

Risk Disclaimer: All Investments in mutual Fund are subject to market risks. The NAV of Units may go down or up based on the market conditions. The investors are advised in their own interest to carefully read the contents of the Offering Document, in particular the Investment Policies mentioned in clause 2, Risk Factors mentioned in clause 2.4 , Taxation Policies mentioned in Clause 7 and Warnings in Clause 11 before making any investment decision.

**15th SUPPLEMENTAL
OFFERING DOCUMENT OF
NBP BALANCED FUND**

Category of CIS	Risk Profile	Risk of Principal Erosion
Balanced	High	Principal at High risk

(An Open Ended Balanced Scheme)

MANAGED BY

NBP Fund Management Limited

W.E.F 02-FEBRUARY-2021

Existing Clause						Revised/New Clause					
2.1.1 Investment Policy						2.1.1 Investment Policy					
The Fund, in line with its Investment Objectives, will invest in Authorized Investments:						The Fund, in line with its Investment Objectives, will invest in Authorized Investments:					
Sr. No.	Description	Minimum Entity/Instrument Rating	Maximum exposure limit	Minimum exposure limit	Maximum Maturity	Sr. No.	Description	Minimum Entity/Instrument Rating	Maximum exposure limit	Minimum exposure limit	Maximum Maturity
1	Listed Equity Securities and Unlisted Equity Securities, only if an application for listing has been accepted by the Stock Exchange*	N/A	50%	30%	N/A	1	Listed Equity Securities and Unlisted Equity Securities, only if an application for listing has been accepted by the Stock Exchange*	N/A	70%	30%	N/A
2	Government/government backed Securities	AAA	60%	0%	10 years	2	Government/government backed Securities	AAA	60%	0%	10 years
3	Cash and near cash instruments which include cash in bank account (excluding TDRs), government securities not exceeding 90 days maturity	AA-	70%	10%	90 days	3	Cash and near cash instruments which include cash in bank account (excluding TDRs), government securities not exceeding 90 days maturity	AA-	70%	10%	90 days
4	• Term Deposits Receipts (with banks) • COMs / COIs / LOPs / COILs / & other Money Market Instruments	AA- for banks/DFIs AA for others	60%	0%	1 Year	4	• Term Deposits Receipts (with banks) • COMs / COIs / LOPs / COILs / & other Money Market Instruments	AA- for banks/DFIs AA for others	60%	0%	1 Year
5	Secured and Unsecured, listed or privately placed debt securities issued by local governments, government agencies, statutory bodies, private and or public sector entities and/or financial institutions.	A-	60%	0%	10 years	5	Secured and Unsecured, listed or privately placed debt securities issued by local governments, government agencies, statutory bodies, private and or public sector entities and/or financial institutions.	A-	60%	0%	10 years
6	Convertible debt securities issued by corporate / financial institutions.	A-	20%	0%	5 years	6	Convertible debt securities issued by corporate / financial institutions.	A-	20%	0%	5 years
7	Convertible and Non-Convertible preferred shares.	A-	20%	0%	5 years	7	Convertible and Non-Convertible preferred shares.	A-	20%	0%	5 years
8	Equity securities lending	N/A	10%	0%	6 months	8	Equity securities lending	N/A	10%	0%	6 months
9	Exchange traded commodity future contracts*	N/A	50%	0%	N/A	9	Exchange traded commodity future contracts*	N/A	50%	0%	N/A
10	Reverse REPOs against securities;	A-	30%	0%	6 months	10	Reverse REPOs against securities;	A-	30%	0%	6 months
11	Commercial Papers and any other money market security that may or may not be listed on the Stock Exchange	A-	60%	0%	1 year	11	Commercial Papers and any other money market security that may or may not be listed on the Stock Exchange	A-	60%	0%	1 year
12	Continuous Funding System (CFS), Spread Transactions Margin Trading System (MTS) and such similar products.	N/A	25%	0%	6 months	12	Continuous Funding System (CFS), Spread Transactions Margin Trading System (MTS) and such similar products.	N/A	25%	0%	6 months
13	Subject to SECP or other regulatory approvals, the Scheme may in foreign securities issued, listed or otherwise and traded outside Pakistan.	AA- or equivalent Where applicable	30% (subject to a cap of US\$15 million)	0%	5 years	13	Subject to SECP or other regulatory approvals, the Scheme may in foreign securities issued, listed or otherwise and traded outside Pakistan.	AA- or equivalent Where applicable	30% (subject to a cap of US\$15 million)	0%	5 years

14	Sell in the Cash-settled Futures market against a position held in the underlying security, however, the minimum 30% non-hedge exposure in equity listed securities shall be maintained at all times.	N/A	40%	0%	6 months		14	Sell in the Cash-settled Futures market against a position held in the underlying security, however, the minimum 30% non-hedge exposure in equity listed securities shall be maintained at all times.	N/A	40%	0%	6 months	
15	Any investment, which has been authorized by the commission.	AA Where Applicable	30%	0%	5 years		15	Any investment, which has been authorized by the commission.	AA Where Applicable	30%	0%	5 years	
16	Weighted Average non- equity portfolio of the Fund		N/A	N/A	2 years		16	Weighted Average non- equity portfolio of the Fund		N/A	N/A	2 years	

* Maximum combined exposure in listed equity securities and commodity contracts shall not exceed 50%.

* Maximum combined exposure in listed equity securities and commodity contracts shall not exceed 70%.

Rationale

To conform with the 'High risk' profile as per Circular 32 of 2020 as below and in line with the Regulations.

Equity Funds, Asset Allocation (with 0 - 100% Equity exposure mandate) and Balanced Funds (with 30 - 70% Equity exposure mandate), Commodity Funds, Index Trakker Funds and Sector Specific Equity related Funds.	High	Principal at high risk
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