



# GIPS PERFORMANCE PRESENTATION

**December 31, 2013**

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## Al Meezan Investment Management Limited

### GIPS Compliant Presentation

#### Equity Composite

For the Period from June 28, 2009 to December 31, 2013

Composite Name: Al-Meezan Equity Composite		Creation Date : 30 June 2008						
Benchmark: KMI30 Index		Currency : Pak Rupees						
Period	Composite Return	Benchmark Return	Composite - STDEV	Benchmark - STDEV	No. of Portfolios	Total Firm Assets (mn)	Composite Assets (mn)	% of Firm Assets
1HFY14	13.85%	15.57%	15.50%	17.71%	5	48,249	17,357	36.0%
FY13	51.57%	54.41%	15.26%	17.22%	5	46,162	14,867	32.2%
FY12	18.14%	13.57%	16.37%	18.44%	5	38,889	9,277	23.9%
FY11	39.82%	43.66%	33.53%	33.45%	5	29,740	7,736	26.0%
FY10	33.01%	36.87%	34.66%	34.50%	5	16,788	6,390	38.1%
FY09	-29.91%	-35.44%			5	11,296	5,709	50.5%

- All returns are in PKR terms

#### Compliance Statement

Al Meezan Investment Management Ltd (Al Meezan) claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared this report in compliance with the GIPS standards. Al Meezan has been independently verified by KPMG Taseer Hadi & Co for the periods July 2012 to June 2013. The verification report will be available on request. Verification assesses whether

- the firm has complied with all the composite construction requirements of the GIPS standards on a firm -wide basis and
  - the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards.
- Verification does not ensure the accuracy of any specific composite presentation.



## **Definition of the Firm**

Al Meezan Investment Management Ltd is a joint venture of Meezan Bank (MBL) and Pak Kuwait Investment Company (PKIC), licensed to undertake asset management and investment advisory services by the Security & Exchange Commission of Pakistan (SECP). The Firm includes all funds under management; and all fee paying and non-fee paying discretionary and non-discretionary portfolios.

## **Policies**

Al Meezan's policies for valuing portfolios, calculating performance and preparing compliant presentations are available on request.

## **Composite Description**

Equity Composite includes the Equity Mutual Funds that aim to provide investors with maximum total return from investment in "Shariah Compliant" investments for the given level of risk. A list of all portfolios in the Composite will be available upon request.

## **Benchmark**

The Benchmark for this Composite is KSE Meezan 30 Index (KMI-30).

*The KMI-30 replaced Dow Jones-JS Pakistan Islamic Index (DJIIMPK) as the Fund's benchmark from July 01, 2009 onwards, for those mutual funds which used the DJIIMPK benchmark.*

## **List of Composites**

A list of all composite description is available upon request.

## **Significant Events**

1. On August 5, 2011, one of the portfolios, Al Meezan Mutual Fund, was converted from close-end fund to open-end mutual fund.
2. Effective from 01 July 2011, through Sindh Sales Tax on Services Act 2011, general sales tax on fund management services has been imposed at the rate 16% effective July 1, 2011. Management fee charged during the period includes general sales tax.

## **Fees**

All returns in this presentation are net of all expenses, which include the Management Fee and Trading Expenses.

## **Fee Schedule**

Management fee of individual portfolios within the Al Meezan Equity Composite are given below:

Al Meezan Mutual Fund	2%
Meezan Islamic Fund	2%
Meezan Tahaffuz Pension Fund – Equity sub Fund	1.50%
Separately Managed Accounts	Different Fees

*There is currently no Back-end load.*

## **Provision for WWF**

Provision for Workers Welfare Fund (WWF) liability has been made by the respective funds. Details appear below:

<b>Portfolio</b>	<b>Provision for WWF (Rs. In million)</b>
MIF	89.30
AMMF	24.53
MTPF-Equity Sub Fund	3.74

## **Minimum Portfolio Size**

The minimum portfolio size for inclusion in the composite is Rs 100 Million per Fund, which is also a regulatory requirement for starting and managing a Fund.



The minimum portfolio size for separately managed account (SMA) inclusion in the composite is Rs 25 Million per Fund.

### **Internal Dispersion**

Internal dispersion is calculated using the equal-weighted standard deviation of annual net returns of those portfolios that were included in the composite for the entire year.

<b>Internal Dispersion</b>	
1HFY14	1.22%
FY13	0.70%
FY12	1.60%
FY11	0.53%
FY10	1.01%
FY09	7.33%

### **Key Assumptions**

Following are the Key assumptions used in portfolio valuation:

### **Financial instruments**

All the financial assets and liabilities are recognized at the time when the Portfolio becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the contractual rights to receive cash flows related to the asset expire. Financial liabilities are derecognized when they are extinguished, that is, when the obligation specified in the contract is discharged, cancelled, or expires. Any gain or loss on derecognizing of the financial assets and liabilities is taken to the income statement in the period in which it arises.

### **Revenue recognition**

Capital gains on sale of a security are accounted for in the period in which they arise. Dividend income is recognized when the right to receive them is established. Income on bank deposits is recognized on accrual basis.

## **Propriety assets in the Composite**

The composite contains investment of Al Meezan, its Management and that of discretionary portfolios.

## **Liability for Income Tax**

Under the Tax Law in Pakistan, the definition of a public company includes a trust formed under any law for the time being in force. The Funds in the Composite are regarded as a public company liable to a tax rate applicable to a public company. The income of the Fund will accordingly be taxed at the following rates:

1. Dividend income at 10%;
2. Capital Gains Tax as applicable according to the relevant law
3. Return from all other sources / instruments are taxable at the rate applicable to a public company.

## **Liability for Income Tax, if ninety percent (90%) of the Fund is paid as dividends**

Notwithstanding the tax rate as per applicable Tax Laws of Pakistan, income from the Fund will be exempted from tax if not less than 90% of the income for the year as reduced by capital gains whether realized or unrealized is distributed amongst the Unit Holders as dividend.

The Funds distributes not less than 90% of its income received or derived from sources other than unrealized capital gains as reduced by such expenses as are chargeable to the Fund.

## **Withholding Tax**

Under the provision of Clouse 47(B) of part (IV) of second schedule of the income Tax Ordinance 2001, the income from dividend from (Shariah compliant term finance certificates, Sukuks, return on (Riba free) deposits with banks/financial institutions, return from contracts, securities or instruments of companies, organizations and establishments will not be subject to any withholding tax.

## **Taxation of Unit Holders & Liability of Zakat**

- a) Withholding tax

Unless exempt from such taxation by applicable law or international agreement, the withholding tax on dividend payment will be as under:

- Public Companies & Takaful companies 10%

- Others 10%

In terms of the provisions of the Income Tax Ordinance, 2001, the withholding tax shall deem to be full and final liability in respect of such distribution for individuals.

b) Capital gains

Capital Gains on disposition of units in the Fund will be subject to capital gains tax at the applicable tax rates.

Any person, if not satisfied with the computation of capital gain or tax thereon or both made by Management Company in accordance with applicable tax laws, such person may re-compute the capital gain and lodge claim of refund, if any, with the Commissioner of income tax and the Management Company is not liable for any refund of the amount of tax.

c) Zakat Levy

In view of individual nature of tax consequences, each investor is advised to consult with his tax advisor with respect to the specific tax consequences to him of investing in the funds in the Composite.



Pure. Profit.

# Al Meezan Investment Management Limited

## Al Meezan Investment Management Limited

### GIPS Compliant Presentation

#### Money Market Composite

For the Period from June 28, 2009 to December 31, 2013

Composite Name: Al-Meezan Money Market Composite						Creation Date : 30 June 2008		
Benchmark: 6 Month Bank Deposits						Currency : Pak Rupees		
Period	Composite Return	Benchmark Return	Composite - STDEV	Benchmark - STDEV	No. of Portfolios	Total Firm Assets (mn)	Composite Assets (mn)	% of Firm Assets
1HFY14	3.65%	3.20%	0.21%	0.22%	<5	48,249	6,107	12.7%
FY13	8.76%	6.87%	0.18%	0.19%	<5	46,162	6,813	14.8%
FY12	10.55%	8.11%	0.10%	0.10%	<5	38,889	7,630	19.6%
FY11	11.00%	8.28%	0.25%	0.22%	<5	29,740	6,049	20.3%
FY10	10.10%	7.49%	0.22%	0.31%	<5	16,788	5,299	31.6%
FY09	10.55%	6.30%			<5	11,296	62	0.5%
FY08	7.75%	5.75%			<5	16,051	55	0.3%

All returns are in PKR terms

#### **Compliance Statement**

Al Meezan Investment Management Ltd (Al Meezan) claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared this report in compliance with the GIPS standards. Al Meezan has been independently verified by KPMG Taseer Hadi & Co for the periods July 2012 to June 2013. The verification report will be available on request. Verification assesses whether

- (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm -wide basis and
- (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards.

Verification does not ensure the accuracy of any specific composite presentation.





## **Definition of the Firm**

Al Meezan Investment Management Ltd is a joint venture of Meezan Bank (MBL) and Pak Kuwait Investment Company (PKIC), licensed to undertake asset management and investment advisory services by the Security & Exchange Commission of Pakistan (SECP). The Firm includes all Funds under management; and all fee paying and non-fee paying discretionary and non-discretionary portfolios.

## **Policies**

Al Meezan's policies for valuing portfolios, calculating performance and preparing compliant presentations are available on request.

## **Composite Description**

Money Market Composite includes the Money Market Mutual Funds that provide maximum possible preservation of capital and a reasonable rate of return by investing primarily in liquid Shariah compliant money market & Shariah compliant debt securities. A list of all portfolios in the Composite will be available upon request.

## **Benchmark**

The Benchmark for this Composite is average return on Islamic Banking deposits with maturity of six months.

## **List of Composites**

A list of all composite description is available upon request.

## **Significant Events**

1. Effective from 01 July 2011, through Sindh Sales Tax on Services Act 2011, general sales tax on fund management services has been imposed at the rate 16% effective July 1, 2011. Management fee charged during the period includes general sales tax.

## **Fees**

All returns in this presentation are net of all expenses, which include the Management Fee and Trading Expenses.

## **Fee Schedule**

Management fee of individual portfolios within the Money Market Composite are given below:

Meezan Cash Fund	1.00%
Meezan Tahaffuz Pension Fund - Money Market sub Fund	1.50%

*There is currently no Back-end load, other than 0.1% on MCF, if it is redeemed within 3 days.*

## **Provision for WWF**

Provision for Workers Welfare Fund (WWF) liability has been made by the respective funds. Details appear below:

<b>Portfolio</b>	<b>Provision for WWF (Rs. In million)</b>
MCF	50.55
MTPF-MM sub fund	0.98

## **Minimum Portfolio Size**

The minimum portfolio size for inclusion in the composite is Rs 100 Million per Fund, which is also a regulatory requirement for starting a Fund.

The minimum portfolio size for separately managed account (SMA) inclusion in the composite is Rs 25 Million per Fund.

## **Internal Dispersion**

Since the number of Portfolios in the composite is less than five, therefore calculation of internal dispersion is not required.

## **Key Assumptions**

Following are the Key assumptions used in portfolio valuation:



## **Financial instruments**

All the financial assets and liabilities are recognized at the time when the Portfolio becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the contractual rights to receive cash flows related to the asset expire. Financial liabilities are derecognized when they are extinguished, that is, when the obligation specified in the contract is discharged, cancelled, or expires. Any gain or loss on derecognizing of the financial assets and liabilities is taken to the income statement in the period in which it arises.

## **Revenue recognition**

Capital gains on sale of a security are accounted for in the period in which they arise. Dividend income is recognized when the right to receive them is established. Income on bank deposits is recognized on accrual basis.

## **Subjective Unobservable input**

Al Meezan uses (where applicable) subjective inputs for valuing Sukuks in its Collective Investment Schemes and discretionary accounts. The criteria for valuation are in accordance with Circular 1 of 2009, Circular 33 and circular 35, 2012 and "Provisioning Policy" available on the Company's website.

## **Propriety assets in the Composite**

The composite contains investment of Al Meezan, its Management and that of discretionary portfolios.

## **Liability for Income Tax**

Under the Tax Law in Pakistan, the definition of a public company includes a trust formed under any law for the time being in force. The Funds in the Composite are regarded as a public company liable to a tax rate applicable to a public company. The income of the Fund will accordingly be taxed at the following rates:

1. Dividend income at 10%;
2. Capital Gains Tax as applicable according to the relevant law
3. Return from all other sources / instruments are taxable at the rate applicable to a public company.

## **Liability for Income Tax, if ninety percent (90%) of the Fund is paid as dividends**

Notwithstanding the tax rate as per applicable Tax Laws of Pakistan, income from the Fund will be exempted from tax if not less than 90% of the income for the year as reduced by capital gains whether realized or unrealized is distributed amongst the Unit Holders as dividend.

The Fund will distribute not less than 90% of its income received or derived from sources other than unrealized capital gains as reduced by such expenses as are chargeable to the Fund.

## **Withholding Tax**

Under the provision of Clouse 47(B) of part (IV) of second schedule of the income Tax Ordinance 2001, the income from dividend from (Shariah compliant term finance certificates, Sukuks, return on (Riba free) deposits with banks/financial institutions, return from contracts, securities or instruments of companies, organizations and establishments will not be subject to any withholding tax.

## **Taxation of Unit Holders & Liability of Zakat**

### a) Withholding tax

Unless exempt from such taxation by applicable law or international agreement, the withholding tax on dividend payment will be as under:

- Public Companies & Takaful companies 10%
- Others 10%

In terms of the provisions of the Income Tax Ordinance, 2001, the withholding tax shall deem to be full and final liability in respect of such distribution for individuals.

### b) Capital gains

Capital Gains on disposition of Units in the Fund will be subject to capital gains tax at the applicable tax rates.

Any person, if not satisfied with the computation of capital gain or tax thereon or both made by Management Company in accordance with applicable tax laws, such person may re-compute the capital gain and lodge claim of refund, if any, with the Commissioner of income tax and the Management Company is not liable for any refund of the amount of tax.

### c) Zakat Levy

In view of individual nature of tax consequences, each investor is advised to consult with his tax advisor with respect to the specific tax consequences to him of investing in the funds in the Composite.



## Al Meezan Investment Management Limited

### GIPS Compliant Presentation

#### Fixed Income Composite

For the Period from June 28, 2009 to December 31, 2013

Composite Name: Al-Meezan Fixed Income Composite						Creation Date : 30 June 2008		
Benchmark: Average Bank Deposits						Currency : Pak Rupees		
Period	Composite Return	Benchmark Return	Composite - STDEV	Benchmark - STDEV	No. of Portfolios	Total Firm Assets (mn)	Composite Assets (mn)	% of Firm Assets
1HFY14	4.93%	2.59%	2.82%	0.13%	<5	48,249	3,648	7.6%
FY13	13.34%	5.51%	2.94%	0.12%	<5	46,162	3,285	7.1%
FY12	7.86%	6.02%	2.96%	0.05%	<5	38,889	1,541	4.0%
FY11	11.65%	5.88%	4.75%	0.09%	<5	29,740	2,686	9.0%
FY10	7.59%	5.80%	4.62%	0.09%	<5	16,788	3,493	20.8%
FY09	10.11%	6.12%			<5	11,296	4,943	43.8%

All returns are in PKR terms

#### **Compliance Statement**

Al Meezan Investment Management Ltd (Al Meezan) claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared this report in compliance with the GIPS standards. Al Meezan has been independently verified by KPMG Taseer Hadi & Co for the periods July 2012 to June 2013. The verification report will be available on request. Verification assesses whether

- (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm -wide basis and
- (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards.

Verification does not ensure the accuracy of any specific composite presentation.



## **Definition of the Firm**

Al Meezan Investment Management Ltd is a joint venture of Meezan Bank (MBL) and Pak Kuwait Investment Company (PKIC), licensed to undertake asset management and investment advisory services by the Security & Exchange Commission of Pakistan (SECP). The Firm includes all Funds under management; and all fee paying and non-fee paying discretionary and non-discretionary portfolios.

## **Policies**

Al Meezan's policies for valuing portfolios, calculating performance and preparing compliant presentations are available on request.

## **Composite Description**

Fixed Income Composite includes the fixed income mutual funds that aim to provide investors with a high and stable rate of current income consistent with long-term preservation of capital in a Shariah compliant way. A secondary objective is to take advantage of opportunities to realize capital appreciation. The Funds in the composite seeks to provide the investors with a rate of total return consistent with a broadly diversified portfolio of long, medium and short term, high quality Islamic income instruments. A list of all portfolios in the Composite will be available upon request.

## **Benchmark**

The Benchmark for this Composite is average return on six month Islamic Banking deposits of Islamic Banks with a minimum rating of A-(A-minus).

## **List of Composites**

A list of all composite description is available upon request.

## **Significant Events**

1. SECP issued circular no. 1 dated January 2009 regarding Valuation of Debt Securities and Provisioning Criteria of Debt securities. Further amendments to this circular were carried out vide circular 33 and circular 35 of 2012. The provisioning policy of Al-Meezan is in accordance with the circulars issued by the SECP. The debt securities held by Collective Investment Schemes managed by Al-Meezan were marked down (in 2008) to reflect new changes accordingly.



- Effective from 01 July 2011, through Sindh Sales Tax on Services Act 2011, general sales tax on fund management services has been imposed at the rate 16% effective July 1, 2011. Management fee charged during the period includes general sales tax.

## **Fees**

All returns in this presentation are net of all expenses, which include the Management Fee and Trading Expenses.

## **Fee Schedule**

Management fee of individual portfolios within the Fixed Income Composite are given below:

Meezan Islamic Income Fund	1.50%
Meezan Tahaffuz Pension Fund - Debt sub Fund	1.5

There is currently no Back-end load.

## **Provision for WWF**

Provision for Workers Welfare Fund (WWF) liability has been made by the respective funds. Details appear below:

<b>Portfolio</b>	<b>Provision for WWF (Rs. In million)</b>
MIIF	31.91
MTPF-Debt sub fund	1.60

## **Minimum Portfolio Size**

The minimum portfolio size for inclusion in the composite is Rs 100 Million per Fund, which is also a regulatory requirement for starting a Fund.

The minimum portfolio size for separately managed account (SMA) inclusion in the composite is Rs 25 Million per Fund.



## **Internal Dispersion**

Since the number of Portfolios in the composite is less than five therefore calculation of internal dispersion is not required.

## **Key Assumptions**

Following are the key assumptions used in portfolio valuation:

## **Financial instruments**

All the financial assets and liabilities are recognized at the time when the Portfolio becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the contractual rights to receive cash flows related to the asset expire. Financial liabilities are derecognized when they are extinguished, that is, when the obligation specified in the contract is discharged, cancelled, or expires. Any gain or loss on derecognizing of the financial assets and liabilities is taken to the income statement in the period in which it arises.

## **Revenue recognition**

Capital gains on sale of a security are accounted for in the period in which they arise. Dividend income is recognized when the right to receive them is established. Income on bank deposits is recognized on accrual basis.

## **Subjective Unobservable input**

Al Meezan uses (where applicable) subjective inputs for valuing Sukuks in its Collective Investment Schemes and discretionary accounts. The criteria for valuation are in accordance with Circular 1 of 2009, Circular 33 and circular 35, 2012 and "Provisioning Policy" available on the Company's website.

## **Propriety assets in the Composite**

The composite contains investment of Al Meezan, its Management and that of discretionary portfolios.

## **Liability for Income Tax**

Under the Tax Law in Pakistan, the definition of a public company includes a trust formed under any law for the time being in force. The Funds in the Composite are regarded as a public company liable to a tax rate applicable to a public company. The income of the Fund will accordingly be taxed at the following rates:





1. Dividend income at 10%;
2. Capital Gains Tax as applicable according to the relevant law
3. Return from all other sources / instruments are taxable at the rate applicable to a public company.

### **Liability for Income Tax, if ninety percent (90%) of the Fund is paid as dividends**

Notwithstanding the tax rate as per applicable Tax Laws of Pakistan, income from the Fund will be exempted from tax if not less than 90% of the income for the year as reduced by capital gains whether realized or unrealized is distributed amongst the Unit Holders as dividend.

The Fund will distribute not less than 90% of its income received or derived from sources other than unrealized capital gains as reduced by such expenses as are chargeable to the Fund.

### **Withholding Tax**

Under the provision of Clouse 47(B) of part (IV) of second schedule of the income Tax Ordinance 2001, the income from dividend from (Shariah compliant term finance certificates, Sukuks, return on (Riba free) deposits with banks/financial institutions, return from contracts, securities or instruments of companies, organizations and establishments will not be subject to any withholding tax.

### **Taxation of Unit Holders & Liability of Zakat**

#### a) Withholding tax

Unless exempt from such taxation by applicable law or international agreement, the withholding tax on dividend payment will be as under:

- Public Companies & Takaful companies 10%
- Others 10%

In terms of the provisions of the Income Tax Ordinance, 2001, the withholding tax shall deem to be full and final liability in respect of such distribution for individuals.

#### b) Capital gains

Capital Gains on disposition of Units in the Fund will be subject to capital gains tax at the applicable tax rates.



Any person, if not satisfied with the computation of capital gain or tax thereon or both made by Management Company in accordance with applicable tax laws, such person may re-compute the capital gain and lodge claim of refund, if any, with the Commissioner of income tax and the Management Company is not liable for any refund of the amount of tax.

c) Zakat Levy

In view of individual nature of tax consequences, each investor is advised to consult with his tax advisor with respect to the specific tax consequences to him of investing in the funds in the Composite.



## Al Meezan Investment Management Limited

### GIPS Compliant Presentation

#### Sovereign Composite

For the Period from June 28, 2009 to December 31, 2013

Composite Name: Al-Meezan Sovereign Composite					Creation Date : 30 June 2008			
Benchmark: 6Month Bank Deposits					Currency : Pak Rupees			
Period	Composite Return	Benchmark Return	Composite - STDEV	Benchmark - STDEV	No. of Portfolios	Total Firm Assets (mn)	Composite Assets (mn)	% of Firm Assets
1HFY14	4.23%	2.59%	0.49%	0.13%	<5	48,249	19,500	40.4%
FY13	9.11%	5.51%	0.44%	0.12%	<5	46,162	19,654	42.6%
FY12	11.14%	6.02%			<5	38,889	19,709	50.7%
FY11	11.40%	5.88%			<5	29,740	12,546	42.2%

All returns are in PKR terms

#### **Compliance Statement**

Al Meezan Investment Management Ltd (Al Meezan) claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared this report in compliance with the GIPS standards. Al Meezan has been independently verified by KPMG Taseer Hadi & Co for the periods July 2012 to June 2013. The verification report will be available on request. Verification assesses whether

- (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm -wide basis and
- (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards.

Verification does not ensure the accuracy of any specific composite presentation.

#### **Definition of the Firm**

Al Meezan Investment Management Ltd is a joint venture of Meezan Bank (MBL) and Pak Kuwait Investment Company (PKIC), licensed to undertake asset management and investment advisory services by the Security & Exchange Commission of Pakistan (SECP). The Firm includes all Funds under management; and all fee paying and non-fee paying discretionary and non-discretionary portfolios.



## **Policies**

Al Meezan’s policies for valuing portfolios, calculating performance and preparing compliant presentations are available on request.

## **Composite Description**

Sovereign Composite includes the Fixed Income Mutual Funds that aim to seek maximum possible preservation of capital and a reasonable rate of return by investing primarily in Government Securities. A list of all portfolios in the Composite will be available upon request.

## **Benchmark**

The Benchmark for this Composite is average return on Islamic Banking deposits with maturity of six months.

## **List of Composites**

A list of all composite description is available upon request.

## **Significant Events**

1. SECP issued circular no. 1 dated January 2009 regarding Valuation of Debt Securities and Provisioning Criteria of Debt securities. Further amendments to this circular were carried out vide circular 33 and circular 35 of 2012. The provisioning policy of Al-Meezan is in accordance with the circulars issued by the SECP. The debt securities held by Collective Investment Schemes managed by Al-Meezan were marked down (in 2008) to reflect new changes accordingly.
2. Effective from 01 July 2011, through Sindh Sales Tax on Services Act 2011, general sales tax on fund management services has been imposed at the rate 16% effective July 1, 2011. Management fee charged during the period includes general sales tax.

## **Fees**

All returns in this presentation are net of all expenses, which include the Management Fee and Trading Expenses.

## **Fee Schedule**

Management fee of individual portfolios within the Composite are given below:

<hr/>	
Meezan Sovereign Fund	1.00%
<hr/>	

*There is currently no Back-end load.*

### **Provision for WWF**

Provision for Workers Welfare Fund (WWF) liability has been made by the respective funds. Details appear below:

<b>Portfolio</b>	<b>Provision for WWF (Rs. In million)</b>
MSF	105.03

### **Minimum Portfolio Size**

The minimum portfolio size for inclusion in the composite is Rs 100 Million per Fund, which is also a regulatory requirement for starting a Fund.

The minimum portfolio size for separately managed account (SMA) inclusion in the composite is Rs 25 Million per Fund.

### **Internal Dispersion**

Since the number of Portfolios in the composite is less than five therefore calculation of internal dispersion is not required.

### **Key Assumptions**

Following are the Key assumptions used in portfolio valuation:

#### **Financial instruments**

All the financial assets and liabilities are recognized at the time when the Portfolio becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the contractual rights to receive cash flows related to the asset expire. Financial liabilities are derecognized when they are extinguished, that is, when the obligation specified in the contract is discharged, cancelled, or expires. Any gain or loss on derecognizing of the financial assets and liabilities is taken to the income statement in the period in which it arises.

#### **Revenue recognition**

Capital gains on sale of a security are accounted for in the period in which they arise. Dividend income is recognized when the right to receive them is established. Income on bank deposits is recognized on accrual basis.

### **Subjective Unobservable input**

Al Meezan uses (where applicable) subjective inputs for valuing Sukuks in its Collective Investment Schemes and discretionary accounts. The criteria for valuation are in accordance with Circular 1 of 2009, Circular 33 and circular 35, 2012 and "Provisioning Policy" available on the Company's website.

### **Propriety assets in the Composite**

The composite contains investment of Al Meezan, its Management and that of discretionary portfolios.

### **Liability for Income Tax**

Under the Tax Law in Pakistan, the definition of a public company includes a trust formed under any law for the time being in force. The Funds in the Composite are regarded as a public company liable to a tax rate applicable to a public company. The income of the Fund will accordingly be taxed at the following rates:

1. Dividend income at 10%;
2. Capital Gains Tax as applicable according to the relevant law
3. Return from all other sources / instruments are taxable at the rate applicable to a public company.

### **Liability for Income Tax, if ninety percent (90%) of the Fund is paid as dividends**

Notwithstanding the tax rate as per applicable Tax Laws of Pakistan, income from the Fund will be exempted from tax if not less than 90% of the income for the year as reduced by capital gains whether realized or unrealized is distributed amongst the Unit Holders as dividend.

The Fund will distribute not less than 90% of its income received or derived from sources other than unrealized capital gains as reduced by such expenses as are chargeable to the Fund.

### **Withholding Tax**

Under the provision of Clouse 47(B) of part (IV) of second schedule of the income Tax Ordinance 2001, the Fund's income from dividend from (Shariah compliant term finance certificates, Sukuks, return on (Riba free) deposits with banks/financial institutions, return from contracts, securities or instruments of companies, organizations and establishments will not be subject to any withholding tax.

## **Taxation of Unit Holders & Liability of Zakat**

### a) Withholding tax

Unless exempt from such taxation by applicable law or international agreement, the withholding tax on dividend payment will be as under:

- Public Companies & Takaful companies 10%
- Others 10%

In terms of the provisions of the Income Tax Ordinance, 2001, the withholding tax shall deem to be full and final liability in respect of such distribution for individuals.

### b) Capital gains

Capital Gains on disposition of Units in the Fund will be subject to capital gains tax at the applicable tax rates.

Any person, if not satisfied with the computation of capital gain or tax thereon or both made by Management Company in accordance with applicable tax laws, such person may re-compute the capital gain and lodge claim of refund, if any, with the Commissioner of income tax and the Management Company is not liable for any refund of the amount of tax.

### c) Zakat Levy

In view of individual nature of tax consequences, each investor is advised to consult with his tax advisor with respect to the specific tax consequences to him of investing in the funds in the Composite.



## Al Meezan Investment Management Limited

### GIPS Compliant Presentation

#### Balanced Composite

For the Period from June 28, 2009 to December 31, 2013

Composite Name: Al-Meezan Balanced Composite		Creation Date : 30 June 2008						
Benchmark: 50% KMI-30 Index and 50% Average Bank Deposits		Currency : Pak Rupees						
Period	Composite Return	Benchmark Return	Composite - STDEV	Benchmark - STDEV	No. of Portfolios	Total Firm Assets (mn)	Composite Assets (mn)	% of Firm Assets
1HFY14	8.42%	9.08%	9.05%	8.85%	<5	48,249	2,085	4.3%
FY13	32.67%	29.96%	8.85%	8.60%	<5	46,162	2,121	4.6%
FY12	16.05%	9.79%	9.17%	9.21%	<5	38,889	1,625	4.2%
FY11	25.43%	24.77%	18.36%	16.72%	<5	29,740	1,523	5.1%
FY10	22.33%	21.33%	19.36%	17.25%	<5	16,788	1,278	7.6%
FY09	-10.80%	-14.66%			<5	11,296	1,143	10.1%

All returns are in PKR terms

#### **Compliance Statement**

Al Meezan Investment Management Ltd (Al Meezan) claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared this report in compliance with the GIPS standards. Al Meezan has been independently verified by KPMG Taseer Hadi & Co for the periods July 2012 to June 2013. The verification report will be available on request. Verification assesses whether

- (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm -wide basis and
- (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards.

Verification does not ensure the accuracy of any specific composite presentation.



## **Definition of the Firm**

Al Meezan Investment Management Ltd is a joint venture of Meezan Bank (MBL) and Pak Kuwait Investment Company (PKIC), licensed to undertake asset management and investment advisory services by the Security & Exchange Commission of Pakistan (SECP). The Firm includes all Funds under management; and all fee paying and non-fee paying discretionary and non-discretionary portfolios.

## **Policies**

Al Meezan's policies for valuing portfolios, calculating performance and preparing compliant presentations are available on request.

## **Composite Description**

Balanced Composite includes Balanced Mutual Fund that aim to generate long term capital appreciation as well as current income by creating a balanced portfolio that is invested both in high quality equity securities and Islamic Income Instruments such as TFCs, COIs, Certificates of Musharika, Islamic Sukuk, Ready-future hedges, and other such Shariah compliant instruments. A list of all portfolios in the Composite will be available upon request.

## **Benchmark**

The benchmark of the Composite is 50% KMI-30 Index and 50% 6 month Average bank deposit rate of three Islamic banks.

*KMI-30 replaced Dow Jones-JS Pakistan Islamic Index (DJIIMPK) as the benchmark of the Funds, which used DJIIMPK as benchmark, from July 01, 2009 onwards.*

## **List of Composites**

A list of all composite description is available upon request.

## **Significant Events**

1. On June 30, 2013, Meezan Balanced Fund was converted from close-end fund to open-end mutual fund.
2. SECP issued circular no. 1 dated January 2009 regarding Valuation of Debt Securities and Provisioning Criteria of Debt securities. Further amendments to this circular were carried out vide circular 33 and circular 35 of 2012. The provisioning policy of Al-Meezan

is in accordance with the circulars issued by the SECP. The debt securities held by Collective Investment Schemes managed by Al-Meezan were marked down (in 2008) to reflect new changes accordingly.

- Effective from 01 July 2011, through Sindh Sales Tax on Services Act 2011, general sales tax on fund management services has been imposed at the rate 16% effective July 1, 2011. Management fee charged during the period includes general sales tax.

### **Fees**

All returns in this presentation are net of all expenses, which include the Management Fee and Trading Expenses.

### **Fee Schedule**

Management fee of individual portfolios within the Composite are given below:

Meezan Balanced Fund	2.00%
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*There is currently no Back-end load, but a Contingent Load is applicable in case of Meezan Balanced Fund.*

### **Provision for WWF**

Provision for Workers Welfare Fund (WWF) liability has been made by the respective funds. Details appear below:

Portfolio	Provision for WWF (Rs. In million)
MBF	22.94

### **Minimum Portfolio Size**

The minimum portfolio size for inclusion in the composite is Rs 100 Million per Fund, which is also a regulatory requirement for starting a Fund.

### **Internal Dispersion**

Since the number of Portfolios in the composite is less than five therefore calculation of internal dispersion is not required.

## **Key Assumptions**

Following are the Key assumptions used in portfolio valuation:

## **Financial instruments**

All the financial assets and liabilities are recognized at the time when the Portfolio becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the contractual rights to receive cash flows related to the asset expire. Financial liabilities are derecognized when they are extinguished, that is, when the obligation specified in the contract is discharged, cancelled, or expires. Any gain or loss on derecognizing of the financial assets and liabilities is taken to the income statement in the period in which it arises.

## **Revenue recognition**

Capital gains on sale of a security are accounted for in the period in which they arise. Dividend income is recognized when the right to receive them is established. Income on bank deposits is recognized on accrual basis.

## **Subjective Unobservable input**

Al Meezan uses (where applicable) subjective inputs for valuing Sukuks in its Collective Investment Schemes and discretionary accounts. The criteria for valuation are in accordance with Circular 1 of 2009, Circular 33 and circular 35, 2012 and "Provisioning Policy" available on the Company's website.

## **Propriety assets in the Composite**

The composite contains investment of Al Meezan, its Management and that of discretionary portfolios.

## **Liability for Income Tax**

Under the Tax Law in Pakistan, the definition of a public company includes a trust formed under any law for the time being in force. The Funds in the Composite are regarded as a public company liable to a tax rate applicable to a public company. The income of the Fund will accordingly be taxed at the following rates:

1. Dividend income at 10%;

2. Capital Gains Tax as applicable according to the relevant law
3. Return from all other sources / instruments are taxable at the rate applicable to a public company.

**Liability for Income Tax, if ninety percent (90%) of the Fund is paid as dividends**

Notwithstanding the tax rate as per applicable Tax Laws of Pakistan, income from the Fund will be exempted from tax if not less than 90% of the income for the year as reduced by capital gains whether realized or unrealized is distributed amongst the Unit Holders as dividend.

The Fund will distribute not less than 90% of its income received or derived from sources other than unrealized capital gains as reduced by such expenses as are chargeable to the Fund.

**Withholding Tax**

Under the provision of Clouse 47(B) of part (IV) of second schedule of the income Tax Ordinance 2001, the income from dividend from (Shariah compliant term finance certificates, Sukuks, return on (Riba free) deposits with banks/financial institutions, return from contracts, securities or instruments of companies, organizations and establishments will not be subject to any withholding tax.

**Taxation of Unit Holders & Liability of Zakat**

a) Withholding tax

Unless exempt from such taxation by applicable law or international agreement, the withholding tax on dividend payment will be as under:

- Public Companies & Takaful companies 10%
- Others 10%

In terms of the provisions of the Income Tax Ordinance, 2001, the withholding tax shall deem to be full and final liability in respect of such distribution for individuals.

b) Capital gains

Capital Gains on disposition of Units in the Fund will be subject to capital gains tax at the applicable tax rates.

Any person, if not satisfied with the computation of capital gain or tax thereon or both made by Management Company in accordance with applicable tax laws, such person may re-compute the capital gain and lodge claim of refund, if any, with the Commissioner of income tax and the Management Company is not liable for any refund of the amount of tax.



c) Zakat Levy

In view of individual nature of tax consequences, each investor is advised to consult with his tax advisor with respect to the specific tax consequences to him of investing in the funds in the Composite.

## Al Meezan Investment Management Limited

### GIPS Compliant Presentation

#### Index Composite

For the Period from June 28, 2009 to December 31, 2013

Composite Name: Al-Meezan Index Composite						Creation Date : 30 June 2008		
Benchmark: KMI30 Index						Currency : Pak Rupees		
Period	Composite Return	Benchmark Return	Composite - STDEV	Benchmark - STDEV	No. of Portfolios	Total Firm Assets (mn)	Composite Assets (mn)	% of Firm Assets
1HFY14	13.93%	15.57%		17.71%	<5	48,249	1,020	2.1%
FY13	49.62%	54.41%		17.22%	<5	46,162	901	2.0%

All returns are in PKR terms

#### **Compliance Statement**

Al Meezan Investment Management Ltd (Al Meezan) claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared this report in compliance with the GIPS standards. Al Meezan has been independently verified by KPMG Taseer Hadi & Co for the periods July 2012 to June 2013. The verification report will be available on request. Verification assesses whether

- (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm -wide basis and
- (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards.

Verification does not ensure the accuracy of any specific composite presentation.

#### **Definition of the Firm**

Al Meezan Investment Management Ltd is a joint venture of Meezan Bank (MBL) and Pak Kuwait Investment Company (PKIC), licensed to undertake asset management and investment advisory services by the Security & Exchange Commission of Pakistan (SECP). The Firm includes all Funds under management; and all fee paying and non-fee paying discretionary and non-discretionary portfolios.

## **Policies**

Al Meezan’s policies for valuing portfolios, calculating performance and preparing compliant presentations are available on request.

## **Composite Description**

Index Composite includes the Passive Strategy Mutual Funds that aim to provide investors an opportunity to track closely the performance of an Equity Index by investing in companies of the Index in proportion to their weightages. A list of all portfolios in the Composite will be available upon request.

## **Benchmark**

The benchmark of the fund is the average return on the KMI-30.

## **List of Composites**

A list of all composite description is available upon request.

## **Fees**

All returns in this presentation are net of all expenses, which include the Management Fee and Trading Expenses.

## **Fee Schedule**

Management fee of individual portfolios within the Composite are given below:

[Redacted]	
<u>KSE Meezan Index Fund</u>	<u>1.00%</u>

*There is currently no Back-end load.*

## **Provision for WWF**

Provision for Workers Welfare Fund (WWF) liability has been made by the respective funds. Details appear below:

Portfolio	Provision for WWF (Rs. In million)
KMIF	1.03

### **Minimum Portfolio Size**

The minimum portfolio size for inclusion in the composite is Rs 100 Million per Fund, which is also a regulatory requirement for starting a Fund.

### **Internal Dispersion**

Since the number of Portfolios in the composite is less than five therefore calculation of internal dispersion is not required.

### **Key Assumptions**

Following are the Key assumptions used in portfolio valuation:

### **Financial instruments**

All the financial assets and liabilities are recognized at the time when the Portfolio becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the contractual rights to receive cash flows related to the asset expire. Financial liabilities are derecognized when they are extinguished, that is, when the obligation specified in the contract is discharged, cancelled, or expires. Any gain or loss on derecognizing of the financial assets and liabilities is taken to the income statement in the period in which it arises.

### **Revenue recognition**

Capital gains on sale of a security are accounted for in the period in which they arise. Dividend income is recognized when the right to receive them is established. Income on bank deposits is recognized on accrual basis.



## **Propriety assets in the Composite**

The composite contains investment of Al Meezan, its Management and that of discretionary portfolios.

## **Liability for Income Tax**

Under the Tax Law in Pakistan, the definition of a public company includes a trust formed under any law for the time being in force. The Funds in the Composite are regarded as a public company liable to a tax rate applicable to a public company. The income of the Fund will accordingly be taxed at the following rates:

1. Dividend income at 10%;
2. Capital Gains Tax as applicable according to the relevant law
3. Return from all other sources / instruments are taxable at the rate applicable to a public company.

## **Liability for Income Tax, if ninety percent (90%) of the Fund is paid as dividends**

Notwithstanding the tax rate as per applicable Tax Laws of Pakistan, income from the Fund will be exempted from tax if not less than 90% of the income for the year as reduced by capital gains whether realized or unrealized is distributed amongst the Unit Holders as dividend.

The Fund will distribute not less than 90% of its income received or derived from sources other than unrealized capital gains as reduced by such expenses as are chargeable to the Fund.

## **Withholding Tax**

Under the provision of Clouse 47(B) of part (IV) of second schedule of the income Tax Ordinance 2001, the Fund's income from dividend from (Shariah compliant term finance certificates, Sukuks, return on (Riba free) deposits with banks/financial institutions, return from contracts, securities or instruments of companies, organizations and establishments will not be subject to any withholding tax.

## **Taxation of Unit Holders & Liability of Zakat**

- a) Withholding tax

Unless exempt from such taxation by applicable law or international agreement, the withholding tax on dividend payment will be as under:

- Public Companies & Takaful companies 10%



- Others 10%

In terms of the provisions of the Income Tax Ordinance, 2001, the withholding tax shall deem to be full and final liability in respect of such distribution for individuals.

b) Capital gains

Capital Gains on disposition of Units in the Fund will be subject to capital gains tax at the applicable tax rates.

Any person, if not satisfied with the computation of capital gain or tax thereon or both made by Management Company in accordance with applicable tax laws, such person may re-compute the capital gain and lodge claim of refund, if any, with the Commissioner of income tax and the Management Company is not liable for any refund of the amount of tax.

c) Zakat Levy

In view of individual nature of tax consequences, each investor is advised to consult with his tax advisor with respect to the specific tax consequences to him of investing in the funds in the Composite.



**Al Meezan Investment Management Limited**  
**GIPS Compliant Presentation**  
**Capital Protected Composite**  
**For the Period from June 28, 2009 to December 31, 2013**

<b>Composite Name:</b> Al-Meezan Capital Protected Composite						<b>Creation Date :</b> 30 June 2008		
<b>Benchmark:</b> 75% Bank Deposit + 25% KMI-30 Index						<b>Currency :</b> Pak Rupees		
<b>Period</b>	<b>Composite Return</b>	<b>Benchmark Return</b>	<b>Composite - STDEV</b>	<b>Benchmark - STDEV</b>	<b>No. of Portfolios</b>	<b>Total Firm Assets (mn)</b>	<b>Composite Assets (mn)</b>	<b>% of Firm Assets</b>
1HFY14	5.89%	6.30%	3.23%	4.41%	<5	48,249	511	1.1%
FY13	15.21%	18.76%	2.85%	4.30%	<5	46,162	506	1.1%
FY12	12.89%	9.48%	2.96%	4.61%	<5	38,889	443	1.1%
FY11	14.12%	17.13%	5.45%	8.40%	<5	29,740	724	2.4%
FY10	14.07%	14.83%			<5	16,788	637	3.8%
FY09	0.75%	-4.14%			<5	11,296	582	5.2%

- All returns are in PKR terms

**Compliance Statement**

Al Meezan Investment Management Ltd (Al Meezan) claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared this report in compliance with the GIPS standards. Al Meezan has been independently verified by KPMG Taseer Hadi & Co for the periods July 2012 to June 2013. The verification report will be available on request. Verification assesses whether

- (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm -wide basis and
- (2) the firm’s policies and procedures are designed to calculate and present performance in compliance with the GIPS standards.

Verification does not ensure the accuracy of any specific composite presentation.



## **Definition of the Firm**

Al Meezan Investment Management Ltd is a joint venture of Meezan Bank (MBL) and Pak Kuwait Investment Company (PKIC), licensed to undertake asset management and investment advisory services by the Security & Exchange Commission of Pakistan (SECP). The Firm includes all Funds under management; and all fee paying and non-fee paying discretionary and non-discretionary portfolios.

## **Policies**

Al Meezan's policies for valuing portfolios, calculating performance and preparing compliant presentations are available on request.

## **Composite Description**

Capital Protected Composite includes the Capital Protected Mutual Funds that aim to pay back investors, under certain conditions, their Principal Investment and to provide them with a high level of total return over the life of the Fund in a Shariah compliant manner. A list of all portfolios in the Composite will be available upon request.

## **Benchmark**

The benchmark is the rate of return on Bank Deposits for three Islamic Banks and KMI-30 in weightages of the Capital Protection and Investment Segments of the Fund respectively.

KMI-30 replaced Dow Jones-JS Pakistan Islamic Index (DJIIMPK) as the benchmark of the Funds, which used DJIIMPK as benchmark, from July 01, 2009 onwards.

## **List of Composites**

A list of all composite description is available upon request.

## **Significant Events**

1. Effective from 01 July 2011, through Sindh Sales Tax on Services Act 2011, general sales tax on fund management services has been imposed at the rate 16% effective July 1, 2011. Management fee charged during the period includes general sales tax.

## **Fees**

All returns in this presentation are net of all expenses, which include the Management Fee and Trading Expenses.

## **Fee Schedule**

Management fee of individual portfolios within the Composite are given below:

Meezan Capital Protected Fund -II	1.50%
Meezan Capital Protected Fund -I	3% of Investment Segment; 1% of Capital Protected segment

*There is currently a contingent Back-end load, in case of Meezan Capital Protected Fund II.*

## **Provision for WWF**

Provision for Workers Welfare Fund (WWF) liability has been made by the respective funds. Details appear below:

<b>Portfolio</b>	<b>Provision for WWF (Rs. In million)</b>
MCPF-II	1.69

## **Minimum Portfolio Size**

The minimum portfolio size for inclusion in the composite is Rs 100 Million per Fund, which is also a regulatory requirement for starting a Fund.

## **Internal Dispersion**

Since the number of Portfolios in the composite is less than five therefore calculation of internal dispersion is not required.

## **Key Assumptions**

Following are the Key assumptions used in portfolio valuation:



Pure. Profit.

# Al Meezan Investment Management Limited

## **Financial instruments**

All the financial assets and liabilities are recognized at the time when the Portfolio becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the contractual rights to receive cash flows related to the asset expire. Financial liabilities are derecognized when they are extinguished, that is, when the obligation specified in the contract is discharged, cancelled, or expires. Any gain or loss on derecognizing of the financial assets and liabilities is taken to the income statement in the period in which it arises.

## **Revenue recognition**

Capital gains on sale of a security are accounted for in the period in which they arise. Dividend income is recognized when the right to receive them is established. Income on bank deposits is recognized on accrual basis.

## **Subjective Unobservable input Propriety assets in the Composite**

The composite contains investment of Al Meezan, its Management and that of discretionary portfolios.

## **Liability for Income Tax**

Under the Tax Law in Pakistan, the definition of a public company includes a trust formed under any law for the time being in force. The Funds in the Composite are regarded as a public company liable to a tax rate applicable to a public company. The income of the Fund will accordingly be taxed at the following rates:

1. Dividend income at 10%;
2. Capital Gains Tax as applicable according to the relevant law
3. Return from all other sources / instruments are taxable at the rate applicable to a public company.

## **Liability for Income Tax, if ninety percent (90%) of the Fund is paid as dividends**

Notwithstanding the tax rate as per applicable Tax Laws of Pakistan, income from the Fund will be exempted from tax if not less than 90% of the income for the year as reduced by capital gains whether realized or unrealized is distributed amongst the Unit Holders as dividend.

The Fund will distribute not less than 90% of its income received or derived from sources other than unrealized capital gains as reduced by such expenses as are chargeable to the Fund.

## **Withholding Tax**

Under the provision of Clouse 47(B) of part (IV) of second schedule of the income Tax Ordinance 2001, the Fund's income from dividend from (Shariah compliant term finance certificates, Sukuks, return on (Riba free) deposits with banks/financial institutions, return from contracts, securities or instruments of companies, organizations and establishments will not be subject to any withholding tax.

## **Taxation of Unit Holders & Liability of Zakat**

### a) Withholding tax

Unless exempt from such taxation by applicable law or international agreement, the withholding tax on dividend payment will be as under:

- Public Companies & Takaful companies 10%
- Others 10%

In terms of the provisions of the Income Tax Ordinance, 2001, the withholding tax shall deem to be full and final liability in respect of such distribution for individuals.

### b) Capital gains

Capital Gains on disposition of Units in the Fund will be subject to capital gains tax at the applicable tax rates.

Any person, if not satisfied with the computation of capital gain or tax thereon or both made by Management Company in accordance with applicable tax laws, such person may re-compute the capital gain and lodge claim of refund, if any, with the Commissioner of income tax and the Management Company is not liable for any refund of the amount of tax.

### c) Zakat Levy

In view of individual nature of tax consequences, each investor is advised to consult with his tax advisor with respect to the specific tax consequences to him of invest