

1ST SUPPLEMENTAL OFFERING DOCUMENT
OF INCOME PAYMENT PLAN
OF NAFA PENSION FUND

w.e.f 26-April-2021

- NBP Fullerton Asset Management Limited will now be read as “ NBP Fund Management Limited “
- www.nafafunds.com will now be read as www.nbpffunds.com

Reference	Existing Clause	Revised Clause	Rationale
2.2	Date of Retirement: The participant is required to send a notice to the Pension Fund Manager by submission of the relevant Form, in writing or in such other form which may be acceptable to the Pension Fund Manager, at least thirty days before the chosen date of retirement, stating the selected Retirement Date, and such other details as may be required by the Pension Fund Manager, from time to time.	Deleted	Thirty Days' Notice requirement omitted as S.R.O. 300 (I) /2017.

2.3(d)	No existing Clause	<u>Insertion of Text</u> At the date of retirement of the participant, where no option is selected by him/her , all the units of the sub-funds to his credit shall be redeemed at the net asset value notified at close of the day of retirement and the amount due shall be transferred to his individual pension account, in the lower volatility scheme offered by the Pension Fund Manager.	Change required as per S.R.O. 300 (I) /2017.															
5.3(A)	NAFA Monthly Income Payment Sub-Plan NAFA Monthly Income Payment Plan (NMIPP) shall invest <table><tr><th>Sub Fund</th><th>%</th></tr><tr><td>Money Market Sub Fund</td><td>80%</td></tr><tr><td>Debt Sub Fund</td><td>20%</td></tr></table> of NPF with an aim to provide regular income with increasing trend every month throughout the life of NIPP	Sub Fund	%	Money Market Sub Fund	80%	Debt Sub Fund	20%	NAFA Monthly Income Payment Plan (NMIPP) shall invest <table><tr><th>Sub Fund</th><th>Min</th><th>Max</th></tr><tr><td>Money Market Sub Fund</td><td>80%</td><td>100%</td></tr><tr><td>Debt Sub Fund</td><td>0%</td><td>20%</td></tr></table> of NPF with an aim to provide regular income with increasing trend every month throughout the life of NIPP	Sub Fund	Min	Max	Money Market Sub Fund	80%	100%	Debt Sub Fund	0%	20%	In order to facilitate the investors of Income Payment Plan in Voluntary Pension Scheme, it is decided to allow investors flexibility to invest in money market and debt sub fund
Sub Fund	%																	
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Sub Fund	Min	Max																
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5.5	<p>At the expiry of the NAFA Income Payment Plan, the participant shall have to use the outstanding balance in his/her Individual Pension Account (if any) to re-enter into a another Income Payment Plan with NAFA or another approved Pension Fund Manager or purchase an Approved Annuity Plan from a Life Insurance Company of his/her choice or any other Plan by giving a prior notice of twenty one (21) days as may be allowed by the Commission as per sub clause (2) of clause 18 of the Voluntary Pension System Rules, 2005</p> <p>.</p>	<p>At the expiry of the NAFA Income Payment Plan, the participant shall have to use the outstanding balance in his/her Individual Pension Account (if any) to re-enter into a another Income Payment Plan with NAFA or another approved Pension Fund Manager or purchase an Approved Annuity Plan from a Life Insurance Company of his/her choice or any other Plan.</p> <p>“The transfer of an individual income payment plan account from one Pension Fund Manager to another Pension Fund Manager or from one income payment plan to another income payment plan shall only take place once in a financial year and notice for the change, specifying the name of new Pension Fund Manager and the income payment plan shall be sent by the participant at least seven working days before the effective date of the proposed change.”</p>	<p>Change required as per S.R.O. 300 (I) /2017.</p>
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5.7	<p>Payment of Monthly Pension: The payment of pension under the NAFA Income Payment Plan- NAFA Monthly Income Payment Sub-Plan (NMIPP) will commence from the very next month on entering into the NAFA Income Payment Plan. The pension will be distributed to the participant by redeeming the units of the respective Funds, equal in value to the pension for the month so that after each pension payment specified allocation (NAFA Pension Fund–80% in Money Market sub-Fund and 20% in Debt sub-Fund or as changed by the PFM upon prior intimation to the participants, Trustee and SECP) in each sub-Fund is maintained at the prevailing NAV of the respective Funds at the close of the relevant Business Day of each month which NAFA has decided and which may change time to time upon prior intimation to the participants, Trustee and SECP.</p>	<p>Payment of Monthly Pension: The payment of pension under the NAFA Income Payment Plan- NAFA Monthly Income Payment Sub-Plan (NMIPP) will commence from the very next month on entering into the NAFA Income Payment Plan. The pension will be distributed to the participant by redeeming the units of the respective Funds, equal in value to the pension for the month so that after each pension payment specified allocation (NAFA Pension Fund–min 80% and max 100% in Money Market sub-Fund and min 0% and max 20% in Debt sub-Fund or as changed by the PFM upon prior intimation to the participants, Trustee and SECP) in each sub-Fund is maintained at the prevailing NAV of the respective Funds at the close of the relevant Business Day of each month which NBP Fund Management Limited has decided and which may change time to time upon prior intimation to the participants, Trustee and SECP.</p>	<p>In order to facilitate the investors of Income Payment Plan in Voluntary Pension Scheme, it is decided to allow investors flexibility to invest in money market and debt sub fund</p>
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13.1	<p>(i)The transfer of any accumulated balance in the participant’s Individual Pension Account to NAFA Income Payment Plan, offered by the Pension Fund Manager shall not be subject to withholding tax (Section 156 B (1) (b) of the Income Tax Ordinance, 2001)</p> <p>(iii) Any lump sum withdrawals in excess of 50% on retirement shall be taxable at the last 3 years’ average tax rate of the participant (Section 156 B (1) (b) of the Income Tax Ordinance, 2001)</p>	<p>(i)The transfer of any accumulated balance in the participant’s Individual Pension Account to NAFA Income Payment Plan, offered by the Pension Fund Manager shall not be subject to withholding tax.</p> <p>(iii) Any lump sum withdrawals in excess of 50% on retirement shall be taxable at the last 3 years’ average tax rate of the participant.</p>	To comply with requirements of Finance Act 2020
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