

**2<sup>nd</sup> Supplemental Offering Document**  
**of**  
**Meezan Balanced Fund (MBF)**

**Dated: June 13, 2017**

**2<sup>nd</sup> SUPPLEMENTAL OFFERING DOCUMENT**

**OF**

**MEEZAN BALANCED FUND (MBF)**

**MANAGED BY**

**AL MEEZAN INVESTMENT MANAGEMENT LIMITED**

[An Asset Management Company Licensed under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003]

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Meezan Balanced Fund (the Fund/the Scheme/the Trust/MBF) has been established through a Trust Deed entered into between Al Meezan Investment Management Limited (“Al Meezan Investments” or “Management Company”), the Asset Management Company and Central Depository Company of Pakistan Limited (“CDC”), the Trustee and is registered as a Notified Entity under the Non-Banking Finance Companies and Notified Entities Regulations 2008 (the Regulations)

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**1. Amendment in Clause 2.1.1**

*Clause 2.1.1 is being amended and will be read as follows:*

<b>Description</b>	<b>Minimum Issuer/ Instrument rating</b>	<b>Maximum Exposure</b>	<b>Minimum Exposure</b>
Shares of Shariah Compliant companies listed on the stock exchanges or for whose listing application has been approved by the stock exchanges	N/A	60%	40%
Shariah Compliant fixed income–securities (including Islamic Government securities, Sukuks and commercial papers)	N/A	50%	0%
Cash in Bank Accounts of Islamic Banks and licensed Islamic Banking windows of conventional Banks (Excluding TDR)	A-	60%	10%
Shariah Compliant Spread transactions in Government securities	N/A	25%	0%
Bank deposits in licensed Islamic Banks and licensed Islamic windows of conventional banks	A-	50%	0%
Any other Shariah compliant money market placement or security including but not limited to Certificate of Deposit (CoD), Certificate of Musharaka (CoM), Musharaka, Modaraba, Ijarah, Murabaha (including commodity Murabaha), Salam, Istisna, , reverse	N/A	50%	0%

repos, etc, with financial institutions, as long as they fulfill the requirements of Shariah.			
Shariah Compliant investments outside Pakistan, with prior approval of SECP and SBP	N/A	30% (subject to a cap of USD 15 million)	0%
Any other Shariah compliant investment approved by the Shariah Advisor and SECP.		50%	0%

## Others

Investments shall be made as per the authorized investment limits given above and shall be made according to the following mode of Shariah Transaction such as; principles of Bai'-Mu'ajjal, Bai'-Mussawwama, Bai'-Salam, Istisna'a, Mudaraba, Murabaha and Musharika or any other structure as approved by the Shariah Advisor from time to time.

The Fund may also invest in Shariah compliant government securities, cash in bank accounts, money market placements, deposits, TDRs, Islamic commercial paper, Islamic alternative for reverse repos, TFCs/Sukuks, Islamic CFS, spread transactions, and preference shares as permitted by the Shariah Advisor, and allowed by the Commission for the Fund's category from time to time.

## 2. Amendment in Annexure A

*Annexure A is being amended and will be read as follows:*

A maximum of 3% of NAV can be charged as Front-end Load plus Back-end Load. Current level of Front-end and Back-end Load as decided by the Management Company is as follows:

### Class "A" Units

Front-end Load: 0% - 2%;  
Back-end Load; 0%

### Class "B" Units

Redemption of Initial Units shall be subject to Back End Load at the following rates:-

<u>Period of Redemption</u>	<u>Back-end Load</u>
<i>Redemption of Initial Units within six months of conversion into open end scheme from the Effective Date</i>	<i>10% of Net Asset Value per Unit</i>
<i>Redemption of Initial Units after six months, but within one year of conversion into open end scheme from the Effective Date</i>	<i>5% of Net Asset Value per Unit</i>
<i>Redemption of Initial Units after one year of conversion into open end scheme from the Effective Date</i>	<i>No Back end Load</i>

The Back End Load charged as above shall form part of the Trust Property.

**Note:**

No Front-end Load will be charged if the investor approaches directly for investment or where transactions are done online, through the relevant website.

**Current Level of Management Fee:** 2% of average annual net assets calculated on a daily basis

**Business Hours & Cut-Off Timing**

The day time on a Dealing Day for dealing in Units is from 9:00AM till 4:00 PM

Any change in the Business Hours/Cut-off Time shall be notified through website of the Management Company, under intimation to the trustee.

Further, Cut-Off Timings/Business Hours for the month of Ramadan shall be notified to Unit-Holders via the Company's website.

However, any increase in Management Fee, Front End Load or Back end Load shall be implemented with prior approval of the SECP.

Further, any increase in management fee and back end load shall be subject to giving a ninety (90) days prior notice to the unit holders and the unit holders shall be given an option to exit at the applicable NAV without charge of any exit load.