

**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 9 before making any investment decision.**

**16<sup>th</sup> SUPPLEMENTAL  
OFFERING DOCUMENT OF  
NBP ISLAMIC SAVINGS FUND  
(Formerly: NAFA Islamic Income Fund)**

Category of CIS	Risk Profile	Risk of Principal Erosion
Shariah Compliant Income	Low	Principal at low risk

**(An Open Ended Shariah Compliant Income Scheme)**

**Wakalatul Istithmar based fund**

**MANAGED BY**

**NBP Fund Management Limited**

**Duly vetted by Shari'ah Adviser namely Mufti Ehsan Waquar Ahmad**

Existing Clause						Revised/New Clause					
<b>2.1 Investment Objective</b>  The objective of NBP Islamic Savings Fund (NBP-ISF) is to earn a reasonable rate of return in a Shariah compliant manner by investing in Shariah compliant debt securities, money markets instruments, and bank deposits.						<b>2.1 Investment Objective</b>  The objective of NBP Islamic Savings Fund (NBP-ISF) is to earn a reasonable rate of return in a Shariah compliant manner by investing <b>primarily</b> in Shariah compliant <b>money markets instruments and bank deposits</b> .					
<b>Rationale</b>  Removal of ‘debt securities’ as per the revised Authorized Investments.											
<b>Authorized Investments</b>						<b>Authorized Investments</b>					
Sr. No.	Description	Minimum Entity / Instrument Rating	Maximum	Minimum	Maximum Maturity	Sr. No.	Description	Minimum Entity / Instrument Rating	Maximum	Minimum	Maximum Maturity
1	Shariah compliant Government Securities	n/a	75%	0%	10 years	1	Shariah compliant Government securities <b>/Government backed Sukuks</b>	n/a	75%	0%	<b>6 months</b>
2	Riba free deposits (excluding TDRs) with Islamic banks and / or Islamic branches /windows of conventional banks and Ijarah Sukuk of less than 90 days maturity	A-	100%	25%	n/a	2	Riba free deposits (excluding TDRs) with Islamic banks and / or Islamic branches /windows of conventional banks and GOP Ijara Sukuk of less than 90 days maturity	<b>A</b>	100%	25%	n/a
3	Riba free term deposits with Islamic banks and / or branches /windows of other banks.	A-	25% 15%	0%	Upto 6 months Exceeding 6 months	3	Riba free term deposits with Islamic banks and / or branches /windows of other banks;  <b>Shariah Complaint money market instruments/placements such as COM, COII, LOPs etc with financial institutions</b>	<b>A for banks AA- and above (AA category) for others</b>	<b>75%</b> 15%	0%	Upto 6 Months Exceeding 6 months
4	Shariah Complaint money market instruments/placements such as COII, LOPs etc with financial institutions	A-	75% 15%	0%	Upto 6 Months Exceeding 6 months		<b>(removed)</b>				
5	Shariah Complaint debt securities	A-	75%	0%	10 years	4	<b>Shariah Compliant Commercial Papers, short term sukuks, etc and any other money market securities;</b>	<b>AA- and above (AA category)</b>	<b>75%</b>	<b>0%</b>	<b>1 year</b>
6	Shariah Compliant Spread Transactions	N/A	40%	0%	Upto 6 months	5	Shariah Compliant <b>MTS or equivalent</b>	N/A	40%	0%	Upto 6 months
7	Any other investment avenue that may be permitted or approved by the SECP and the Shariah Advisor from time to time	A-	20%	0%	5 years	6	Any other investment avenue that may be permitted or approved by the SECP and the Shariah Advisor from time to time	<b>AA- and above (AA category)</b>	20%	0%	<b>1 year</b>
<b>In line with SECP Direction No, 37 of 2016, the Fund shall not place funds (including TDR, PLS saving deposit, COD, COM, COI, money market placements &amp; other clean placements of funds) of more than 25% of Net Assets of the Fund with all microfinance banks, non-banking finance companies and Modarabas.</b>											

## Rationale

To conform with the 'Low' risk profile as per Circular 2 of 2020 as below and in line with the Regulations.

Capital Protected Funds(non-equity), Income funds with investment in A or above rated banks, money market instruments (AA category and above) and investment in up to 6 months floating rate govt securities or govt backed sukuks, MTS.	Low	Principal at low risk
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### 2.3 Investment Restrictions

- xxi. Exposure Sharia Compliant Spreads shall not exceed 40% of Net Assets;
- xxvii. Rating of any NBFC and Modaraba with which Funds are placed shall not be lower than A-;
- xxviii. Rating of any bank or DFI with which Funds are placed shall not be lower than A-

### 2.3 Investment Restrictions

- xxi. Exposure in Sharia Compliant MTS shall not exceed 40% of Net Assets;
- xxvii. Rating of any DFI, NBFC and Modaraba with which Funds are placed shall not be lower than AA- (AA category);
- xxviii. Rating of any bank with which Funds are placed shall not be lower than A

## Rationale

Restrictions amended to be consistent with the changes made in Authorized Investments and in line with the Circular 2 of 2020 and Regulations.

### 4.5.5 Minimum Amount of Investment

Initially Units shall be issued at Par Value of Rs 10/- with a minimum investment size of Rs.10,000/- (Rupees Ten Thousand only) and thereafter the minimum amount for investment would be of Rs. 1,000/- (Rupees One Thousand only) per transaction, at applicable NAV or purchase price, other than reinvestment of Dividend and Bonus Units. The Management Company reserves the right to alter the minimum amounts stated hereinabove after giving thirty days prior notice to the Unit Holders. However, enhancement in current minimum monetary investments shall not take effect retrospectively.

### 4.5.5 Minimum Amount of Investment

Initially Units shall be issued at Par Value of Rs 10/- with a minimum investment size of Rs.1,000/- (Rupees Ten Thousand only) and thereafter the minimum amount for investment would be of Rs. 100/- (Rupees One Thousand only) per transaction, at applicable NAV or purchase price, other than reinvestment of Dividend and Bonus Units. The Management Company reserves the right to alter the minimum amounts stated hereinabove after giving thirty days prior notice to the Unit Holders. However, enhancement in current minimum monetary investments shall not take effect retrospectively.

## Rationale

We have obtained approval of online Account Opening and investment, where, the investor can open an account with Rs.1,000. The changes are made to align this document with online investment approval.

<p><b>4.3 Purchase and Redemption of Units</b></p> <p>a) Units are purchased at the Offer Price and redeemed at the Redemption Price at any of the Authorized Distribution Offices during business hours on any Dealing Day in accordance with the procedure set out in Clauses 4.4 and 4.5 of this Offering Document.</p> <p>b) During the period the register is closed, as mentioned in Clauses 4.8 and 5.8 of this Offering Document, the sale and redemption of Units will be suspended.</p>	<p><b>4.3 Purchase and Redemption of Units</b></p> <p>(a) Units are purchased at the Offer Price and redeemed at the Redemption Price at any of the Authorized Distribution Offices during Business Hours on any Dealing Day in accordance with the procedure set out in of this Offering Document.</p> <p>(b) Units of the Scheme shall be allocated on the basis of Purchase (Offer) Price applicable on the date of realization of subscription money into the bank account of the Scheme. Whereas the Units of the Scheme shall be redeemed on the basis of Redemption Price known (backward price) at the time of receipt of application during Business Hours on any Dealing Day</p>
<p><b>Rationale</b></p> <p>To Align with the Standard Offering Document ( pertaining to Backward pricing ) as approved by CDC and SECP</p>	
<p><b>4.5.6 Determination of Purchase (Public Offer) Price</b></p> <p>(c) The Purchase (Offer) Price shall be equal to the sum of:</p> <p>(i) The Net Asset Value as of the close of the Business Day (Forward pricing)s;</p>	<p><b>4.5.6 Determination of Purchase (Public Offer) Price</b></p> <p>(c) The Purchase (Offer) Price shall be equal to the sum of:</p> <p>(i) The Net Asset Value as of the close of the Business Day (Backward pricing)s;</p>
<p><b>Rationale</b></p> <p>As we are moving toward digital / online redemptions where, the Management is willing to give option to the investor to redeem 100% of his/her balance without any delay.</p>	
<p><b>4.5.6 Determination of Purchase (Public Offer) Price</b></p> <p>If such price exceed or falls short of the current value of the underlying assets by more than five percent based on information available, the assets Management Company shall defer dealing and calculate a new price and this new price would be applicable for dealing of units.</p>	<p><b>4.5.6 Determination of Purchase (Public Offer) Price</b></p> <p>If such price exceed or falls short of the current value of the underlying assets by more than two percent based on information available, the assets Management Company shall defer dealing and calculate a new price and this new price would be applicable for dealing of units.</p>
<p><b>Rationale</b></p> <p>In order to restrict the abnormal fluctuations and undue advantage to the new investors.</p>	

Note : **Swift Pay timings applicable for the Fund are as follows**

*Monday to Friday : 09:30 AM to 4:30PM*

*Saturday : Closed*