

Supplementary Offering Document –III

Of

Meezan Cash Fund

Dated: August 6, 2013

SUPPLEMENTAL OFFERING DOCUMENT –III

OF

MEEZAN CASH FUND

MANAGED BY

AL MEEZAN INVESTMENT MANAGEMENT LIMITED

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

Meezan Cash Fund (the Fund/the Scheme/the Trust/MCF) 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)

1. Amendments in Clause 3.10

The entire Clause 3.10 is being amended and read as follows:

The Units of MCF are not bank deposits and are neither issued by, insured by, obligation of, nor otherwise supported by the SECP, any Government Agency, Trustee (except to the extent specifically stated in this document and the Trust Deed) or any of the shareholders of the Management Company or any of the Core Investors or any other bank or financial institution. The portfolio of MCF is subject to market risks and risks inherent in all such investments.

MCF’s target return/ dividend range cannot be guaranteed. MCF’s Unit price is neither guaranteed nor administered/ managed. It is based on the NAV that may go up or down depending upon the factors and forces affecting the capital markets and interest rates.

Disclosure: “There may be times when a portion of the investment portfolio of the Scheme is not compliant either with the investment policy or the minimum investment criteria of the assigned ‘Category.’ This noncompliance may be due to various reasons including, adverse market conditions, liquidity constraints or investment-specific issues. Investors are advised to study the latest Fund Manager Report specially portfolio composition and Financial Statements of the Scheme to determine what percentage of the assets of the Scheme, if any, is not in compliance with the minimum investment criteria of the assigned Scheme, if any, is not in compliance with the minimum investment criteria of the assigned category.”

2. Amendments in Clause 4.2.9

Principal office, records and Submission of Accounts

The Management Company shall maintain at its principal office, complete and proper accounts and records to enable a complete and accurate view to be formed of the assets and liabilities and the income and expenditure of the Scheme, all transactions for the account of the Scheme, amounts received by the Scheme in respect of issue of Units, payment made by the Scheme on redemption of the Units and by way of distributions and payment made from at the termination of the Scheme. The Management Company shall maintain the books of accounts and other records of the Scheme for a period of not less than ten years.

The Management Company shall within one month of the closing of the first and third quarter and within two months of the closing of the second quarter of each Accounting Period, prepare as per Rules and Regulations and transmit (physically or through electronic means or on the web subject to SECP approval) to the Unit Holder(s), the Trustee and the SECP and Stock Exchange(s) (on which the Units of the Scheme are listed), whether audited or otherwise:

- (i) balance sheet as at the end of that quarter;
- (ii) income statement;
- (iii) cash flow statement;
- (iv) statement of movement in Unit Holders' fund or Net Assets or reserves; and changes in equity for that quarter;
- (v) statement showing the securities owned at the beginning of the relevant period, securities purchased or sold during such period, and the securities held at the end of such period together with the value (at carrying and at market) and the percentage in relation to Net Assets of the Scheme and the issued capital of the person whose securities are owned for that quarter.
- (vi) the Auditor's report of the Scheme; and
- (vii) the Trustee's Report (only in second quarter report)

The Management Company shall, within four months of closing of the Annual Accounting Period of the Scheme, transmit to the Unit Holders, the Trustee, the SECP and Stock Exchange(s) (on which the Units of the Scheme are listed) the annual report as per the

requirements set out in Schedule V of the Regulations, including:

- (i) copy of the balance sheet and income statement;
- (ii) cash flow statement;
- (iii) statement of movement in Unit Holders' fund or Net Assets or reserves; (iv) the Auditor's report of the Scheme; and;
- (v) the Trustee's Report

Provided that the Commission, subject to any conditions it may impose, may allow the Management Company to transmit the said Annual Accounts to the Unit Holders by placing them on the Management Company's website (www.almeezangroup.com). However, if the investor requests the financials shall be provided to them within seven business days free of charge.

3. Amendments in Clause 5.2

The entire Clause 5.2 is being amended and read as follows:

Purchase and Redemption of Units

Units can be purchased and redeemed at the respective Offer and Redemption prices on any Dealing Day during Business Hours. The maximum interval between receipt of a properly documented request for redemption of Units and the payment to the Unit Holder shall not exceed two (2) Business Days. In case of redemption due to periodic payment for administrative arrangement/ bonus encashment, the maximum interval between date of NAV applied for redemption under administrative arrangement and the issuance of payment instrument to the Unit Holder shall not exceed six (6) Business Days. For same day redemption, mechanism as indicated in clause 5.6.10 shall apply.

4. Amendments in Clause 5.6.5 to Clause 5.6.13

The entire Clause 5.6.5 to Clause 5.6.13 and its sub-clauses are being renumbered as 5.6.6 to 5.6.14.

5. New Insertion as Clause 5.6.5

A Clause is being inserted between Clause 5.6.4 and now renumbered Clause 5.6.6. The new Clause 5.6.5 reads as follows:

The Management Company shall announce the Offer and Redemption Price on a daily basis on all Subscription Days as per the direction of the Commission from time to time. The Redemption Price at which Units shall be redeemed shall be the price fixed by the Management Company under the terms of the Deed. In order to facilitate the Investors, same day redemptions under a methodology as indicated in this Clause 5.6.10 will be allowed by the Management Company subject to relevant Clauses 5.5 and 5.6 of this Offering Document. However, if the event in Clause 6.3 or Clause 6.4 hereunder comes into application, the redemption value shall be determined in accordance with the procedure laid out in these clauses.

6. Amendments in Clause 5.6.10 to 5.6.14

The entire Clause 5.6.10 to Clause 5.6.14 and their sub-clause are being renumbered as 5.6.11 to 5.6.15.

7. New Insertion as Clause 5.6.10

A Clause is being inserted between Clause 5.6.9 and now renumbered Clause 5.6.11. The new Clause 5.6.10 reads as follows:

Terms & Conditions for facilitation of same day redemptions:

To receive payment within the same Business Day, duly completed redemption form(s) must be received by the Management Company before 09:45 AM., failing which the redemption request(s) may be carried over to the next Business day.

Every Investor submitting the redemption form will be given an acknowledgement of the application that shall carry time and date. The Cut-off Time may be altered by the Management Company from time to time with consent of the Trustee and prior approval of the SECP.

Incase of Same Day Redemption:

i. payment shall be dispatched the same business day where the mode of payment is through cheque/draft/pay order;. OR

ii. payment instructions shall be initiated before the end of banking hours on the same business day to the respective account of the accountholder where the mode of payment is through on-line transfers. (Depending on bank timing of designated bank(s) which may vary from bank to bank.

Subject to duly completed redemption form(s) must be received by the Management Company as per the specified time given above, failing which the redemption request(s) will be carried over to the next Business day.

iii. All bank charges (for online transfer, if levied), may be charged to the Unit Holder(s) as per actual expenses incurred against this online transfer, for the protection of interest of remaining Unit Holders.

It has to be clarified here that the Management Company will not be responsible for any acts or omissions on the part of the bank in concern and delays that may emanate due to their internal or external clearing systems.

(d) Cut-Off Timing:

Cut-off timings for receiving applications for same-day redemption:

9:45 a.m. on all business days. Any change in the cut-off timings during the month of Ramadan shall be notified to investors/Unit-Holders via the Company's website.

Note: For payments due to be made on Saturday (In case Saturday is a business day, or Management Company declares Saturday as a business day), the cut-off timing for receiving redemption request shall be 4.30 pm on the previous day i.e. Friday. For payments due to be made during Ramadan on Saturday, the cut-off time for receiving redemption request shall be notified to investors via the Company's website.

(e) Same Day Redemption facility may not be available to Unit-Holders residing outside Pakistan. Redemption of Units issued outside Pakistan shall be honored within six (6) business days, subject to provisions in the Trust Deed and Offering Document of the Fund.

8. Amendments in Clause 5.6.11 to Clause 5.6.15

The entire Clause 5.6.11 to Clause 5.6.15 and their sub-clauses are being renumbered as 5.6.12 to 5.6.16.

9. New Insertion as Clause 5.6.11

A Clause is being inserted between Clause 5.6.10 and now renumbered Clause 5.6.12. The new Clause 5.6.11 reads as follows:

The Management Company will endeavor on a best efforts basis to honor same day redemption, if redemption requests are received in accordance with this clause and would depend upon the monetary limit for same day clearing as imposed by the State Bank of Pakistan from time to time. However, the Management Company will have the right to accept or defer any redemption request in such case beyond the above mentioned stipulated time to a maximum of two Business Days from the date of receipt of a properly documented request for redemption of Units, provided that the redemption is not suspended before the day on which application is submitted or if the application had been received on the day on which the redemption was suspended.

10. Amendments in Clause 10.3 (c)

The entire Clause 10.3 (c) is being amended and read as follows:

The Management Company shall ensure that the Transfer Agent shall at all reasonable times during business hours give the Trustee and its representatives access to the Register and to all subsidiary documents and records or certified copies thereof and to inspect the same with or without notice and without charge but neither the Trustee nor its representatives shall be entitled to remove the Register or to make any entries therein or alterations thereto and except when the Register is closed in accordance with the provisions of the Deed, the Register shall, subject to such restrictions as may be notified by management company from time to time, be open for a period of at least two hours in each Business Day to the inspection of any Unit Holder without charge. Unit Holder will be entitled to ask for copies of his folio from the Register on any Business Day by applying to the Management Company/Transfer Agent in writing. The Management Company / Transfer Agent shall send an account statement or report to the Unit Holder each time there is an activity in the account i.e., Units are (1) issued/subscribed, (2) redeemed (3) transferred in favor of third person (4) transferred from third person in favor of Unit Holder (5) consolidated / split (6) additional Units are issued against reinvestment of dividend and (7) Conversion. Such statements or report shall be sent by electronic means or ordinary mail to the Unit Holder's address recorded in the Register of Unit Holders within 7 Business Days of the receipt of the request.

11. Amendments in Clause 10.5

The entire Clause 10.5 is being amended and read as follows:

Account Statement

The Management Company/Transfer Agent will send directly to each Unit Holder a non-transferable electronic account statement or report each time there is transaction in the folio, i.e.,

Units are (1) issued/subscribed, (2) redeemed (3) transferred in favor of third person (4) transferred from third person in favor of Unit Holder (5) consolidated / split (6) additional Units are issued against reinvestment of dividend and (7) Conversion. Such statements or report shall be sent by electronic means or ordinary mail to the Unit Holder's address recorded in the Register of Unit Holders within 07 Business Days of the transaction..

12. Amendments in Clause 14.13

The entire Clause 14.13 is being amended and read as follows:

“Business Hours” or **“Cut-off time”** Cut-off timings for receiving applications of issuance, redemption, conversion, transfer and Pledge shall be 3:00 PM on any Business Day. However, the Management Company on Unit Holders' request for same day redemption may accept applications based on last announced NAV if such applications are received before 9:45 AM on any Business Day (except for Saturdays).

Provided that if the last announced NAV exceeds or falls short substantially of the current value of underlying assets due to any unusual circumstances including, but not limited to change in interest rate, monetary policy or any other pronouncement, the Management Company shall defer these redemption applications and the applicable NAV for such redemptions shall be the one announced for that Business Day.

The Cut-Off Time may vary from time to time as may be determined by the Management Company subject to the consent of trustee and the same shall be communicated to the Unit Holders' before which unit transactions shall be effectuated.

13. Deletion of Clause 14.22

The entire Clause 14.22 is being deleted. The following Clauses from 14.23 to 14.71 are being renumbered as 14.22 to 14.70.