amount up to and including the day before the opening of Initial Periods shall not form part of the Trust Property and shall be paid by the Management Company or the Trustee to those Investors participated before the Offering Period, either in cash or in additional Units as selected by those Investors, in proportion of their investments.
- (f) The Trustee shall, if requested by the Management Company at its discretion also open a separate Account designated by the Management Company. These account(s) may be used for the purpose of collection of sale proceeds, where collections received on account of subscription of Units by investors of various unit trusts and the administrative plans that are managed by the Management Company shall be held prior to their being allocated and transferred to pertinent unit trust(s). Such account(s) may also be used for temporary parking for the purpose of redemption. Provided however, in relation to the other unit trusts managed by the Management Company mentioned above, there are similar provisions in the trust deeds of such Funds and have Trustee as common between them such accounts shall be in the title of **CDC Trustee NBP Funds**.
- (g) All Bank Accounts should require prior approval of the Shari'ah Advisor before opening.

## 2. Amendment in clause 4.4.4– Purchase of Units

*Amended text to be read as:*

- (a) After opening an account an account holder may purchase Units of the Fund using the Investment Application Form attached to this Offering Document. Payment for the Units must accompany the form.
- (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;
  - Demand draft or Pay order in favor of **CDC Trustee – NBP Riba Free Savings Fund**
  - Online transfer to Bank Account(s) of **CDC Trustee – NBP Riba Free Savings Fund**
  - Cheque (account payee only marked in favor of **CDC Trustee – NBP Riba Free Savings Fund**

- (c) The Management Company may also notify, from time to time, arrangements or other forms of payment within such limits and restrictions considered fit by it with the prior approval of Commission.
- (d) Applicants must indicate their account number in the Investment Application Form except in cases where the Investor Account Opening Form is sent with the Investment Application Form.
- (e) The applicant must obtain a copy of the application signed and stamped by an authorized officer of the Distributor acknowledging the receipt of the application, copies of other documents prescribed herein and the demand-draft, pay-order, cheque or deposit slip as the case may be. Acknowledgement for applications and payment instruments can only be validly issued by Distributors.
- (f) The Distribution Company and/or Management Company will be entitled to verify the detail given in the Investment Form. In case of any incorrect information, the application may be rejected if the applicant fails to rectify the discrepancy (except for discrepancy in payment instrument, in which case application will be rejected immediately).
- (g) The Management Company will make arrangements, from time to time, for receiving Investment Request Forms and payments from outside Pakistan and will disclose these arrangements through its website and its Distributors and agents outside Pakistan.

### 3. Amendment in clause 14 – Glossary

- 14.33 “Front-end Load” means the Sales load which may be included in the offering price of the Units; provided however that different levels of Front-end Load may be applied to different investors, as determined by the Management Company. However aggregate of Front-end Load and Back-end Load should not exceed 3% of Net Asset Value if investor approaches directly for investment and 1.5% of Net Asset value where transactions are done online or through website of AMC.
- 14.70 “Trust” or “Unit Trust” or “Fund” or “NRFSF” “NBP RIBA FREE SAVINGS Fund” or “Scheme” means the Unit Trust constituted by the Trust Deed for continuous offers for sale of Units.

### 4. Amendment in Annexure A – Trustee Fee

*Amended text to be read as:*

The trustee remuneration shall consist of actual custodial expenses / charges plus the following tariff.

Net Assets	Tariff
Up to Rs 1,000 million	0.17% p.a of Net Asset Value
On an amount exceeding Rs 1,000 million to Rs 5,000 million	Rs 1.7 million plus 0.085% p.a of Net Assets value exceeding Rs 1,000 million

On an amount exceeding Rs 5,000 million	Rs 5.1 million plus 0.07% p.a of Net Assets value exceeding Rs 5,000 million
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#### 5. Amendment in Annexure B – Current Level of Management Fee

*Amended text to be read as:*

7% of Net Income\* (min: 0.5% p.a., max: 1.25% p.a)

\* Net Income = Gross Income – All expenses of the fund excluding Management Fee & related sales tax thereon.

The Management will disclose the actual Management Fee charged for the month in the monthly Fund Manager Report as a percentage of average net assets.

#### 6. Amendment in Annexure B

*Insertion of the following text*

##### **Takaful Coverage Contribution**

The Management Company has arranged a Life and Accidental Death Takaful coverage for the investors up to the amount as communicated to them and as amended from time to time. The Takaful Coverage Contribution is to be borne by the investor. Such Takaful Coverage Contribution is to be deducted from the unit holder's investment on a monthly basis and deposited with the Takaful company by the Management Company as per the terms and conditions of takaful coverage defined in the Takaful policy document signed between the Takaful company and Management Company. Acquiring Takaful Coverage is an option to the investor that he may or may not exercise.