

9TH SUPPLEMENTAL OFFERING DOCUMENT

OF

NBP FINANCIAL SECTOR INCOME FUND (FORMERLY: NAFA FINANCIAL SECTOR INCOME FUND)

Clause Ref	Existing Clause	Revised/ New Clause																																																																					
3.1.1	<p>Principle Shareholders</p> <p>The paid-up capital of NAFA is Rs.250 million, held by :</p> <table> <tr> <th>Name</th><th>Number of Shares Held</th><th>Amount in Rupees</th></tr> <tr> <td>Alexandra Fund Management Pte. Ltd.</td><td>8,999,998</td><td>89,999,980/-</td></tr> <tr> <td>National Bank of Pakistan</td><td>13,499,996</td><td>134,999,960/-</td></tr> <tr> <td>Dr. Amjad Waheed</td><td>2,500,000</td><td>25,000,000/-</td></tr> <tr> <td>Mr. Shahid Anwar Khan</td><td>1</td><td>10/-</td></tr> <tr> <td>Mr. Wah Geok Sum</td><td>1</td><td>10/-</td></tr> <tr> <td>Mr. Kamal Amir Chinoy</td><td>1</td><td>10/-</td></tr> <tr> <td>Mr. Patrick Pang Chin Hwang</td><td>1</td><td>10/-</td></tr> <tr> <td>Mr. Shehryar Faruque</td><td>1</td><td>10/-</td></tr> <tr> <td>Syed Ahmed Iqbal Ashraf</td><td>1</td><td>10/-</td></tr> <tr> <td>TOTAL:</td><td>25,000,000</td><td>250,000,000/-</td></tr> </table>	Name	Number of Shares Held	Amount in Rupees	Alexandra Fund Management Pte. Ltd.	8,999,998	89,999,980/-	National Bank of Pakistan	13,499,996	134,999,960/-	Dr. Amjad Waheed	2,500,000	25,000,000/-	Mr. Shahid Anwar Khan	1	10/-	Mr. Wah Geok Sum	1	10/-	Mr. Kamal Amir Chinoy	1	10/-	Mr. Patrick Pang Chin Hwang	1	10/-	Mr. Shehryar Faruque	1	10/-	Syed Ahmed Iqbal Ashraf	1	10/-	TOTAL:	25,000,000	250,000,000/-	<p>Principal Shareholders</p> <p>The paid-up capital of NBP Fund Management Limited is Rs.250 million, held by :</p> <table> <tr> <th>Name</th><th>Number of Shares</th><th>Amount</th></tr> <tr> <td>National Bank of Pakistan</td><td>13,499,996</td><td>134,999,960</td></tr> <tr> <td>Baltoro Growth Fund</td><td>9,000,000</td><td>90,000,000</td></tr> <tr> <td>Dr. Amjad Waheed & Family</td><td>2,500,000</td><td>25,000,000</td></tr> <tr> <td>Shaikh Muhammad Abdul Wahid Sethi</td><td>1</td><td>10</td></tr> <tr> <td>Nasir Husain</td><td>1</td><td>10</td></tr> <tr> <td>Kamal Amir Chinoy</td><td>1</td><td>10</td></tr> <tr> <td>Shehryar Faruque</td><td>1</td><td>10</td></tr> <tr> <td>Abdul Hadi Palekar</td><td>-</td><td>-</td></tr> <tr> <td>Imran Zaffar</td><td>-</td><td>-</td></tr> <tr> <td>Ali Saigol</td><td>-</td><td>-</td></tr> <tr> <td>Humayun Bashir</td><td>-</td><td>-</td></tr> </table>	Name	Number of Shares	Amount	National Bank of Pakistan	13,499,996	134,999,960	Baltoro Growth Fund	9,000,000	90,000,000	Dr. Amjad Waheed & Family	2,500,000	25,000,000	Shaikh Muhammad Abdul Wahid Sethi	1	10	Nasir Husain	1	10	Kamal Amir Chinoy	1	10	Shehryar Faruque	1	10	Abdul Hadi Palekar	-	-	Imran Zaffar	-	-	Ali Saigol	-	-	Humayun Bashir	-	-
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Rationale

There was a change in ownership of NBP Funds. Previous shareholder Alexandra Fund Management Pte. Ltd divested its shares (36%) . These were taken up by Baltoro Growth Fund and were transferred on 8-October-2018.

3.1.1

Organization

NBP Fullerton Asset Management Limited (NAFA) is a Non-Banking Finance Company licensed to undertake Asset Management Services as per the NBFC Rules and Regulations. NAFA is the subsidiary of National Bank of Pakistan and Alexandra Fund Management Pte. Ltd., (a member of Fullerton Fund Management Group, Singapore, which in turn is a wholly owned subsidiary of Temasek Holdings, Singapore) is its foreign sponsor. NAFA's main area of business is Investment Management; more specifically floating and managing mutual funds. NAFA's vision is to establish itself as a premier Asset Management Company that capitalizes on the technical and institutional strength of its promoters to consistently offer creative and pioneering domestic and international products to meet varying needs of investors. Its mission is to rank in the top performing quartile of Asset Management Companies and to consistently offer superior risk-adjusted returns to investors.

NBP Fund Management Limited (NBP Funds) is a Non-Banking Finance Company with a license to perform Asset Management and Investment Advisory Services as per the NBFC Rules, 2003, and Pension Fund Management as per Voluntary Pension System Rules, 2005. The main sponsors of NBP Funds are National Bank of Pakistan and Baltoro Growth Fund

NBP Fund's main area of business is Investment Management; more specifically floating and managing mutual funds and pension funds, providing investment advisory, discretionary and non-discretionary portfolio management services. The company has been awarded the highest achievable investment management rating of AM1 (Very High Quality,) by PACRA. This rating is based on the company's professional management team, the sound quality of systems and processes, sponsors' strength, and performance of funds under management.

The company provides a comprehensive range of investment products and services tailored to meet its investors' individual requirements. These investment solutions include Open-Ended Mutual Funds, Pension Funds, and Investment Advisory Portfolios / Separately Managed Accounts (SMAs).

Whether you are an individual investor or a corporate entity, you can benefit from NBP Funds' expertise, reliability, and stable investment approach to professionally manage your savings and help you meet your financial goals.

Rationale

There was a change in ownership of NBP Funds. Previous shareholder Alexandra Fund Management Pte. Ltd divested its shares (36%) . These were taken up by Baltoro Growth Fund and were transferred on 8-October-2018 resulting in a change in sponsorship of NBP Funds

Annexure A	<p>Central Depository Company of Pakistan Limited Tariff Structure of Trusteeship of Open –End Mutual Funds</p> <p>The trustee remuneration shall consist of actual custodial expenses / charges plus the following tariff.</p> <table><tr><th>Net Assets (Rupees)</th><th>Tariff</th></tr><tr><td>Up to Rs 1,000 million</td><td>0.17% p.a. of Net Assets</td></tr><tr><td>On an amount exceeding Rs 1,000 million to Rs 5,000 million</td><td>Rs. 1.7 million plus 0.085% p.a. of Net Assets exceeding Rs 1,000 million.</td></tr><tr><td>On an amount exceeding Rs 5,000 million</td><td>Rs. 5.1 million plus 0.07% p.a. of Net Assets exceeding Rs 5,000 million.</td></tr></table>	Net Assets (Rupees)	Tariff	Up to Rs 1,000 million	0.17% p.a. of Net Assets	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 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 exceeding Rs 5,000 million.	<p>The trustee remuneration shall consist of actual custodial expenses / charges plus the following tariff.</p> <p>0.075% p.a of Net Assets</p>
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<p>Rationale</p> <p>CDC Trustee reduced it’s Tariff and a flat rate was introduced. The same has been incorporated in the Offering Document</p>										
Annexure B	<p>CURRENT LEVEL OF MANAGEMENT FEE</p> <p>7% of Net Income* (min: 0.5% p.a., max: 1.5% p.a)</p> <p>* Net Income = Gross Income – All expenses of the fund excluding Management Fee & related sales tax thereon.</p> <p>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.</p>	<p>6% of Net Income* (min: 0.5% p.a. of Net Assets, max: 1.5% p.a of Net Assets)</p> <p>* Net Income = Gross Income – All expenses of the fund excluding Management Fee & related sales tax thereon.</p> <p>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.</p>								
<p>Rationale</p> <p>The management decided to reduce the management fee keeping in view the fee charged by competitors . Management is of the view that a decrease in management fee would help in attracting/retaining investors</p>										

Annexure B		<p style="text-align: center;"><u>CURRENT LEVEL OF FRONT END LOAD AND BACK END LOADS</u> <u>INVESTORS WITH LIFE INSURANCE COVERAGE</u></p> <p style="text-align: center;"><u>% OF NAV</u></p> <table border="1" data-bbox="1215 272 1923 552"> <tr> <td data-bbox="1215 272 1327 378" rowspan="2">Front End Load</td><td data-bbox="1327 272 1791 378">Amount upto Rs.5 million, Front end load is</td><td data-bbox="1791 272 1923 378">0 to 3%</td></tr> <tr> <td data-bbox="1327 378 1791 483">Amount over and above Rs.5 million, Front end load is</td><td data-bbox="1791 378 1923 483">0 to 1%</td></tr> <tr> <td colspan="2" data-bbox="1215 483 1791 552">Back End Load:</td><td data-bbox="1791 483 1923 552">0%</td></tr> </table> <p>Insurance Coverage Premium</p> <p>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 cost of premium is to be borne by the investor. Such premium cost is to be deducted from the unit holder's investment on a monthly basis and deposited with the insurance company by the Management Company as per the terms and conditions of insurance coverage defined in the insurance policy document signed between the insurance company and Management Company. Acquiring Takaful Coverage is an option to the investor that he may or may not exercise.</p>	Front End Load	Amount upto Rs.5 million, Front end load is	0 to 3%	Amount over and above Rs.5 million, Front end load is	0 to 1%	Back End Load:		0%
Front End Load	Amount upto Rs.5 million, Front end load is	0 to 3%								
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<p style="text-align: center;">Rationale</p> <p>Insurance Coverage Premium</p> <p>Providing insurance option to the investors who opt for Insurance. This is an additional feature, where, investor has option to avail life insurance coverage upto 5 million by paying Premium to Insurance Company. However, the Management company does not have any share of premium paid by the investor.</p>										